



## ARSS INFRASTRUCTURE PROJECTS LTD.

Dated: 28.05.2019

Bombay Stock Exchange Limited, Phiroze Jeejeebhoy Towers 1st Floor, Rotunda Building, Dalal Street, Mumbai- 400 001	National Stock Exchange of India Limited, Exchange Plaza, Plot No-C1, G Block Bandra Kurla Complex, Bandra (E), Mumbai-400 051
<b>BSE Scrip Code - 533163</b>	<b>NSE Symbol: ARSSINFRA</b>

**Sub: Outcome of the Meeting of the Board of Directors held on 28.05.2018 –Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015**

Dear Sir/ Madam,

Please be informed that the Board of Directors of the company, at its meeting held on today i.e. on Tuesday, 28<sup>th</sup> May, 2019, has inter-alia:

1. Considered and approved the Audited Standalone and Consolidated Financial Results of the Company for the quarter and financial year ended on 31<sup>st</sup> March, 2019, in the specified format along-with the Audit Report of the Statutory Auditors thereon, pursuant to the provisions of Regulation 33 of the SEBI (LODR) Regulation, 2015.

Pursuant to SEBI Circular No. CIR/CFD/CMD/56/2016 dated 27<sup>th</sup> May, 2016, the company hereby declares that the Statutory Auditors, M/s. Ajay B Garg, Chartered Accountants, have issued the Audit Reports on the Standalone and Consolidated Financial Results of the Company for the financial year ended on 31<sup>st</sup> March, 2019 with modified opinion. The statement on impact of Audit Qualification is enclosed.

The copy of Audited Standalone and Consolidated Financial Results of the company for the financial year ended 31<sup>st</sup> March 2019, in the specified format along with the Auditors' Report thereon is enclosed.

2. Appointment of M/s. Sunita Mohanty & Associates, as Secretarial Auditors of the Company for the financial year 2019-20
3. Appointment of M/s. PR & Associates, as Internal Auditors of the Company for the financial year 2019-20

**CIN : L14103OR2000PLC006230**

**Regd. Office :** Sector A, Zone D, Plot #38, Mancheswar Industrial Estate, Bhubaneswar 751010, Odisha

Tel : 91 674 2588552 / 2588554, Fax : +91 674 2585074, E-mail: [response@arssgroup.in](mailto:response@arssgroup.in), Website : [www.arssgroup.in](http://www.arssgroup.in)

**Corp. Office :** ARSS Mall, Community Centre, Plot No. 40, Block-A, Paschim Vihar, Opposit to Jwalaheri Market, New Delhi-110063 (India)  
Tel.: +91 1125252024, Fax : +91 1125252012, E-mail : [delhi@arssgroup.in](mailto:delhi@arssgroup.in)





## ARSS INFRASTRUCTURE PROJECTS LTD.

4. Appointment of Mr. Prakash Chhajer as Company Secretary & Compliance officer of the Company. His profile is enclosed. Further please note that Mr. Rajesh Agarwal ceased to be Compliance officer of the Company w.e.f. 28.05.2019

The meeting commenced at 3.30 p.m. and concluded at 8.00 p.m.

The same is for your kind information and record.

Thanking You,

For ARSS Infrastructure Projects Limited

Prakash Chhajer  
Company Secretary &  
Compliance Officer  
F-8473



Encl: as above

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## ARSS INFRASTRUCTURE PROJECTS LTD.

### Brief Profile – Prakash Chhajer

Company Secretary with 9 years post qualification experience in the Secretarial, Legal department of different industries (like –Steels, Power & Plastic). Started his carrier with Kalpena Industries Limited in 2009 as Manager – Secretarial. He was last associated with Scan Energy & Power Limited as Company Secretary cum compliance officer.

He has an experience in handling Secretarial and Legal Department and well verged with Companies Act, SEBI (LODR) Regulation, 2015 and other related laws applicable to the companies.



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## ARSS Infrastructure Projects Limited

CIN : L141030R2000PLC006230

## Part- II :Statement of Standalone and Consolidated Financial Results for the Quarter and Year ended March 31,2019

(₹ In lakhs)

Sl. No.	Particulars	Standalone				Consolidated		
		Quarter ended		Year ended		Year ended		
		March 31, 2019 Audited	December 31, 2018 Un-audited	March 31, 2018 Audited	March 31, 2019 Audited	March 31, 2018 Audited	March 31, 2018 Audited	
1	Revenue from Operations	16,640	7,581	13,082	45,910	58,434	45,910	58,434
2	Other Income	1,321	321	794	2,296	1,404	2,296	1,404
3	Other Gains/(Losses)	139	-33	125	321	502	321	502
4	<b>TOTAL INCOME(1+2+3)</b>	<b>18,100</b>	<b>7,869</b>	<b>14,001</b>	<b>48,527</b>	<b>60,340</b>	<b>48,527</b>	<b>60,340</b>
5	<b>EXPENSES</b>							
	Cost of Materials Consumed	7,534	2,153	2,126	15,495	12,805	15,495	12,805
	Cost Of Services Sold	5,430	4,733	5,595	18,246	22,380	18,246	22,380
	Change in Inventories (Increase) /Decrease	699	-1,258	2,170	-1,333	1,193	-1,333	1,192
	Depreciation and Amortization expenses	583	489	610	2,202	2,394	2,202	2,394
	Employee Benefit Expenses	619	669	784	2,647	2,950	2,647	2,950
	Finance cost	1,100	274	374	2,753	3,724	2,753	3,725
	Other Expenses	3,128	175	6,031	10,200	22,771	10,200	22,771
	<b>Total expenses</b>	<b>19,093</b>	<b>7,235</b>	<b>17,690</b>	<b>50,210</b>	<b>68,217</b>	<b>50,210</b>	<b>68,217</b>
	<b>PROFIT BEFORE EXCEPTIONAL ITEMS &amp;</b>							
6	<b>TAX(4-5)</b>	<b>-993</b>	<b>634</b>	<b>-3,689</b>	<b>-1,683</b>	<b>-7,877</b>	<b>-1,683</b>	<b>-7,877</b>
	Share of net profit or associates and joint ventures accounted using equity method	-	-	-	-	-	-60	-366
7	<b>PROFIT BEFORE TAX</b>	<b>-993</b>	<b>634</b>	<b>-3,689</b>	<b>-1,683</b>	<b>-7,877</b>	<b>-1,743</b>	<b>-8,243</b>
8	<b>TAX EXPENSES</b>							
	a)Current Tax	-	-	-	-	-	-	-
	b)Tax of Earlier Years	-	-	595	-	595	-	595
	c)Deferred tax	-984	331	-2,403	-562	-2,995	-562	-2,996
	<b>Total Tax expense</b>	<b>-984</b>	<b>331</b>	<b>-1,808</b>	<b>-562</b>	<b>-2,400</b>	<b>-562</b>	<b>-2,401</b>
9	<b>NET PROFIT FOR THE PERIOD</b>	<b>-9</b>	<b>303</b>	<b>-1,881</b>	<b>-1,121</b>	<b>-5,477</b>	<b>-1,181</b>	<b>-5,842</b>
10	<b>OTHER COMPREHENSIVE INCOME</b>	<b>6</b>	<b>-1</b>	<b>-3</b>	<b>5</b>	<b>-3</b>	<b>5</b>	<b>-3</b>
11	<b>TOTAL COMPREHENSIVE INCOME</b>	<b>-3</b>	<b>302</b>	<b>-1,884</b>	<b>-1,116</b>	<b>-5,480</b>	<b>-1,176</b>	<b>-5,845</b>
12	Paid up equity share capital (face value: ₹10per share)	2,274	2,274	2,274	2,274	2,274	2,274	2,274
13	Basic & diluted earnings per share(in ₹ )	-0.04	1.33	-8.27	-4.93	-27.51	-5.20	-29.35

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**ARSS Infrastructure Projects Limited**  
CIN : L141030R2000PLC006230  
**Statement of Standalone and Consolidated Balance Sheet Year ended March 31,2019**

(₹ In lakhs)

	Standalone		Consolidated	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
	Audited	Audited	Audited	Audited
<b>I. ASSETS</b>				
<b>1. Non-current Assets</b>				
(a)Property,Plant and Equipment	6,307	8,652	6,307	8,652
(b)Capital Work-in-progress	-	-	10,436	10,689
(c)Intangible Assets	-	-	-	-
(d)Financial Assets				
(i) Investments	4,518	4,238	1,247	1,024
(ii) Trade Receivables	-	-	-	-
(iii)Loans	193	195	193	195
(iv)Other Financial Assets	1,33,044	1,33,044	1,33,044	1,33,045
(e) Deferred Tax Assets (net)	1,659	1,097	1,659	1,097
(f) Other Non-Current Assets	29	30	45	46
<b>2. Current Assets</b>				
a.Inventories	6,698	6,175	6,698	6,175
b.Financial Assets				
(i) Investments	-	-	-	-
(ii) Trade Receivables	7,406	5,080	7,406	5,080
(iii) Cash & Bank Balance	7,813	6,480	7,819	6,510
(iv) Bank Balances Other Than Three	2,320	3,363	2,320	3,363
(v) Loans	4,855	4,964	4,855	4,965
(vi) Other Financial Assets	2,281	1,073	660	290
c.Current Tax Assets (Net)	5,338	5,018	5,338	5,018
d.Other Current Assets	1,001	1,457	1,000	1,456
<b>TOTAL ASSETS</b>	<b>183462</b>	<b>180866</b>	<b>189027</b>	<b>187605</b>
<b>II. EQUITY AND LIABILITIES</b>				
<b>1. Equity</b>				
a. Equity Share Capital	2,274	2,274	2,274	2,274
b. Other Equity	831	1,947	-230	946
Non-Controlling Interest	-	-	4	4
<b>2. Liabilities</b>				
<b>(i) Non-current Liabilities</b>				
a.Financial Liabilities				
(i) Borrowings	479	66,306	479	66,306
(ii) Trade Payables	-	-	-	-
Total Outstanding Dues of MSME	-	-	-	-
Total Outstanding Dues other than MSME	-	-	-	-
(iii) Other Financial Liabilities	-	-	-	-
b.Provisions	85	61	85	61
<b>c. Deferred Tax Liabilities (net)</b>				
d. Other Non-current Liabilities	-	108	-	108
(ii) Current Liabilities				
a.Financial Liabilities				
(i) Borrowings	1,68,509	1,01,825	1,75,051	1,02,152
(ii) Trade Payables	-	-	-	4,982
Total Outstanding Dues of MSME	-	-	-	-
Total Outstanding Dues other than MSME	5,375	4,982	5,374	-
(iii) Other Financial Liabilities	1,989	1,786	1,992	9,090
b.Provisions	31	27	31	27
c.Other Current Liabilities	3,889	1,550	3,967	1,655
d.Current Tax Liability (Net)	-	-	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>183462</b>	<b>180866</b>	<b>189027</b>	<b>187605</b>

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**Part II :: Selected Explanatory Notes to the statement of Financial Results for the  
Quarter and Year Ended March 31,2019**

- 1 The above financial results of the Company for the quarter and year ended March 31, 2019 have been audited and recommended by the audit Committee and approved by the Board of Directors of the Company in their respective meetings held on May 28, 2019. These results are being published in accordance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 2 The above financial results of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended thereof.
- 3 The format for quarterly results as prescribed in SEBI's Circular CIR/CFD/CMD/15/2015 dated November 30, 2015 has been modified to comply with requirements of SEBI's Circular dated July 5, 2016, Ind AS and Sechedule III (Division II) to the Companies Act, 2013 applicable to companies that are required to comply with Ind AS.
- 4 The company has not declared any dividend during the period for which results has been disclosed .
- 5 Based on the principles set out under Ind-AS 108 "Operating Segments ", the company follows "management Approach " for the purpose of deciding operating segments. The operating results of company as a whole regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated and to assess its performance. Accordingly , the company is operating in single segment.
- 6 Ind AS 115 on Revenue From Contractsc with customer is mandatory for reporting periods starting April 1,2018. The application of Ind -AS 115 did not have any impact on recognition and measurement of revenue and related items in the financial results.
- 7 Contract wise surplus/deficit has not been prepared as the number and complexity of the contracts are very high.
- 8 The majority of the lenders of the company have stopped charging interest on debts, since the dues from the company have been catagerosed as Non Performing Assets.Accordingly,recognition of these interest on borrowings has not been recognized. The Company is in the process of settlement of loans with Banks.
- 9 Due to accounts turning Non performing Account, certain bank statements are not available with the Company. And therefore the same is subject to reconciliation of differences, if any.

10 As at 31 March 2019, the ARSS Group consolidation comprises of the following:

Sl. No.	Name of the Entity	Relationship
1	ARSS Infrastructure Projects Limited	Parent Company
2	ARSS Damoh Hirapur Tolls Private Limited	Subsidiary Company
3	ARSS Developers Limited	Associate Company
4	Niraj-ARSS JV	Joint Venture
5	ARSS-Atlanta JV	Joint Venture
6	Atlanta-ARSS JV	Joint Venture
7	ARSS-HCIL Consortium JV	Joint Venture
8	ARSS-Triveni JV	Joint Venture
9	Patel-ARSS JV	Joint Venture
10	Backbone-ARSS JV	Joint Venture
11	Somdatt Builders-ARSS JV	Joint Venture
12	ARSS-ANPR JV	Joint Venture
13	HCIL Adhikarya-ARSS JV	Joint Venture
14	ARSS GVR JV	Joint Venture
15	HCIL-ARSSSPL-Triveni JV	Joint Venture
16	HCIL-Kalindee ARSS JV	Joint Venture
17	ARSS-SCPL JV	Joint Venture
18	ARSS LGPPL JV	Joint Venture

11 As the financials of ARSS BMS JV, ARSS Technocom Priyashi Aashi JV and ARSS SIPS JV is prepared by the JV partner, the profit/loss for the current year is not considered. However, the profit/loss for the previous year of ARSS BMS and ARSS SIPS JV is considered in consolidation. Further there is no material transaction in ARSS Technocom Priyashi Aashi JV.

*Handwritten signature*



- 12 The subsidiary of the Company has reversed its interest on loan of Rs 10.64 cr in line with the Bank statement.
- 13 Comparative figures have been rearranged / regrouped wherever necessary.

For and On Behalf of the Board of  
Directors

ARSS Infrastructure Projects Limited



Rajesh Agarwal  
(Managing Director)  
DIN-00217823

Date : May 28, 2019  
Place: Bhubaneswar



**ARSS Infrastructure Projects Limited**  
CIN : L141030R2000PLC006230  
Extract Of Financial Results For The Quarter and Year Ended March 31, 2019

Key numbers of Financial Results

(Rs. in Lakhs)

Sl. No.	Particulars	Standalone					Consolidated	
		Quarter ended			Year ended		Year ended	
		March 31,2019	December 31,2018	March 31,2018	March 31,2019	March 31,2018	March 31,2019	March 31,2018
		Audited	Un-audited	Audited	Audited	(Audited)	Audited	(Audited)
1	Total Revenue from Operations	16,640	7,581	13,082	45,910	58,434	45,910	58,434
2	Net Profit / (Loss) (before Tax, Exceptional and/or Extraordinary items)	(993)	634	(3,689)	(1,683)	(7,877)	(1,683)	(7,877)
3	Net Profit / (Loss) before Tax (after Exceptional and/or Extraordinary items)	(993)	634	(3,689)	(1,683)	(7,877)	(1,683)	(7,877)
4	Net Profit / (Loss) after Tax (after Exceptional and/or Extraordinary items)	(9)	303	(1,881)	(1,121)	(5,477)	(1,181)	(5,842)
5	Total Comprehensive Income [Comprising Profit / (Loss) after tax and Other Comprehensive Income after tax]	(3)	302	(1,884)	(1,116)	(5,480)	(1,176)	(5,845)
6	Equity Share Capital	2,274	2,274	2,274	2,274	2,274	2,274	2,274
7	Earnings per share (of Rs 10/- each) Basic & Diluted (Rs.)	(0.04)	1.33	(8.27)	(4.93)	(27.51)	(5.20)	(29.35)

Notes :

- a) The above financial results of the Company for the quarter and year ended March 31, 2019 have been reviewed by the audit Committee and approved by the Board of Directors of the Company in their respective meetings held on May 28, 2019. These results are being published in accordance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- b) The above is an extract of the detailed format of Statement of audited Financial Results for the quarter and year ended on March 31, 2019 filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The full format of the Statement Financial Results for the quarter and year ended on 31st March, 2019, are available on the website of the Stock Exchanges - [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) as well as on the website of the Company - [www.arssgroup.in](http://www.arssgroup.in)

By order of the Board  
For ARSS Infrastructure Projects Limited



Rajesh Agarwal  
( Managing Director )  
DIN - 00217823

Date : May 28, 2019  
Place: Bhubaneswar





# AJAY B' GARG

CHARTERED ACCOUNTANT

**Auditor's Report On Annual Standalone Ind AS Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To

The Board of Directors  
ARSS Infrastructure Projects Limited  
CIN : L14103OR2000PLC006230  
Plot-no-38, Sector-A, Zone-D  
Mancheswar Industrial Estate  
Bhubaneswar-751 010, Odisha

We have audited the quarterly standalone financial results of M/s. ARSS Infrastructure Projects Limited for the quarter ended 31<sup>st</sup> March 2019 and the year to date results for the period 1<sup>st</sup> April 2018 to 31<sup>st</sup> March 2019, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. Attention is drawn to the fact that the figures for the quarter ended 31<sup>st</sup> March 2019 is balancing figures between annual audited standalone financial statement for year ended 31<sup>st</sup> March 2019 and published financial result for nine month ended 31<sup>st</sup> December 2018 which was reviewed by us.

These quarterly standalone financial results as well as the year to date standalone financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of standalone financial statements for the year ended 31<sup>st</sup> March 2019 and our review of standalone financial result for the nine month period ended 31<sup>st</sup> December 2018, which have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) for Interim Financial Reporting (Ind AS 34), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder; or by the Institute of Chartered Accountants of India, as applicable and other accounting principles generally accepted in India.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

Conclusion:

Based on our audit conducted as above and subject to '*para a to c*' stated below, in our opinion and to the best of our information and according to the explanations given to us, these quarterly standalone financial results as well as the year to date results:

- (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI circular dated 5th July 2016 in this regard; and





**AJAY B' GARG**  
CHARTERED ACCOUNTANT

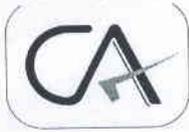
- (ii) give a true and fair view of the net profit/ loss (financial performance including other comprehensive income) and other financial information for the quarter ended 31<sup>st</sup> March 2019 as well as the year to date results for the period from 1<sup>st</sup> April 2018 to 31<sup>st</sup> March 2019.
- a) *In absence of relevant records, Contract-wise surplus/loss has neither been ascertained nor recognized in compliance with Ind AS-115 'Revenue from contract with customers'.*
- b) *The company has overdue accumulated secured debts amounting to Rs.1629.46 Crores out of which Rs.123.53 Crores subject to interest reconciliation from 01.10.2018 and Rs.1505.93 Crores subject to reconciliation of interest thereon from 01.04.2016. Banks have classified the accounts as NPA. No interest has been charged on these secured debts to the Profit & Loss account resulting in understatement of loss to that extent and understatement of liability. Secured lenders have served notices on various dates under section 13(2) of Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 for recovery of their dues.*
- c) *We draw attention to Note No. 9 to accompanying statement, wherein, bank statement from State Bank of India and Export Import Bank of India is not available from banks. We are unable to ascertain balances and transaction with these banks.*

For Ajay B Garg  
Chartered Accountants

A Garg  
Proprietor  
Membership No.: 032538



Date : The 28<sup>th</sup> day of May, 2019.  
Place : Mumbai



**AJAY B GARG**  
CHARTERED ACCOUNTANT

**Auditor's Report On Annual Consolidated Ind AS Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To  
The Board of Directors  
ARSS Infrastructure Projects Limited  
CIN : L14103OR2000PLC006230  
Plot-no-38, Sector-A, Zone-D  
Mancheswar Industrial Estate  
Bhubaneswar-751 010, Odisha

1. We have audited the accompanying Statement of Annual Consolidated Ind AS Financial Results of M/s. ARSS Infrastructure Projects Limited (hereinafter referred to as 'the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') for the year then ended March 31, 2019 ("the Statement"), being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular no. CIR/CFD/FAC/62/ 2016 dated 5th July, 2016. This consolidated financial result is the responsibility of the Company's management and has been approved by the Board of Directors. This Statement has been prepared on the basis of the annual consolidated Ind AS financial statements. Our responsibility is to express an opinion on this Statement based on our audit of such annual consolidated Ind AS financial statements, which have been prepared in accordance with the Indian Accounting Standards specified under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Account) Rules, 2014 and other accounting principles generally accepted in India.
2. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India and specified under Section 143(10) of the Act. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Consolidated Financial Results is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed in the Statement. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that the audit evidences obtained by us is sufficient and appropriate to provide a reasonable basis for our opinion on the Statement.
3. In our opinion and to the best of our information and according to the explanations given to us and on consideration of the reports of its subsidiaries, and subject to following, the consolidated financial statement:
  - (i) includes the annual Ind AS financial results of the entities listed in Note.10 to the statement;
  - (ii) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
  - (iii) gives a true and fair view of the consolidated net loss (including other comprehensive income) and other financial information of the Group for the year ended March 31, 2019.



**AJAY B GARG**  
CHARTERED ACCOUNTANT

- a) In the absence of audited books of accounts of ARSS-SIPS-JV, ARSS Technocom Priyashi Aashi JV and ARSS-BMS JV, financial data from these entity have not been included in consolidation of financial statement.
- b) In absence of relevant records, Contract-wise surplus/loss of holding company has neither been ascertained nor recognized in compliance with Ind AS-115 'Revenue from contract with customers'.
- c) The company has overdue accumulated secured debts amounting to Rs.1629.46 Crores out of which Rs.123.53 Crores subject to interest reconciliation from 01.10.2018 and Rs.1505.93 Crores subject to reconciliation of interest thereon from 01.04.2016. Banks has classified it as NPA. No interest has been charged on these secured debts to the Profit & Loss account resulting in understatement of loss to that extent and understatement of liability. Secured lenders have served notices on various dates under section 13(2) of Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 for recovery of their dues.
- d) We draw attention to Note No.9 to accompanying statement, wherein, Bank Statement for State bank of India and Export Import Bank of India is not available from banks. We are unable to ascertain balances and transaction with these banks.
- e) In case of M/s. ARSS Damoh Hirapur Tolls Pvt Ltd; wherein, status of rights and title on the Capital work-in-progress valued at Rs.104.36 Crores has neither been ascertained nor the effect of the same has been accounted for in the financial statements.
- f) In case of M/s. ARSS Damoh Hirapur Tolls Pvt Ltd; wherein, in absence of details of physical verification of Capital Work in Progress, discrepancies, if any, between book and physical balance could not be ascertained including effect of the same in the financial statements.
- g) We draw attention to Note No.12 to accompanying statement, wherein, in case of M/s. ARSS Damoh Hirapur Tolls Pvt Ltd, interest on Loan from Banks of Rs.58.41Crores classified by bankers as NPA, has neither been ascertained nor the effect of the same has been accounted for in the financial statements. During the year company restate its liability to match bank statement provided by bank wherein interest has not been charged.
- h) In case of HCIL -ADHIKARYA- ARSS JV, wherein, status of rights, title and recoverability of the Work-In-Progress valued at Rs.165.38 Crores has neither been verified and ascertained nor the effect of the same has been accounted for in the financial statement.





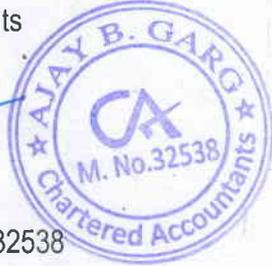
# AJAY B GARG

CHARTERED ACCOUNTANT

4. The Statement includes the results for the Quarter ended March 31, 2019, being the balancing figure between audited figures in respect of full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For Ajay B Garg  
Chartered Accountants

A Garg  
Proprietor  
Membership No.: 032538



Date : The 28<sup>th</sup> day of May, 2019.  
Place : Mumbai

**Annexure I**

**Statement on Impact of Audit Qualifications (for audit report dated 28.05.2019 with modified opinion) submitted along-with Annual Audited Standalone Financial Results of ARSS Infrastructure Projects Limited for the Financial Year ended on 31<sup>st</sup> March, 2019.**

<b>Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2019</b> [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
<b>I.</b>	<b>Sl. No.</b>	<b>Particulars</b>	<b>Audited Figures (as reported before adjusting for qualifications) (Amount in Lakhs)</b>	<b>Adjusted Figures (audited figures after adjusting for qualifications) (Amount in Lakhs)</b>
	1.	Turnover / Total income	48,527	48,527
	2.	Total Expenditure	50,210	50,210
	3.	Net Profit/(Loss)	(1,683)	(1,683)
	4.	Earnings Per Share	(4.93)	(4.93)
	5.	Total Assets	183,462	183,462
	6.	Total Liabilities	180,357	180,357
	7.	Net Worth	3,105	3,105
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-
<b>II.</b>		<b>Audit Qualification (each audit qualification separately):</b>		
	<p><b>a. Details of Audit Qualification:</b></p> <p>a) <i>In absence of relevant records, Contract-wise surplus/loss has neither been ascertained nor recognized in compliance with Ind AS-115 'Revenue from contract with customers'. In absence of relevant records, Contract-wise surplus/loss has neither been ascertained nor recognized in compliance with Ind AS-115 'Revenue from contract with customers'.</i></p> <p>b) <i>The company has overdue accumulated secured debts amounting to Rs.1629.46 Crores out of which Rs.123.53 Crores subject to interest reconciliation from 01.10.2018 and Rs.1505.93 Crores subject to reconciliation of interest thereon from 01.04.2016. Banks has classified it as NPA. No interest has been charged on these secured debts to the Profit &amp; Loss account resulting in understatement of loss to that extent and understatement of liability. Secured lenders have served notices on various dates under section 13(2) of Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002</i></p>			

*for recovery of their dues.*

*c) We draw attention to Note No. 9 to accompanying statement, wherein, bank statement for State bank of India and Export Import Bank of India is not available from banks. We are unable to ascertain balances and transaction with these banks.*

**b. Type of Audit Qualification : Qualified Opinion**

**c. Frequency of qualification:**

Qualification No. a) since Financial Year 2013-14

Qualification No. b) since Financial Year 2016-17

Qualification No. c) since Financial Year 2018-19

**d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Nil**

**e. For Audit Qualification(s) where the impact is not quantified by the auditor:**

**(i) Management's estimation on the impact of audit qualification: Nil**

**(ii) If management is unable to estimate the impact, reasons for the same:**

For Qualification No -(a): During the work execution period there is escalation claim, revision of contract value, extension of completion period, etc due to which unpredictable variation in reliable estimation of revenue and cost. Also the allocation of combine Operating overhead, Head office overhead and Financial Cost is not possible due to combine use or high swapping of resources, size of the Contracts. Hence financial implication of the qualification is not quantifiable.

For Qualification No- (b): The Company has not provided interest on NPA accounts, Since the outstanding amount is not quantifiable and the company is in the process for one time settlement with the banks.

For Qualification No- (c): The account became NPA for both the cases therefore bank statements are not provided by the banks. The company is in the process for one time settlement with the banks.

	(iii) Auditors' Comments on (i) or (ii) above: As per our qualifications.
III.	Signatories:
	<input checked="" type="checkbox"/> CEO/Managing Director <i>[Signature]</i>
	<input type="checkbox"/> CFO <i>S. N. Pattasaini</i>
	<input type="checkbox"/> Audit Committee Chairman <i>[Signature]</i>
	<input type="checkbox"/> Statutory Auditor <i>[Signature]</i>
	Place: Bhubaneswar
	Date: 28.05.2019



## Annexure I

**Statement on Impact of Audit Qualifications (for audit report dated 28.05.2019 with modified opinion) submitted along-with Annual Audited Consolidated Financial Results of ARSS Infrastructure Projects Limited for the Financial Year ended on 31<sup>st</sup> March, 2019.**

<b>Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2019</b> [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
<b>I.</b>	<b>Sl. No.</b>	<b>Particulars</b>	<b>Audited Figures (as reported before adjusting for qualifications) (Amount in Lakhs)</b>	<b>Adjusted Figures (audited figures after adjusting for qualifications) (Amount in Lakhs)</b>
	1.	Turnover / Total income	48,527	48,527
	2.	Total Expenditure	50,210	50,210
	3.	Net Profit/(Loss)	(1,176)	(1,176)
	4.	Earnings Per Share	(5.20)	(5.20)
	5.	Total Assets	189,027	189,027
	6.	Total Liabilities	186,979	186,979
	7.	Net Worth	2,048	2,048
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-
<b>II.</b>	<b>Audit Qualification (each audit qualification separately):</b>			
	<p style="margin-left: 40px;"><b>a. Details of Audit Qualification:</b></p> <p style="margin-left: 80px;">a) <i>In the absence of audited books of accounts of ARSS-SIPS JV and ARSS-BMS JV, this entity has not been included in consolidation of financial statement.</i></p> <p style="margin-left: 80px;">b) <i>In absence of relevant records, Contract-wise surplus/loss of holding company has neither been ascertained nor recognized in compliance with Ind AS-115 'Revenue from contract with customers'.</i></p> <p style="margin-left: 80px;">c) <i>The company has overdue accumulated secured debts amounting to Rs.1629.46 Crores out of which Rs.123.53 Crores subject to interest reconciliation from 01.10.2018 and Rs.1505.93 Crores subject to reconciliation of interest thereon from 01.04.2016. Banks has classified it as NPA. No interest has been charged on these secured debts to the Profit &amp; Loss account resulting in understatement of loss to that extent and understatement of liability. Secured lenders</i></p>			

have served notices on various dates under section 13(2) of Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 for recovery of their dues.

- d) We draw attention to Note No.9 to accompanying statement, wherein, bank statement for State bank of India and Export Import Bank of India is not available from banks. We are unable to ascertain balances and transaction with these banks.
- e) In case of M/s. ARSS Damoh Hirapur Tolls Pvt Ltd; wherein, status of rights and title on the Capital work-in-progress valued at Rs.104.36 Crores has neither been ascertained nor the effect of the same has been accounted for in the financial statements.
- f) In case of M/s. ARSS Damoh Hirapur Tolls Pvt Ltd; wherein, in absence of details of physical verification of Capital Work in Progress, discrepancies, if any, between book and physical balance could not be ascertained including effect of the same in the financial statements.
- g) We draw attention to Note No.12 to accompanying statement, wherein, in case of M/s. ARSS Damoh Hirapur Tolls Pvt Ltd, interest on Loan from Banks of Rs.58.41Crores classified by bankers as NPA, has neither been ascertained nor the effect of the same has been accounted for in the financial statements. During the year company restate its liability to match bank statement provided by bank wherein interest has not been charged.
- h) In case of HCIL -ADHIKARYA- ARSS JV, wherein, status of rights, title and recoverability of the Work-In-Progress valued at Rs.165.38 Crores has neither been verified and ascertained nor the effect of the same has been accounted for in the financial statement.

**b. Type of Audit Qualification : Qualified Opinion**

**c. Frequency of qualification:**

Qualification No. a) since Financial Year 2016-17

Qualification No. b) since Financial Year 2016-17

Qualification No. c) since Financial Year 2016-17

Qualification No. d) since Financial Year 2018-19

Qualification No. e) since Financial Year 2016-17

Qualification No. f) since Financial Year 2016-17

Qualification No. g) since Financial Year 2016-17

Qualification No. h) since Financial Year 2018-19

**d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Nil**

**e. For Audit Qualification(s) where the impact is not quantified by the auditor:**

**(i) Management's estimation on the impact of audit qualification: Nil**

**(ii) If management is unable to estimate the impact, reasons for the same:**

For Qualification No-(a): The Joint Venture has completed the object for which it was formed. No transaction has been entered into during the Year. The accounts of the JVs are under the control of respective JV Partners i.e. Shyam Indus Power Solutions Pvt Ltd and BMS Projects. The accounts of these JVs are yet to be finalized from their end. Hence financial implication for the JV is not quantifiable. However the accounting effect of the discrepancies, if any after the finalization of its accounts will be given at current date

For Qualification No -(b): During the work execution period there is escalation claim, revision of contract value, extension of completion period, etc due to which unpredictable variation in reliable estimation of revenue and cost. Also the allocation of combine Operating overhead, Head office overhead and Financial Cost is not possible due to combine use or high swapping of resources, size of the Contracts. Hence financial implication of the qualification is not quantifiable.

For Qualification No- (c): The Company has not provided interest on NPA accounts, Since the outstanding amount is not quantifiable and the company is in the process for one time settlement with the banks.

For Qualification No- (d): The account became NPA for both the cases therefore bank statements are not provided by the banks. The company is in the process for one time settlement with the banks.

For Qualification No- (e): We have filed Arbitration claim before MPRDCL for rights on the title, the matter is subjudice.

	<p>For Qualification No- (f): The work has been terminated since long and mater is subjudice and therefore it is difficult to do physical verification.</p> <p>For Qualification No- (g): The account has already turned NPA. Interest has been reversed to the extent of bank statement balance as at 31<sup>st</sup> March 2019 and the company is in the process of obtaining a compromise settlement.</p> <p>For Qualification No- (h): Since the matter is in Arbitration, the Company has not booked the Work in Progress in revenues, awaiting the final decision.</p>

	(iii) Auditors' Comments on (i) or (ii) above: As per our qualifications.
III.	Signatories:
	<input checked="" type="checkbox"/> CEO/Managing Director <i>[Signature]</i>
	<input type="checkbox"/> CFO <i>S. N. Pattasaini</i>
	<input type="checkbox"/> Audit Committee Chairman <i>[Signature]</i>
	<input type="checkbox"/> Statutory Auditor <i>[Signature]</i>
	Place: Bhubaneswar
	Date: 28.05.2019

