



**AJAY B GARG**

CHARTERED ACCOUNTANT

**INDEPENDENT AUDITOR'S REPORT**

To the Members of  
**M/s. ARSS Developers Limited**  
CIN : U45209OR2007PLC009201  
Plot-no-38, Sector-A, Zone-D  
Mancheswar Industrial Estate  
Bhubaneswar-751 010, Odisha.

**Report on the Standalone Ind AS financial Statements**

We have audited the accompanying standalone Ind AS financial statements of **M/s. ARSS Developers Limited** ('the Company'), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

**Management's Responsibility for the Standalone Ind AS 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 standalone Ind AS Financial Statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

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 standalone Ind AS 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 standalone Ind AS financial statements based on our audit.



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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 thereunder.

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 Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. 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 Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the standalone Ind AS financial statements.

## Basis for Qualified Opinion

- a. Recoverability of Sundry Debtors to the tune of Rs. 17.11 Crores is not ascertainable. Moreover, no provision has been made in this regard.
- b. In absence of filing of TDS Returns, the statutory liabilities in this regard are not ascertainable.

## Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, and further to our comments in the 'Annexure-A', we state that except for possible effect of the matter described in the 'Basis for Qualified Opinion' paragraph above, the aforesaid standalone Ind AS 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 including the Ind AS, of the state of affairs of the Company as at 31st March, 2018, and its loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.



**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the 'Annexure-A', a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143 (3) of the Act, we report that:

(a) we have sought and obtained, except for the matter described in the 'Basis for Qualified Opinion' paragraph above, all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid standalone Ind AS financial statements.

(b) except for the possible effect of the matter described in the 'Basis for Qualified Opinion' paragraph above, in our opinion proper books of account 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, the cash flow statement and statement of changes in equity dealt with by this Report are in agreement with the books of account.

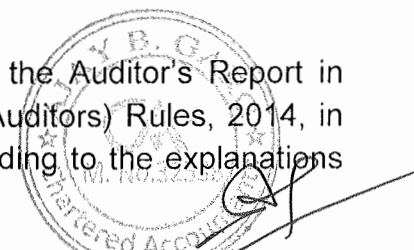
(d) except for the possible effect of the matter described in the 'Basis for Qualified Opinion' paragraph above, in our opinion the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) on the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.

(g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure-B".

(h) 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:





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- i. the Company does not have any pending litigations which would impact its financial position;
- ii. the Company did not have any Long term contract including derivatives contract as such the question of commenting on any material foreseeable losses thereon does not arise.
- iii. there has been not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.

For Ajay B Garg  
Chartered Accountant

A Garg  
Proprietor  
Mem No: 032538

Place of Signature: Mumbai  
Dated : 30<sup>th</sup> May, 2018





**'Annexure – A' to the Independent Auditors' Report**

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the standalone Ind AS financial statements of the Company for the year ended March 31, 2018, we report that:

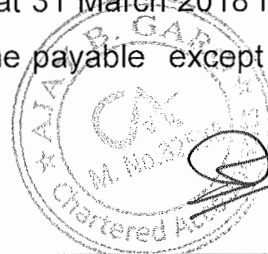
- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner at reasonable interval. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the company.
- (ii) (a) As explained to us, the inventories have been physically verified during the year by the management. In our opinion, having regard to the nature and location of stocks, the frequency of the physical verification is reasonable.
- (b) In our opinion, the discrepancies noticed on physical verification of the inventory were not material in relation to the operations of the Company and the same have been properly dealt with in the books of account.
- (iii) The Company has granted loans amounting to Rs.38.39 Crores to two parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
- (a) In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the bodies corporate listed in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interest of the Company
- (b) In the case of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of the interest, if any applicable; and repayment of principal on demand.



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The terms of arrangements do not stipulate any repayment schedule and the loans are repayable on demand.

- (c) There are no overdue amount for more than 90days in respects of the loan granted to body corporate listed in the register maintained under section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- (v) The Company has not accepted any deposits from the public and hence the paragraph (v) of the Order relating to directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 or any rules framed there under with regard to the deposits accepted from the public are not applicable to the company. Accordingly we have not commented upon the paragraph (v) of the Order.
- (vi) Pursuant to the Companies (Cost records and audit ) Rules 2014 and as prescribed by the Central Government under section 148(1) of the Act, we are of the opinion that prima-facie, the provision of maintenance of prescribed accounts and cost records are not been applicable to the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, duty of excise, service tax, duty of customs, employees' state insurance , value added tax, cess and other material statutory dues have been regularly deposited with few delay in some cases during the year by the Company with the appropriate authorities.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of excise, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31 March 2018 for a period of more than six months from the date they became payable except Income Tax of Rs. 47.87 Lakhs, and TDS of Rs.59.04 Lakhs





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- (c) According to the information and explanations given to us, there are no material dues of wealth tax, duty of customs and cess which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) Based on our Audit procedures and according to information and explanation given to us, the Company has paid dues to banks with certain delay. The Company has not any overdue outstanding dues to financial institutions, banks as at 31<sup>st</sup> March 2018.
- (ix) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments. The term loans have been applied for the purpose for which they were obtained.
- (x) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- (xi) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- (xiii) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Ind AS financial Statements as required by the applicable accounting standards.
- (xiv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- (xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the



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provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

(xvi) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For Ajay B Garg  
Chartered Accountant

A Garg

Mem No: 032538



Place : Mumbai

Dated : 30<sup>th</sup> May, 2018





**'Annexure – B' to the Independent Auditor's Report**

[Referred to in paragraph 2(g) under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the standalone Ind AS financial statements of the Company for the year ended March 31, 2018.]

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **M/s. ARSS Developers Limited** ('the Company'), as of 31 March 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

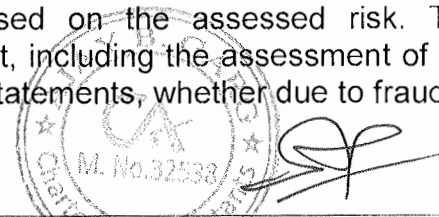
**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.





We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles including the Ind AS. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted accounting principles including the Ind AS, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

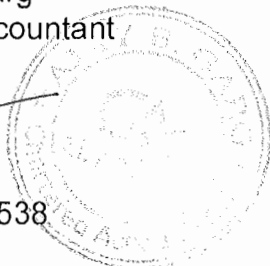
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Ajay B Garg  
Chartered Accountant

  
A Garg  
Mem No: 032538



Place : Mumbai  
Dated : 30<sup>th</sup> May, 2018

**ARSS Developers Limited**  
CIN : U45209OR2007PLC009201

**BALANCE SHEET**

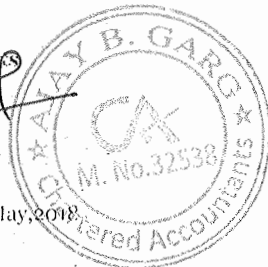
(Rupees in ' Lakhs')

Particulars	Note No.	As at 31st-Mar-18	As at 31st-Mar-17	As at 1st-Apr-16
<b>I. ASSETS</b>				
<b>1. Non-current Assets</b>				
(a) Property, Plant and Equipment	5	312	340	347
(b) Capital Work-in-progress		-	-	-
(c) Intangible Assets		-	-	-
(d) Financial Assets				
(i) Investments	6	2,497	78	78
(ii) Trade Receivables	7	-	-	-
(iii) Loans	8	-	-	-
(iv) Other Financial Assets		-	-	-
(e) Deferred Tax Assets (net)	10	-	-	-
(f) Other Non-Current Assets	9	-	-	-
<b>2. Current Assets</b>				
a. Inventories	11	1,625	1,625	1,525
b. Financial Assets				
(i) Investments	6	-	-	-
(ii) Trade Receivables	7	1,711	1,731	1,755
(iii) Cash & Bank Balance	12	23	25	19
(iv) Bank Balances Other Than Three Above	12	-	-	-
(v) Loans	8	3,845	9,372	11,577
(vi) Other Financial Assets		-	-	-
c. Current Tax Assets (Net)	19	160	160	159
d. Other Current Assets	9	-	-	44
<b>3. Asset Held For Disposal</b>				
		-	-	-
<b>TOTAL ASSETS</b>		<b>10,173</b>	<b>12,332</b>	<b>15,602</b>
<b>II. EQUITY AND LIABILITIES</b>				
<b>1. Equity</b>				
a. Equity Share Capital	13	651	651	651
b. Other Equity	14	(552)	135	561
<b>2. Liabilities</b>				
<b>(i) Non-current Liabilities</b>				
a. Financial Liabilities				
(i) Borrowings	15	578	3,527	-
(ii) Trade Payables	16	-	-	-
(iii) Other Financial Liabilities	17	-	-	-
b. Provisions		-	-	-
c. Deferred Tax Liabilities (net)	10	26	23	18
d. Other Non-current Liabilities	18	25	26	25
<b>(ii) Current Liabilities</b>				
a. Financial Liabilities				
(i) Borrowings	15	2,563	2,753	3,314
(ii) Trade Payables	16	1,789	1,770	1,789
(iii) Other Financial Liabilities	17	4,911	4,292	9,088
b. Provisions		-	-	-
c. Other Current Liabilities	18	182	136	158
d. Current Tax Liability (Net)	19	-	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>10,173</b>	<b>12,332</b>	<b>15,602</b>

Significant Accounting Policies and Notes to Accounts  
Notes Forming Part of Financial Statement

As per our report of even date attached.

For Ajay B Garg  
Chartered Accountants  
(CA. Ajay B Garg)  
Proprietor  
M.No. 032538



For and on behalf of the Board  
Anil Agarwal  
Director  
Sunil Agarwal  
Director

Date: The 30th day of May, 2018  
Bhubaneswar

**ARSS Developers Limited**  
CIN : U45209OR2007PLC009201

**STATEMENT OF PROFIT AND LOSS**

(Rupees in INR' Lakhs)

Particulars	Note No.	For the year ended 31st March, 2018	For the year ended 31st March, 2017
<b>Income</b>			
I. Revenue From Operations	20	10	69
II. Other Income	21	1	26
III. Other Gains/(Losses)		-	-
<b>Total Income</b>		<b>11</b>	<b>95</b>
<b>IV. Expenses</b>			
(a) Cost of Materials Consumed	22	2	-
(b) Cost Of Goods/Services Sold	24	31	3
(c) Change in Inventories (Increase) /Decrease	23	-	-
(d) Depreciation and Amortization expenses	5	28	28
(e) Employee Benefit Expenses	25	14	68
(f) Finance cost	26	631	379
(g) Other Expenses	27	9	18
<b>Total Expenses</b>		<b>715</b>	<b>496</b>
<b>V. Profit Before Exceptional Items and Tax</b>		<b>(704)</b>	<b>(401)</b>
Exceptional Items		-	-
<b>VI. Profit Before Taxes</b>		<b>(704)</b>	<b>(401)</b>
<b>VII. Tax Expenses</b>			
(a) Current Tax		-	-
(b) Tax of Earlier Years		-	-
(c) Deferred Tax	10	(3)	(5)
<b>VIII. Profit (Loss) for the Period</b>		<b>(707)</b>	<b>(406)</b>
<b>IX. Other Comprehensive Income</b>			
<b>A (i) Items that will not be reclassified to profit or loss :</b>			
(a) Changes in investments in equity shares carried at Fair Value through OCI		-	-
(b) Re-measurement of defined employee benefit plans		-	-
<b>(ii) Income tax relating to items that will not be reclassified to profit or loss :</b>			
- on Revaluation Surplus on Property, Plant & Equipment		-	-
- on Re-measurement of defined employee benefit plans		-	-
<b>B (i) Items that will be reclassified to profit or loss :</b>			
(a) Changes in investments other than equity shares carried at Fair Value through OCI (FVOCI)		-	-
<b>(ii) Income tax relating to items that will be reclassified to profit or loss :</b>			
		-	-
<b>X. Total Other comprehensive Income after tax</b>		<b>-</b>	<b>-</b>
<b>XI. Total comprehensive income for the period</b>		<b>(707)</b>	<b>(406)</b>
<b>XII. Earnings per equity share:</b>			
(1) Basic	33	(10.86)	(3.29)
(2) Diluted	33	(10.86)	(3.29)

Significant Accounting Policies and Notes to Accounts  
Notes forming part of Financial statement

As per our report of even date attached.

For Ajay B Garg

Chartered Accountant

(CA. Ajay B Garg)

Pripietor

M.No. - 032538

Date : The 30th day of May, 2018

Bhubaneswar



For and on behalf of the Board

Am A1  
Anil Agarwal  
Director

S. Agarwal  
Sunil Agarwal  
Director

STATEMENT OF CHANGES IN EQUITY

(Rupees in INR' Lakhs)

A. Equity Share Capital

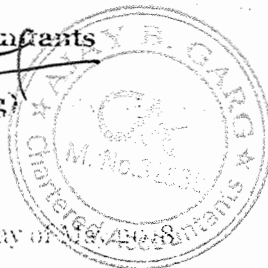
Particulars	Amount
As at 1 April 2016	651
Changes in equity share capital	-
As at 31 March 2017	651
Changes in equity share capital	-
As at 31 March 2018	651

B. Other Equity

Particulars	Attributable to owners of ARSS Developers Limited				Total other equity
	Share Application Money	Reserves & Surplus			
		General Reserves	Securities Premium Reserve	Retained earnings	
Balance at 1 April 2016	-	-	2,072	(1,511)	561
Profit for the year	-	-	-	(406)	(406)
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	-	(406)	(406)
Other Adjustments	-	-	-	-	-
Issue of equity shares	-	-	-	-	-
Dividends paid	-	-	-	-	-
Balance at 31 March 2017	-	-	2,072	(1,917)	155
Profit for the year	-	-	-	(707)	(707)
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	-	(707)	(707)
Issue of equity shares	-	-	-	-	-
Balance at 31 March 2018	-	-	2,072	(2,624)	(552)

As per our report of even date attached.

For Ajay B Garg  
Chartered Accountants  
(CA. Ajay B Garg)  
Proprietor  
M No. - 032538



For and on behalf of the Board

Anil Agarwal  
Director

Sunil Agarwal  
Director

Date : The 30th day of April, 2018  
Bhubaneswar

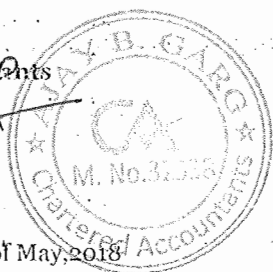
**ARSS Developers Limited**  
CIN : U45209OR2007PLC009201  
**STATEMENT OF CASH FLOWS**

(Rupees in INR' Lakhs)

Particulars	Year Ended 31st March'2018	Year Ended 31st March'2017
<b>Operating Activities</b>		
Profit before tax from continuing operations	(704)	(401)
Profit/(loss) before tax from discontinuing operations	-	-
<b>Profit before tax</b>	<b>(704)</b>	<b>(401)</b>
Adjustments for		
Depreciation on Property, plant and equipment	28	28
Loss/(Gain) on Sale of Property, plant and equipment	-	-
Re-measurement of defined employee benefit plans	-	-
Interest Income	(1)	-
Dividend Income	-	-
<i>Operating profit / (loss) before working capital changes</i>	<b>(677)</b>	<b>(373)</b>
<b>Working capital adjustments:</b>		
Increase/(decrease) in short-term Borrowings	(190)	(559)
Increase/(decrease) in Trade payables	19	(19)
Increase/(decrease) in other current liabilities	46	(22)
Increase/(decrease) in other long-term liabilities	-	-
Decrease/(increase) in trade receivables	20	22
Decrease/(increase) in provisions	-	-
Decrease/(increase) in other current assets	-	44
Decrease/(increase) in other non-current assets	-	-
Decrease/(increase) in other non-current financial assets	-	-
Decrease/(increase) in other current financial liabilities	619	(4,796)
Decrease/(increase) in short-term loans and advances	5,527	2,205
Decrease/(increase) in Long-term loans and advances	-	-
	<b>5,364</b>	<b>(3,498)</b>
Income taxes paid	-	(1)
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES (A)</b>	<b>5,364</b>	<b>(3,499)</b>
<b>Investing Activities</b>		
Purchase of property, plant and equipment	-	(21)
Purchase of Intangible Assets	-	-
Purchase/(Sale) of Investments	(2,419)	-
Interest received (finance income)	1	-
Dividend received (finance income)	-	-
<b>NET CASH OUTFLOW FROM INVESTING ACTIVITIES (B)</b>	<b>(2,418)</b>	<b>(21)</b>
<b>Financing Activities</b>		
Proceeds from issue of equity shares	-	-
Proceeds from securities premium	-	-
Interest paid	-	-
Proceeds/(Repayment) from borrowings	(2,949)	3,527
<b>NET CASH INFLOW (OUTFLOW) FROM FINANCING ACTIVITIES</b>	<b>(2,949)</b>	<b>3,527</b>
<b>Net increase (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(3)</b>	<b>7</b>
Cash and cash equivalents at the beginning of the year	26	19
<b>Cash and cash equivalents at year end</b>	<b>23</b>	<b>26</b>

As per our report of even date attached.

For Ajay B. Garg  
Chartered Accountants  
(CA. Ajay B. Garg)  
Proprietor  
M. No. - 032538



For and on behalf of the Board

Anil Agarwal  
Director

S. Agarwal  
Sunil Agarwal  
Director

Date: The 30th day of May, 2018  
Bhubaneswar.

## Notes to the Financial Statements for the year ended 31st March, 2018

### 1) Company Overview

ARSS Developers Limited (the company) is a public limited company incorporated and domiciled in India. The company is an associated entity of ARSS Infrastructure Projects Limited.

### 2) SIGNIFICANT ACCOUNTING POLICIES

#### 2.1 Basis of preparation

##### (i) Compliance with Ind AS :

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

The financial statements up to year ended 31 March 2017 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

These financial statements are the first financial statements under Ind AS. Refer to **Note No 39** for an explanation of how the transition from previous GAAP to Ind AS has affected the company financial position, financial performance and cash flows.

##### (ii) Historical cost convention :

The financial statements have been prepared under the historical cost convention, except for the following:

- a) Certain financial assets and liabilities that is measured at fair value;
- b) Net Defined Obligations
- c) Assets held for sale

##### (iii) Current And Non -Current Classification

All assets and liabilities have been classified as current and non-current as per the company's operating cycle and other criteria set out in the Division II of Schedule III to the Companies Act 2013. The company has ascertained its operating cycle as 12 months for the purpose of current and non-current classifications.

#### 2.2 Property, plant and equipment, Intangible Assets and Capital Work-in-progress

##### i) Recognition and Measurement

All other items of property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

The cost of Property, plant and equipment not available for use as on each reporting date are disclosed under capital work-in-progress.

##### ii) Transition to Ind AS

On transition to Ind AS, the entity has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.



## Notes to the Financial Statements for the year ended 31st March, 2018

### iii) Depreciation methods, estimated useful lives and residual value

- a) Depreciation is calculated using the Straight Line Method (SLM) to allocate their cost, net of their residual values over their estimated useful life. The useful life has been determined based on the technical evaluation done by the independent experts.
- b) Any asset whose aggregate actual cost does not exceed five thousand rupees has been fully charged off in the year of addition.
- c) The residual values are not more than 5% of the original cost of the assets. The asset's residual values and useful life are reviewed and adjusted at the end of each reporting period.
- d) Depreciation on assets purchased/acquired during the year is charged from the date of purchase of the assets. Assets that are acquired during the year are depreciated on pro rata basis from the date of such addition or, as the case may be, up to the date on which such assets has been derecognized.
- e) An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.
- f) Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).
- g) Leasehold land has been amortized over corresponding lease period.

### 2.3 Revenue recognition :

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The specific recognition criteria described below must also be met before revenue is recognised.

#### Contract revenue (Construction Contracts) :

Contract revenue and contract cost associated with the construction of road are recognised as revenue and expenses respectively by reference to the stage of completion of the projects at the balance sheet date. The stage of completion of project is determined by the proportion that contract cost incurred for work performed up to the balance sheet date bear to the estimated total contract costs. Where the outcome of the construction cannot be estimated reliably, revenue is recognised to the extent of the construction costs incurred if it is probable that they will be recoverable. If total cost is estimated to exceed total contract revenue, the Company provides for foreseeable loss. Contract revenue earned in excess of billing has been reflected as unbilled revenue and billing in excess of contract revenue has been reflected as unearned revenue.

### 2.4 Other Incomes

- a) Dividends shall be recognised as revenue when the shareholder's right to receive payment is established.
- b) Interest shall be recognised as revenue using the effective interest method as set out in Ind AS 109.
- c) Revenue other than above is recognised only when it is probable that the economic benefits associated with the transaction will flow to the entity. However, when an uncertainty arises about the collectability of an amount already included in revenue, the uncollectible amount or the amount in respect of which recovery has ceased to be probable is recognised as an expense, rather than as an adjustment of the amount of revenue originally recognised.







## Notes to the Financial Statements for the year ended 31st March, 2018

### Subsequent Measurement:

There are three subsequent measurement categories into which the company classifies its debt instrument financial assets:

#### # measured at amortized cost

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding.

#### ## measured at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income, if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

#### ### measured at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or fair value through other comprehensive income on initial recognition.

### Equity instruments :

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments recognised at the proceeds received net off direct issue cost.

All equity instruments classified under financial assets are subsequently measured at fair value. The company has made an irrevocable election at the time of initial recognition to account for the equity instrument at fair value through other comprehensive income.

### c) Impairment of Financial Assets :

The company assesses on forward looking basis the expected credit losses associated with its assets carried at amortized costs. The impairment methodology applied depends on whether there has been a significant increase in credit risks.

For trade receivables only, the company applies the simplified approach permitted by Ind AS 109, "Financial Instruments", which requires expected life time losses to be recognized from initial recognition of the receivables.

### d) Derecognition of Financial Assets :

A financial asset is derecognized only when :

The company has transferred the rights to receive cash flows from the financial assets or

Retains the contractual rights to receive the cash flows of the financial assets but assumes a contractual obligation to pay the cash flows to one or more recipients.



## Notes to the Financial Statements for the year ended 31st March, 2018

### Financial Liabilities

#### a) Borrowings :

- i. Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method.
- ii. Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).
- iii. Borrowings are classified as current liabilities unless the entity has an unconditional right to defer, settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

#### b) Trade and other payables :

These amounts represent liabilities for goods and services provided to the entity prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 45 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortized cost using the effective interest method.

#### c) Other Financial Liabilities

Financial liabilities are measured at amortized cost using effective interest method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

Interest bearing loans and borrowings are subsequently measured at amortized cost using effective interest rate method. Gain and losses are recognized in profit and loss when the liabilities are derecognized.

#### d) Offsetting of Financial Instruments:

A financial asset and a financial liability shall be offset and the net amount shall be presented in the balance sheet when, and only when, an entity:

- (a) currently has a legally enforceable right to set off the recognised amounts; and
- (b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

### 2.7 Employee benefits :

#### (i) Short-term employee benefit obligations

Liabilities for wages and salaries, including non-monetary benefits, that are expected to be settled wholly within 12 months, after the end of the period, in which the employees render the related service, are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

All Short term employee benefits such as salaries, incentives, special award, medical benefits which fall due within 12 months of the period in which the employee renders related services, which entitles him to avail such benefits and non accumulating compensated absences (like maternity leave and sick leave) are recognized on an undiscounted basis and charged to Profit and Loss Statement.



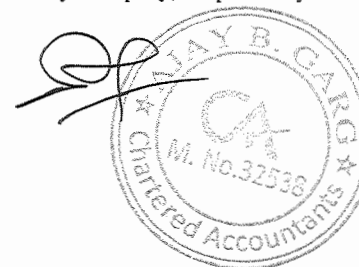
## Notes to the Financial Statements for the year ended 31st March, 2018

### (ii) Post-employment obligations Provident fund obligations

Contribution to the provident fund, which is a defined contribution plan, made to the Regional Provident Fund Commissioner is charged to the Profit and loss Statement on accrual basis.

### 2.8 Income tax :

- i. The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.
- ii. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.
- iii. Current income tax expense comprises taxes on income from operations in India and is determined in accordance with the provisions of the Income Tax Act, 1961. Minimum Alternate Tax (MAT) is paid in accordance with the tax laws, which gives rise to future economic benefits in the form of tax credit against future income tax liability. The company offsets on a year on basis, the current tax assets and liabilities, where it intends to settle such assets and liabilities on a net basis. The current tax expense recognized in the financial statements is net off MAT credit utilized during the period.
- iv. Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.
- v. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.
- vi. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.
- vii. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.



## Notes to the Financial Statements for the year ended 31st March, 2018

### 2.9 Cash and cash equivalents :

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of twelve months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

### 2.10 Borrowing costs :

- a) General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.
- b) Other borrowing costs are expensed in the period in which they are incurred.

### 2.11 Provisions & Contingent Liabilities:

- a) A provision is recognized if, as a result of a past event, the Company has a present legal obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability. Contingent assets are not recognized.
- b) Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

### 2.12 Contributed equity :

#### a) Equity:

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

#### b) Dividends :

Provisions is made for any amount of dividend declared , being appropriately authorized and no longer at the discretion of the entity, on or before the end of reporting period but not distributed at the end of the reporting period.

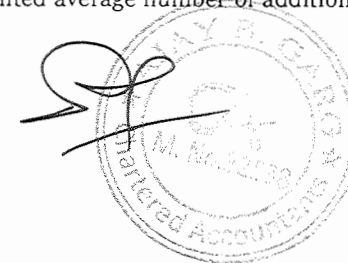
### 2.13 Earning Per Share

#### a) Basic Earning Per Share

Basic Earning Per Share is calculated by dividing the profit attributable to owners of the company by the weighted average number of equity shares outstanding during the financial year.

#### b) Diluted Earning Per Share

Diluted Earning Per Share adjusts the figures used in the determination of the basic earning per share to take into account the after income tax effect of interests or other finance costs associated with the dilutive potential equity shares and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.



## Notes to the Financial Statements for the year ended 31st March, 2018

### 2.14 Segment Reporting

Ind AS 108 establishes standards for the way that business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. The Company's operations predominantly relate to providing end-to-end business solutions to enable clients to enhance business performance. Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments. Accordingly, information has been presented both along business segments and geographic segments. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the significant accounting policies. There is only one operating segment and geographic segment and therefore no separate disclosures are considered necessary.

### 2.15 Rounding of amounts :

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lakhs as per the requirement of Division II of Schedule III to the Act, unless otherwise stated.



## Notes to the Financial Statements for the year ended 31st March, 2018

### 3) Recent Accounting Pronouncement :

Accounting Pronouncement Issued but not effective :

#### a) Ind AS 115- Revenue from Contract with Customers:

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch-up approach) The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018.

The Company will adopt the standard on April 1, 2018 by using the cumulative catch-up transition method and accordingly comparatives for the year ending or ended March 31, 2018 will not be retrospectively adjusted. The effect on adoption of Ind AS 115 is expected to be insignificant.



## Notes to the Financial Statements for the year ended 31st March, 2018

### 4) Critical Estimates and Judgments:

#### a) Use of Estimates :

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed below. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

#### b) Critical Accounting Estimates :

##### i) Property, plant and equipment

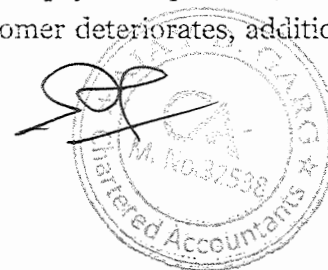
Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful life and residual values of company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The life is based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

##### ii) Income Taxes :

The Company's major tax jurisdictions is India. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

##### iii) Impairment of trade receivables

The company estimates the uncollectibility of accounts receivables by analysing historical payment patterns, customer concentrations, customer credit worthiness and current economic trends. If the financial condition of customer deteriorates, additional allowances may be required.





Notes to the Financial Statements for the year ended 31st March, 2018

Note-5: Property, Plant and Equipment

Particulars	Freehold Land	Leasehold Land	Freehold Buildings	Furniture, Fixings and Equipment	Plant and Equipment	Office Equipment	Vehicles	TOTAL	Capital Work-in-Progress	Intangible Assets
<b>Gross Carrying Amount</b>										
At 1st April, 2016	-	-	-	15	370	7	15	407	-	-
Additions/Adjustments during the year	-	-	-	-	21	-	-	21	-	-
Disposals/Adjustment during the year	-	-	-	-	-	-	-	-	-	-
At 31st March, 2017	-	-	-	15	391	7.00	15	428	-	-
Additions/Adjustments during the year	-	-	-	-	-	-	-	-	-	-
Disposals/Adjustment during the year	-	-	-	-	-	-	-	-	-	-
At 31st March, 2018	-	-	-	15	391	7.00	15	428	-	-
<b>Accumulated Depreciation and Impairment</b>										
At 1st April, 2016	-	-	-	3	42	7	8	60	-	-
Depreciation charge for the year	-	-	-	1	25	-	2	28	-	-
Disposals/Adjustment during the year	-	-	-	-	-	-	-	-	-	-
At 31st March, 2017	-	-	-	4	67	7	10	88	-	-
Depreciation charge for the year	-	-	-	1	25	-	2	28	-	-
Disposals/Adjustment during the year	-	-	-	-	-	-	-	-	-	-
At 31st March, 2018	-	-	-	5	92	7	12	116	-	-
Net Book Value At 31st March, 2018	-	-	-	10	399	-	3	312	-	-
Net Book Value At 31st March, 2017	-	-	-	11	324	-	5	340	-	-
Deemed cost At 1st April, 2016	-	-	-	12	328	-	7	347	-	-

Net Book Value / At Deemed Cost on 1st Apr 2016	As at 31st March 2018 INR Lakhs	As at 31st March 2017 INR Lakhs	As at 1st April, 2016 INR Lakhs
Property, Plant and Equipment	312	340	347
Capital Work-in-progress	-	-	-
Intangible Assets	-	-	-



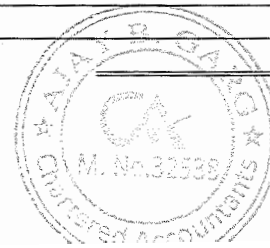
## Notes to the Financial Statements for the year ended 31st March, 2018

### Note 6: Investments

Particulars	As at 31st March'2018	As at 31st March'2017	As at 1st April'2016
<b>Investment in Equity Instruments</b>			
<b>Unquoted at Cost</b>			
<b>Investment in Subsidiary Entities</b>			
2,70,700 Equity Shares of Par Value of Rs. 10/- each fully paid in North West sales & Marketing Limited	78	78	78
<b>Investment in Associate Entities</b>			
3183480 Equity Shares of Par Value of Rs. 10/- each fully paid in ARSS Infrastructure Projects Ltd	2,419	-	-
<b>Investment in Joint Ventures</b>	-	-	-
<b>Total</b>	<b>2,497</b>	<b>78</b>	<b>78</b>
<b>(i) Non-current</b>	2,497	78	78
<b>(ii) Current</b>	-	-	-
<b>Category wise Investments:</b>			
At Amortized Cost	2,497	78	78
At Fairvalue through Profit & Loss (FVPL)	-	-	-
At Fairvalue through Other Comprehensive Income (FVOCI)	-	-	-

### Note 7: Trade Receivables

Particulars	As at 31st March'2018	As at 31st March'2017	As at 1st April'2016
<b>Secured, considered good</b>			
<b>(i) Non-Current</b>			
<b>Sub-Total</b>	-	-	-
<b>(ii) Current</b>			
Gross Trade Receivables	1,725	1,745	1,767
Less: Trade Receivable Written off	(14)	(14)	(14)
Less: Impairment loss/(Gain) on financial assets			-
<b>Sub-Total</b>	<b>1,711</b>	<b>1,731</b>	<b>1,753</b>
<b>Total</b>	<b>1,711</b>	<b>1,731</b>	<b>1,753</b>



## Notes to the Financial Statements for the year ended 31st March, 2018

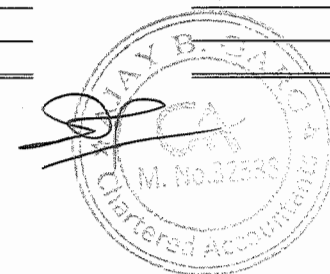
### Note 8: Loans

Particulars	As at 31st March'2018	As at 31st March'2017	As at 1st April'2016
<b>Secured, considered good</b>			
<b>(i) Non Current</b>			
Security Deposit			
-'Government authorities	-	-	-
-'Others	-	-	-
Loans and Advances	-	-	-
<b>Sub-Total</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>(ii) Current</b>			
Security Deposit			
-'Government authorities			
-'Others*	6	6	6
Loans to related party	3,839	9,361	11,566
Loans to Others	-	5	5
<b>Sub-Total</b>	<b>3,845</b>	<b>9,372</b>	<b>11,577</b>
<b>Total</b>	<b>3,845</b>	<b>9,372</b>	<b>11,577</b>

\*Others Includes Security Deposit & Withheld money receivable.

### Note 9: Other Assets

Particulars	As at 31st March'2018	As at 31st March'2017	As at 1st April'2016
<b>(i) Non-Current</b>			
Capital Advance	-	-	-
<b>Sub-Total</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>(ii) Current</b>			
Prepaid Expenses			-
Balances with Statutory Authorities	-	-	44
Vendor Advances	-	-	-
<b>Sub-Total</b>	<b>-</b>	<b>-</b>	<b>44</b>
<b>Total</b>	<b>-</b>	<b>-</b>	<b>44</b>



## Notes to the Financial Statements for the year ended 31st March, 2018

### Note 10: Deferred tax assets/(liabilities)(net)

Particulars	As at 31st March'2018	As at 31st March'2017	As at 1st April'2016
Property, plant and equipment	-26	-23	(18)
Asset Held For Disposal	-	-	-
Employee Benefit Obligation	-	-	-
Impairment loss/(gain) on financial assets	-	-	-
Minimum Alternate Tax(MAT)	-	-	-
Brought forward losses	-	-	-
<b>Total</b>	<b>(26)</b>	<b>(23)</b>	<b>(18)</b>

### Note 11: Inventories

Particulars	As at 31st March'2018	As at 31st March'2017	As at 1st April'2016
a. Materials at Site	-	-	-
b. Stores, Spares & Loose Tools	-	-	-
c. Work In Progress	1,625	1,625	1,625
d. Finished Goods	-	-	-
<b>Total</b>	<b>1,625</b>	<b>1,625</b>	<b>1,625</b>

### Note 12: Cash and Bank Balance

Particulars	As at 31st March'2018	As at 31st March'2017	As at 1st April'2016
<b>Balances with banks</b>			
(i) Cash at bank	22	24	18
(ii) Cash on hand	1	2	1
Less: Bank overdraft	-	-	-
<b>Total</b>	<b>23</b>	<b>26</b>	<b>19</b>
<b>Less: Balances In Bank Other Than Above*</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>23</b>	<b>26</b>	<b>19</b>
<b>Details of Cash at Bank :</b>			
In Current Account	2	5	1
In Fixed Deposits	20	19	18



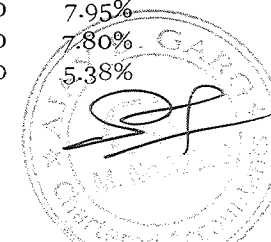
## Notes to the Financial Statements for the year ended 31st March, 2018

### Note 13: Share Capital

Particulars	As at 31st March'2018	As at 31st March'2017	As at 1st April'2016
<b>(A) Authorised Shares Capital</b>			
<b>Equity Shares ::</b>			
1,00,00,000 (As on 31st March 2017 1,00,00,000 As on 31st March 2016 1,00,00,000) Equity Shares of Rs.10/- Each	1,000	1,000	1,000
<b>(B) Issued, Subscribed and Paid Up Equity Shares:</b>			
65,08,416 (As on 31st March 2017 65,08,416 As on 31st March 2016 65,08,416 ) equity shares of Rs. 10 each fully paid up	651	651	651
<b>Total</b>	<b>651</b>	<b>651</b>	<b>651</b>

(C) Reconciliation of Number of Shares	As at 31st March'2018	As at 31st March'2017	As at 1st April'2016
<b>i) Reconciliation of number of Equity shares are set out below:</b>			
a) Shares outstanding at the beginning of the financial year.	6,508,416	6,508,416	6,508,416
b) Issued during the year	-	-	-
c) Shares forfeited/brought back/cancelled during the year	-	-	-
d) Shares outstanding at the end of the financial year	<b>6,508,416</b>	<b>6,508,416</b>	<b>6,508,416</b>

(D) Details of shareholders holding more than 5% of shares	As at 31st March'2018		As at 31st March'2017		As at 1st April'2016	
Name of the Shareholders	% Held	No. of Shares	% Held	No. of Shares	% Held	No. of Shares
<b>Equity Shares:</b>						
ARSS Infrastructure Projects Limited	38.41%	2,500,000	38.41%	2,500,000	38.41%	2,500,000
Rajesh Agarwal	13.64%	887,500	13.64%	887,500	13.64%	887,500
Subash Agarwal	12.83%	835,000	12.83%	835,000	12.83%	835,000
Sunil Agarwal	7.95%	517,500	7.95%	517,500	7.95%	517,500
Anil Agarwal	7.80%	507,500	7.80%	507,500	7.80%	507,500
Prateek Agarwal	5.38%	350,000	5.38%	350,000	5.38%	350,000



## Notes to the Financial Statements for the year ended 31st March, 2018

(i) 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.

(ii) 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.

(iii) 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.

(E) There are no shares reserved for issue under options and contracts or commitments for the sale of shares or disinvestment.

(F) For the period of five years immediately preceding the date at which the balance sheet prepared the company has not :

(i) Allotted any shares as fully paid up pursuant to contract without payment being received.

(ii) Allotted any shares as fully paid up by way of bonus, and

(iii) Bought back any shares

### Note-14: Other Equity

Particulars	As at 31st March'2018	As at 31st March'2017	As at 1st April'2016
<b>a. Securities Premium</b>			
Opening Balance	2,072	2,072	2,072
Add:-Additions during the year	-	-	-
<b>Sub Total</b>	<b>2,072</b>	<b>2,072</b>	<b>2,072</b>
<b>c. Retained Earnings</b>			
Opening Balance/ As on Transition Date	(1,917)	(1,511)	(1,510)
Add: Profit/(Loss) during the year	(707)	(406)	-
Add :Re-measurement of defined employee benefit plans through OCI	-	-	-
Less: Deferred Tax liability / (Assets) on Transition date	-	-	(1)
Less; Impairment loss on financial assets	-	-	-
Add: Depreciation on Capital Stores classified as PPE on transition date	-	-	-
<b>Sub Total</b>	<b>(2,624)</b>	<b>(1,917)</b>	<b>(1,511)</b>
<b>Grand Totals</b>	<b>(552)</b>	<b>155</b>	<b>561</b>



## Notes to the Financial Statements for the year ended 31st March,2018

### Note 15: Borrowings

Particulars	As at 31st March'2018	As at 31st March'2017	As at 1st April'2016
<b>(i) Non-Current Borrowings</b>			
(a) Term Loan From Banks	1,614	1,352	1
(b) Term Loan From Others (IFCI Ltd)	3,817	6,408	9,014
Less : - Current Maturity of Long term debt	-	-	-
Term Loan From Banks	-1,614	-1,352	-1
Term Loan From Others	-3,239	-2,881	-9,014
<b>Total non-current borrowings</b>	<b>578</b>	<b>3,527</b>	<b>-</b>
<b>(ii) Current Borrowings</b>			
(a) From Banks	-	-	-
(b) Financial Lease Obligations	-	-	-
(c) From Others	2,563	2,753	3,312
<b>Total current borrowings</b>	<b>2,563</b>	<b>2,753</b>	<b>3,312</b>

#### Notes :-

(i) Term Loan from IFCI Ltd is unsecured and carries interest rate of 11.75 % p.a. repayable in 27 monthly equal installments commencing from 08-02-2017 to 08-04-2019.

(ii) Current Borrowings from others include related party loans to the extent of Rs 1098 Lakhs (2016-17:: Rs 1258 Lakhs , 2015-16 :: Rs 1998 Lakhs).

### Note-16: Trade Payables

Particulars	As at 31st March'2018	As at 31st March'2017	As at 1st April'2016
i. Non-Current	-	-	-
Sub-Total	-	-	-
ii. Current	1789	1770	1,789
Sub-Total	<b>1,789</b>	<b>1,770</b>	<b>1,789</b>
<b>Grand Total</b>	<b>1,789</b>	<b>1,770</b>	<b>1,789</b>





## Notes to the Financial Statements for the year ended 31st March, 2018

### Note-17: Other financial liabilities

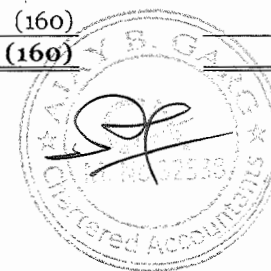
Particulars	As at 31st March'2018	As at 31st March'2017	As at 1st April'2016
<b>i. Non-Current</b>			
Retention Money	-	-	-
Capital Creditors	-	-	-
<b>Sub-Total</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>ii. Current</b>			
Current Maturity of Long term Debt			
Term Loan From Banks	1,614	1,352	1
Term Loan From Others	3,239	2,881	9,014
Liability For Expenses	58	59	73
<b>Sub-Total</b>	<b>4,911</b>	<b>4,292</b>	<b>9,088</b>
<b>Total</b>	<b>4,911</b>	<b>4,292</b>	<b>9,088</b>

### Note-18: Other Liabilities

Particulars	As at 31st March'2018 INR	As at 31st March'2017 INR	As at 1st April'2016 INR
<b>Non- Current Liabilities</b>			
Security Deposits Received	25	25	25
	<b>25</b>	<b>25</b>	<b>25</b>
<b>Current Liabilities</b>			
Payable to Statutory Authorities	107	136	158
Mobilization advance Received	-	-	-
Advance From Customers	75	-	-
<b>Total</b>	<b>182</b>	<b>136</b>	<b>158</b>

### Note-19: Current Tax Liability/ (Assets) In Net

Particulars	As at 31st March'2018	As at 31st March'2017	As at 1st April'2016
Income tax payable	-	-	-
TDS receivable	(160)	(160)	(159)
<b>Total</b>	<b>(160)</b>	<b>(160)</b>	<b>(159)</b>





## Notes to the Financial Statements for the year ended 31st March,2018

### Note-20: Revenue from operations

Particulars	31st March'2018	31st March'2017
Revenue from Operation :		
Sale of Services*	10	69
Sale of Products	-	-
Less:Impact of finance component of deferred revenue	-	-
<b>Total</b>	<b>10</b>	<b>69</b>

\* Includes claims and incentives

### Note-21: Other income

Particulars	31st March'2018	31st March'2017
Interest Income From Financial Assets measured at Amortized Cost	1	-
Interest On Arbitration Cases	-	-
Other items	-	26
<b>Total</b>	<b>1</b>	<b>26</b>

### Note-22: Cost of material consumed

Particulars	31st March'2018	31st March'2017
<b>Material and components consumed</b>		
Opening Stock	-	-
Add: Material Purchased during the year	2	-
Less:Closing Stock	-	-
<b>Total</b>	<b>2</b>	<b>-</b>

### Note-23: Change in Inventories

Particulars	31st March'2018	31st March'2017
<b>Opening Stock</b>		
Work In Progress	1,625	1,625
Finished Goods	-	-
<b>Sub-Total</b>	<b>1,625</b>	<b>1,625</b>
<b>Less:- Closing Stock</b>		
Work In Progress	1,625	1,625
Finished Goods	-	-
<b>Sub-Total</b>	<b>1,625</b>	<b>1,625</b>
<b>INCREASE(-)/DECREASE(+)</b>	<b>-</b>	<b>-</b>



## Notes to the Financial Statements for the year ended 31st March, 2018

### Note-24: Cost Of Goods/Services Sold

Particulars	31st March'2018	31st March'2017
Job work expenses	-	2
Wages & Salary	5	1
Hire Charges	-	-
Fuel Expenses	-	-
Land and Development Expenses	26	-
<b>Total</b>	<b>31</b>	<b>3</b>

### Note-25: Employee Benefit Expenses

Particulars	31st March'2018	31st March'2017
Salary & Allowances	14	68
Director's Remuneration	-	-
Contribution to PF & Other Funds	-	-
Staff Welfare	-	-
<b>Total</b>	<b>14</b>	<b>68</b>

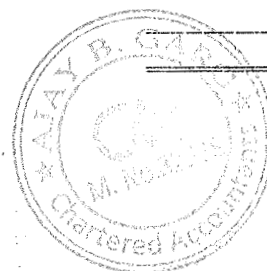
### Note-26: Finance Cost

Particulars	31st March'2018	31st March'2017
Interest On Borrowings	631	379
Interest on Deferred Payment Terms	-	-
<b>Total</b>	<b>631</b>	<b>379</b>

\* Interest to others includes interest on other advances

### Note-27: Other expenses

Particulars	31st March'2018	31st March'2017
<b>Repairs &amp; Renewals:</b>		
Plant & Machinery	1	1
Others	-	-
Bad Debt	-	14
Impairment loss on financial assets	-	-
Provision for Bank Guarantee Invoked	-	-
Legal & Professional Charges	2	1
Royalty	-	-
Travelling & Conveyance	1	1
Auditors Remuneration	-	-
Directors' Sitting fees	-	-
Bank Charges	-	-
Insurance Charges	-	1
Electricity Charges	-	-
Interest on Service Tax	5	-
Miscellaneous Expenses	-	-
Corporate Social Responsibility Expenses	-	-
<b>Total</b>	<b>9</b>	<b>18</b>



**Note 28 : Income Tax Expenses**

This note provides an analysis of the company's income tax expenses, show amounts that are recognised directly in equity and how the tax expenses is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the company's tax position.

Particulars	31st March, 2018	31st March, 2017
<b>(a) Income Tax Expenses</b>		
<b>Current Tax :</b>		
Current Tax on profits for the year	-	-
Adjustments for current tax of prior periods	-	-
<b>Total Current Tax Expenses</b>	-	-
<b>Deferred Tax :</b>		
Decrease/(Increase) in deferred tax assets	(3)	(5)
(Decrease)/Increase in deferred tax liabilities	-	-
Adjustments for deferred tax of prior periods	-	-
<b>Total Deferred tax expenses/(benefits)</b>	<b>(3)</b>	<b>(5)</b>
<b>Total Income Tax Expenses</b>	<b>(3)</b>	<b>(5)</b>
<b>Income Tax Expenses is attributable to :</b>		
Current Tax	-	-
Deferred Tax	(3)	(5)
<b>Total Tax Expenses Charged to SPL</b>	<b>(3)</b>	<b>(5)</b>
<b>Total Tax Expenses/(Deferred Tax Benefits) Charged against OCI</b>		
<b>Total Tax Expenses/(Deferred Tax Benefits)</b>	<b>(3)</b>	<b>(5)</b>

**(b) Reconciliation of tax expenses and the accounting profit multiplied by India's tax rate :**

During current year and previous year the company has incurred loss hence there is no current tax required to be payable under Income Tax Act, 1961. Accordingly, reconciliation of tax expenses is not required.

**(c) Amount recognised directly in equity**

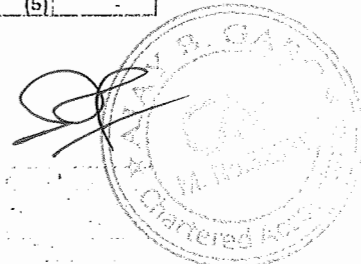
Particulars	31st March, 2018	31st March, 2017
Aggregate current and deferred tax arising in the reporting period and not recognised in net profit or loss or other comprehensive income but directly debited/ (credited) to equity:		
Current tax: share issue transaction cost	-	-
Deferred tax: Convertible bonds	-	-

**(d) Unrecognised temporary differences**

Particulars	31st March, 2018	31st March, 2017
Temporary difference relating to investment in subsidiaries for which deferred tax liabilities have not been recognised:		
Undistributed earnings	-	-
Unrecognised deferred tax liabilities relating to the above temporary differences	-	-

**Note No. 29 : Movement in Deferred Tax Asset-Incomes / (Liability)-Expenses)**

Particulars	As at 31.03.2018		As at 31.03.2017	
	Through PL	Through OCI	Through PL	Through OCI
Property, Plant and Equipment	(3)	-	(5)	-
Assets Held for Disposal	-	-	-	-
Employee benefit obligation	-	-	-	-
Impairment loss/gain on financial assets	-	-	-	-
Financial assets at fair value through profit and loss	-	-	-	-
Unused MAT Credits	-	-	-	-
Other items	-	-	-	-
<b>Net Impacts</b>	<b>(3)</b>	<b>-</b>	<b>(5)</b>	<b>-</b>



Notes to the Financial Statements as at and for the year ended March 31, 2018

(All amounts in INR Lakhs, unless otherwise stated)

Note No. 30 Fair value measurements

(i) Financial instruments by category:

Particulars	31-Mar-18			31-Mar-17			April 1, 2016		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
<b>Financial assets</b>									
Investments:									
Equity instruments	-	-	2,497	-	-	78	-	-	78
Trade receivables	-	-	1,711	-	-	1,731	-	-	1,753
Cash & Bank Balance	-	-	23	-	-	26	-	-	19
Bank Balance Other than above	-	-	-	-	-	-	-	-	-
Loans	-	-	3,845	-	-	9,372	-	-	11,577
Derivative financial assets	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-
<b>Total financial assets</b>	-	-	<b>8,076</b>	-	-	<b>11,207</b>	-	-	<b>13,427</b>
<b>Financial liabilities</b>									
Borrowings	-	-	3,141	-	-	6,280	-	-	3,312
Derivative financial liabilities	-	-	-	-	-	-	-	-	-
Trade payables	-	-	1,789	-	-	1,770	-	-	1,789
Other financial liabilities	-	-	4,911	-	-	4,292	-	-	9,088
<b>Total financial liabilities</b>	-	-	<b>9,841</b>	-	-	<b>12,342</b>	-	-	<b>14,189</b>

(ii) Fair value hierarchy:

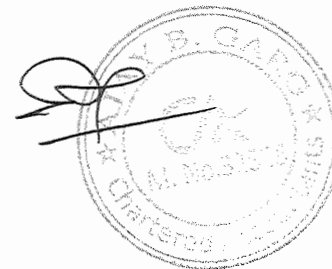
This section explains the judgments and estimates made in determining the fair values of the financial instruments that are

(a) recognised and measured at fair value, and

(b) measured at amortized cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into three levels prescribed under the Ind AS 113 "Fair Value Measurements". An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements At March 31, 2018	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
<b>Financial investments at FVPL</b>				
Equity instruments	-	-	-	-
Mutual funds	-	-	-	-
<b>Financial investments at FVOCI</b>				
Quoted equity investments	-	-	-	-
Unquoted equity investments	-	-	-	-
<b>Derivatives</b>				
Foreign exchange forward contracts	-	-	-	-
Foreign currency options	-	-	-	-
Interest rate swaps	-	-	-	-
<b>Total</b>	-	-	-	-



Notes to the Financial Statements as at and for the year ended March 31, 2018

Financial assets and liabilities measured at fair value - recurring fair value measurements At March 31, 2017	Level 1	Level 2	Level 3	Total
<b>Financial assets :</b>				
<b>Financial investments at FVPL</b>				
Equity instruments	-	-	-	-
Mutual funds	-	-	-	-
<b>Financial investments at FVOCI</b>				
Quoted equity investments	-	-	-	-
Unquoted equity investments	-	-	-	-
<b>Derivatives</b>				
Foreign exchange forward contracts	-	-	-	-
Foreign currency options	-	-	-	-
Interest rate swaps	-	-	-	-
<b>Total</b>	-	-	-	-

Financial assets and liabilities measured at fair value - recurring fair value measurements At April 1, 2016	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
<b>Financial investments at FVPL</b>				
Equity instruments	-	-	-	-
Mutual funds	-	-	-	-
<b>Financial investments at FVOCI</b>				
Quoted equity investments	-	-	-	-
Unquoted equity investments	-	-	-	-
<b>Derivatives</b>				
Foreign exchange forward contracts	-	-	-	-
Foreign currency options	-	-	-	-
Interest rate swaps	-	-	-	-
<b>Total</b>	-	-	-	-

**Level 1 :** This hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchange is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

**Level 2 :** Fair value of financial instruments that are not traded in an active market (for example, traded bonds, over the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument as observable, the instrument is included in level 2.

**Level 3 :** If one or more of the significant inputs is not based on observable data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification assets.



**Notes to the Financial Statements as at and for the year ended March 31, 2018**

(iii) As per Ind AS 107 "Financial Instrument: Disclosure", fair value disclosures are not required when the carrying amounts reasonably approximate the fair value. Accordingly fair value disclosures have not been made for the following financial instruments:-

1. Trade receivables
2. Cash and cash Equivalent
3. Loans
4. Borrowings
5. Trade payables
6. Capital creditors
7. Other payables

**Note No. 31 : Financial risk management**

The company's few portion of activities are exposed to variety of financial risks i.e. market risk, credit risk and liquidity risk. The company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk :

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables and other financial instruments, financial assets measured at amortized cost.	Ageing analysis Credit rating	Diversification of bank deposits, credit limits and letters of credit
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

**(A) Credit risk**

Credit risk refers to the risk of default on its obligation by the counter party resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily trade receivables from customers other than government entities. These Trade receivables are typically unsecured and are derived from revenue earned from domestic and foreign customers. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the company uses expected credit loss model to assess impairment loss or gain. the company uses a matrix to compute the expected credit loss allowance for trade receivable .

**Credit risk management**

Credit risk is managed on instrument basis. For Banks and financial institutions ,only high rated banks /institutions are accepted. For other financial instruments, the company assesses and maintains an internal credit rating system. The finance function consists of a separate team who assess and maintain internal credit rating system.

**(B) Liquidity Risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, the company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in accordance with practice and limits set by the company. These limits vary by locations to take into account the liquidity of the market in which the entity operates. In addition, the company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.



**Notes to the Financial Statements as at and for the year ended March 31, 2018**

**Note No. 32: Capital management**

**(a) Risk management**

The company's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return on capital to shareholders or issue new shares. The company monitors capital using gearing ratio, which is net debt divided by total Equity. Net debt comprises of long term and short term borrowings less cash and bank balances. Equity includes equity share capital and reserves that are managed as capital. The gearing at the end of reporting period was as follows:

Particulars	March 31, 2018	March 31, 2017	March 31, 2016
Net Debt	3,141	6,280	3,312
Total Equity	99	806	1,212
Net debt to Equity Ratio	31.73	7.79	2.73

**(b) Dividends**

Particulars	March 31, 2018	March 31, 2017
(i) Equity shares		
Final dividend for the year ended 31.03.2017 of Rs. NIL (31.03.2016 Rs. NIL) per fully paid share		-
Interim dividend for the year ended 31.03.2017 of Rs. NIL (31.03.2016 Rs. Nil) per fully paid share		-
(ii) Dividends not recognised at the end of the reporting period		-
In addition to the above dividends, since year end the directors have recommended the payment of final dividend of Rs. NIL per fully paid equity share (31.03.2016 Rs. NIL). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.		-



**Notes to the Financial Statements as at and for the year ended March 31, 2018**

(All amounts in INR Lakhs, unless otherwise stated)

**NOTE - 23**

<b>EARNINGS PER SHARE (EPS)</b>	<b>31st March 2018</b>	<b>31st March 2017</b>
i) Net Profit after tax as per statement of Profit & Loss attributable to Equity Shareholders (Rs Lakhs)	(707)	(406)
ii) Weighted Average number of equity shares used as denominator for calculating EPS	6,508,416	6,508,416
iii) Face Value per Equity Share (Rs)	10	10
iv) Basic and Diluted Earnings per share (Rs)	-10.86	-6.29

**NOTE - 34**

<b>CONTINGENT LIABILITIES</b>	<b>31st March 2018</b>	<b>31st March 2017</b>	<b>31st March 2016</b>
i. Guarantees given by Company's Bankers on behalf of the Company.	-	-	-
ii. Claims against the Company not acknowledged as debts:	-	-	-
iii. Corporate Guarantees given by Company	-	-	-

**NOTE - 35**

<b>CAPITAL COMMITMENTS</b>	<b>31st March 2018</b>	<b>31st March 2017</b>	<b>31st March 2016</b>
Estimated value of contracts in capital account remaining to be executed	-	-	-

**NOTE-36 RELATED PARTY DISCLOSURE AS PER Ind AS 24**

**(i) List of Related parties**

**a. Associate :**

AKSS Infrastructure Projects Limited

**b. Subsidiary**

North West sales & Marketing Limited

**d. Key Managerial Personnel**

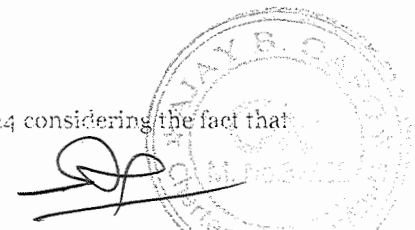
<b>Name</b>	<b>Designation</b>
Sunil Agarwal	Director
Anil Agarwal	Director

**e. Close Family members of Key Managerial Personnel**

<b>Name</b>	<b>Relationships</b>
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None of the close members of all Key managerial Personnel's are considered as Related Party in accordance with Ind AS 24 considering the fact that

they do not have any significant influence on the financial reporting or executive decision making of the company.





Notes to the Financial Statements as at and for the year ended March 31, 2018

(II) Balances and Transactions with Related parties

a. Statement Of Profit And Loss Items

Net Transaction During the Period

Name	Particulars	2017-18	2016-17
Shivam Condev Private Limited	Sale of Services	10	-

Name	Particulars	2017-18	2016-17
North West sales & Marketing Limited	Loans given	3,659	6,700
North West sales & Marketing Limited	Sundry Debtors	1,645	-
Shivam Condev Private Limited	Sundry Debtors	10	-
ARSS Ravechi JV	Loans given	180	180
Shivam Condev Private Limited	Loans taken	428	254
Sidhant Financial Services Limited	Loans taken	524	583
Anil Contractors Private Limited	Loans taken	146	146
ARSS Infrastructure Projects Limited.	Loans given	-	2,421
Prateek Agarwal	Loans given	-	60

(III) Remuneration to key managerial personnel

Name	2017-18	2016-17
Anil Agarwal	-	-
Sunil Agarwal	-	-
Rajesh Agarwal	-	-
Subash Agarwal	-	-
Director Sitting Fees	-	-

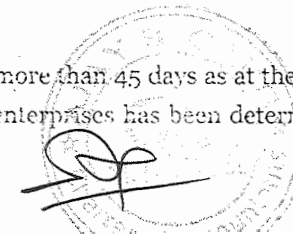
**NOTE - 37**

**Recognition of Corporate Guarantee as Financial Liability**

Financial guarantee is a contractual right of the lender to receive cash from the guarantor, and a corresponding contractual obligation of the guarantor to pay the lender, if the borrower defaults. The contractual right and obligation exist because of a past transaction or event (assumption of the guarantee), even though the lender's ability to exercise its right and the requirement for the guarantor to perform under its obligation are both contingent on a future act of default by the borrower. A contingent right and obligation meet the definition of a financial asset and a financial liability, even though such assets and liabilities are not always recognized in the financial statements. Based on the measurement principles laid down under Ind-AS-109 "Financial Instrument: Recognition and Measurement", the fair value of all those financial guarantee contracts reasonable below to the materiality threshold limit set by the company. Accordingly the entity has made appropriate disclosure in Note 43 without additionally recognizing any financial assets or liability.

**NOTE-38. Micro, Small and Medium Enterprises (MSME) Dues Disclosure**

There are no Micro and Small enterprises to whom the Company owes dues which are outstanding for a period of more than 45 days as at the balance sheet dates. The above information and that given under Current liabilities regarding Micro, Small and Medium enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.



**Note 39-First Time adoption of Ind AS**

The accounting policy set out in Note 2 have been applied in preparing the financial statements for the year ended 31st March 2018, the comparative information presented in these financial statements for the year ended 31st March 2017 and in the preparation of an opening Ind AS Balance sheet at 1st Apr 2016( transition date ). In preparing its opening Ind AS balance sheet, the company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards ) Rules, 2006 (as amended) and other relevant provisions of the Act (Previous GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the companies financial position, financial performance and cash flows is set out in the following tables and notes.

**A. Exemption Availed**

**1. Deemed Cost for Property, Plants & Equipments**

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all of its Property , Plant & Equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition . Accordingly the company has elected to measure all of its Property, Plant & Equipment, Intangible assets at their previous GAAP carrying value.

**2. Designation of previously recognized financial instruments.**

Ind AS 101 allows an entity to designate investments in equity instruments at FVTOCI on the basis of the facts and circumstances at the date of transition to Ind AS. The company has elected to apply this exemption for its investment in equity investments.

**3. Deemed Cost For Investment In Associates and Subsidiary**

Ind AS 101 allows a first time adopter to measure the investments in joint ventures one of the following amounts in its standalone opening Ind As Balance Sheet

i) Cost determined in accordance with Ind As 27

ii) Deemed Cost

Deemed Cost of such an investment shall be either of fair value at the date of transition or previous GAAP carrying amount at that date.

The company has opted previous GAAP carrying amount as deemed cost of Investments In Joint Ventures at transition date.

**B. Mandatory Exceptions**

**1. Estimates**

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies).

Ind AS estimates as at 1st April, 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP.

**2. Classification and measurement of financial assets**

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

**3. De-recognition of financial assets and liabilities**

Ind AS 101 requires a first time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS.

**C. Transition to Ind AS -Reconciliation**

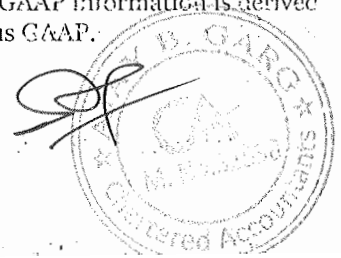
The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous GAAP to Ind AS in accordance with Ind AS 101:

I) Reconciliation of Balance sheet as at April 1, 2016 and March 31, 2017

II) Reconciliation of Statement of Profit and Loss for the year ended March 31, 2017

III) Reconciliation of Equity as at April 1, 2016 and March 31, 2017

The presentation requirements under Previous GAAP differs from Ind AS and hence, Previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The Regrouped Previous GAAP information is derived from the Financial Statements of the Company prepared in accordance with Previous GAAP.



**I. Reconciliations of Balance Sheet as at April 1, 2016 and March 31, 2017**  
**(a) Reconciliations of Balance Sheet as at April 1, 2016**

(Rupees in INR' Lakhs)

Particulars	Note No	As at 1st April, 2016	Adjustments	As at 1st April, 2016
		(Previous GAAP)		(Ind AS)
<b>I. ASSETS</b>				
<b>1. Non-current Assets</b>				
(a) Property, Plant and Equipment		347	-	347
(b) Capital Work-in-progress		-	-	-
(c) Intangible Assets		-	-	-
(d) Financial Assets		-	-	-
(i) Investments	1	96	(18)	78
(ii) Trade Receivables		-	-	-
(iii) Loans		-	-	-
(iv) Other Financial Assets		-	-	-
(e) Deferred Tax Assets (net)		-	-	-
(f) Other Non-Current Assets		-	-	-
<b>2. Current Assets</b>				
a. Inventories		1,625	-	1,625
b. Financial Assets		-	-	-
(i) Investments		-	-	-
(ii) Trade Receivables	2	1,753	-	1,753
(iii) Cash & Cash Equivalents	3	2	17	19
(iv) Bank Balances Other Than three above		-	-	-
(v) Loans	3	11,781	(204)	11,577
(vi) Other Financial Assets		-	-	-
c. Current Tax Assets (Net)	3	-	159	159
d. Other Current Assets	3	-	44	44
		-	-	-
<b>3. Asset Held For Disposal</b>		-	-	-
<b>TOTAL</b>		<b>15,604</b>	<b>(2)</b>	<b>15,602</b>
<b>II. EQUITY AND LIABILITIES</b>				
<b>1. Equity</b>				
a. Equity Share Capital		651	-	651
b. Other Equity	4	561	(1)	561
<b>2. Liabilities</b>				
<b>(I) Non-current liabilities</b>				
a. Financial Liabilities		-	-	-
(i) Borrowings		-	-	-
(ii) Trade Payables		-	-	-
(iii) Other Financial Liabilities		-	-	-
b. Provisions		-	-	-
c. Deferred Tax Liabilities (net)	1	17	1	18
d. Other Non-current Liabilities		-	25	25
<b>(II) Current liabilities</b>				
a. Financial Liabilities		-	-	-
(i) Borrowings		3,312	-	3,312
(ii) Trade Payables	3	1,792	(2)	1,789
(iii) Other Financial Liabilities	3	9,276	(152)	9,088
b. Provisions	3	-	-	-
c. Other Liabilities	3	-	158	158
d. Current Tax Liability (Net)		-	-	-
<b>TOTAL</b>		<b>15,604</b>	<b>(2)</b>	<b>15,602</b>



## (b) Reconciliations of Balance Sheet as at March 31, 2017

(Rupees in INR Lakhs)

Particulars	Note No	As at 31st March, 2017	Adjustments	As at 31st March, 2017
		(Previous GAAP)		(Ind AS)
<b>I. ASSETS</b>				
<b>1. Non-current Assets</b>				
(a) Property, Plant and Equipment		340	-	340
(b) Capital Work-in-progress		-	-	-
(c) Intangible Assets		-	-	-
(d) Financial Assets		-	-	-
(i) Investments	3	97	(19)	78
(ii) Trade Receivables		-	-	-
(iii) Loans		-	-	-
(iv) Other Financial Assets		-	-	-
(e) Deferred Tax Assets (net)		-	-	-
(f) Other Non-Current Assets		-	-	-
<b>2. Current Assets</b>				
a. Inventories		1,625	-	1,625
b. Financial Assets		-	-	-
(i) Investments		-	-	-
(ii) Trade Receivables		1,731	-	1,731
(iii) Cash & Cash Equivalents	3	6	20	26
(iv) Bank Balances Other Than three above		-	-	-
(v) Loans	3	9,532	(169)	9,372
(vi) Other Financial Assets		-	-	-
c. Current Tax Assets (Net)	3	-	160	160
d. Other Current Assets	3	-	-	-
<b>3. Asset Held For Disposal</b>				
<b>TOTAL</b>		<b>13,331</b>	<b>1</b>	<b>13,332</b>
<b>II. EQUITY AND LIABILITIES</b>				
<b>1. Equity</b>				
a. Equity Share Capital		651	-	651
b. Other Equity		156	(1)	155
<b>2. Liabilities</b>				
<b>(I) Non-current liabilities</b>				
a. Financial Liabilities		-	-	-
(i) Borrowings		3,527	-	3,527
(ii) Trade Payables		-	-	-
(iii) Other Financial Liabilities		-	-	-
b. Provisions		-	-	-
c. Deferred Tax Liabilities (net)		23	-	23
d. Other Non-current Liabilities	3	-	25	25
<b>(II) Current liabilities</b>				
a. Financial Liabilities		-	-	-
(i) Borrowings		2,753	-	2,753
(ii) Trade Payables	3	1,768	2	1,770
(iii) Other Financial Liabilities	3	4,456	(161)	4,292
b. Provisions	3	-	-	-
c. Other Liabilities	3	-	136	136
d. Current Tax Liability (Net)		-	-	-
<b>TOTAL EQUITY and LIABILITIES</b>		<b>13,331</b>	<b>1</b>	<b>13,332</b>



C.Reconciliation of Statement of Profit and Loss for the year ended March 31, 2017

(Rupees in INR' Lakhs)

Particulars	Note No	31st	Adjustments	31st
		March,2017 (Previous GAAP)		March,2017 (Ind AS)
<b>Income</b>				
I.Revenue from Operations		69	-	69
II.Other Incomes	3	-	26	26
III.Other Gains/(Losses)	3	26	(26)	-
<b>Total Income</b>		<b>95</b>	<b>-</b>	<b>95</b>
<b>IV.Expenses</b>				
(a)Cost of Materials Consumed		-	-	-
(b)Cost Of Goods/Services Sold	3	-	3	3
(c)Change in Inventories (Increase) /Decrease		-	-	-
(d)Depreciation and Amortization expenses		28	-	28
(e)Employee Benefit Expenses		68	-	68
(f)Finance cost		379	-	379
(g)Other Expenses	3	20	(2)	18
<b>Total expenses</b>		<b>495</b>	<b>1</b>	<b>496</b>
<b>V.Profit Before exceptional and tax</b>		<b>(400)</b>	<b>(1)</b>	<b>(401)</b>
Exceptional items		-	-	-
<b>VIII.Profit before Taxes</b>		<b>(400)</b>	<b>(1)</b>	<b>(401)</b>
<b>IX.Provision for Taxes</b>				
(a)Deferred Tax		(5)	-	(5)
(b)Current Tax		-	-	-
<b>X.Profit (Loss) for the Period</b>		<b>(405)</b>	<b>(1)</b>	<b>(406)</b>
<b>XI.Other Comprehensive Income</b>				
<b>A (i) Items that will not be reclassified to profit or loss :</b>				
(a) Changes in investments in equity shares carried at Fair Value through OCI		-	-	-
(b) Re-measurement of defined employee benefit plans		-	-	-
<b>(ii) Income tax relating to items that will not be reclassified to profit or loss :</b>				
- on Revaluation Surplus on Property, Plant & Equipment		-	-	-
- on Re-measurement of defined employee benefit plans		-	-	-
<b>B (i) Items that will be reclassified to profit or loss :</b>				
(a) Changes in investments other than equity shares carried at Fair Value through OCI (FVOCI)		-	-	-
<b>(ii) Income tax relating to items that will be reclassified to profit or loss :</b>				
<b>XII.Total Other comprehensive Income after tax</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>XIII.Total comprehensive income for the period</b>		<b>(405)</b>	<b>(1)</b>	<b>(406)</b>



**d. Reconciliation of Equity as at April 1, 2016 and March 31, 2017**

(Rupees in INR Lakhs)

Particulars	Note No	As at 31-March-17	As at 1-April-16
<b>Total equity as per previous GAAP</b>		<b>807</b>	<b>1,213</b>
Debt Component Of Equity Instruments		-	-
Deferred taxes under balance sheet approach	1	-	(1)
Elimination of finance component of debt revenue		-	-
Reserves for equity instruments through OCI		-	-
Remeasurement of Investment in Joint venture		-	-
Restatement of Property, Plant and Equipment		-	-
Impairment Losses on Financial Assets		-	-
<b>Total equity as per Ind AS</b>		<b>807</b>	<b>1,212</b>

**Notes to first time adoption**

**1. Deferred Taxes**

Under previous GAAP, deferred taxes were recognised based on Profit & loss approach i.e. tax impact on difference between the accounting income and taxable income. Under Ind AS 12 "Income Taxes", deferred tax is recognised by following balance sheet approach i.e. tax impact on temporary difference between the carrying value of asset and liabilities in the books and their respective tax base. Consequently the impact is as below :-

# As on Transition date i.e. 1st Apr 2016 :: Rs 1Lakhs of deferred tax assets additional

# As on Comparative date i.e. 31st Mar 2017 :: NIL

**2. Impairment of Trade receivables**

As per Ind AS 109 "Financial Instrument "Recognition and Measurement", the company is required to apply expected credit loss model for recognising the impairment loss on trade receivables. Accordingly, the company has created additional allowances for impairment loss (exclusive of fully credit impaired receivables) to the tune of following amounts :-

# As on Transition date i.e. 1st Apr 2016 :: Rs 1 Lakh

**3. Reclassification and Regrouping**

As per Ind AS 101 "First-time Adoption of Indian Accounting Standards" reclassify items that it recognised in accordance with previous GAAP as one type of asset, liability or component of equity, but are a different type of asset, liability or component of equity in accordance with Ind AS. Accordingly the company has reclassified certain items based on its nature.

**4. Retained earnings**

Retained earnings as at April 1, 2016 has been adjusted consequent to the above Ind AS transition adjustments.

**Note - 40**

Figures for the previous year have been re-arranged and re-grouped wherever necessary.

As per our report of even date attached.

For Ajay B Garg  
Chartered Accountants

(CA. Ajay B Garg)  
Proprietor  
M.No.- 092538



For and on behalf of the Board

A. A. I.  
Anil Agarwal  
Director

S. A. J.  
Sudhakar Agarwal  
Director

Date : The 30th day of May, 2018  
Bhubaneswar