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# THE PLUS FACTOR



## Forward-looking statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take investment decisions. This report and other statements - written and oral – that we periodically make contain forward-looking statements that set out anticipated results based on the management’s plans and assumptions. We have tried wherever possible to identify such statements by using words such as ‘anticipate’, ‘estimate’, ‘expects’, ‘projects’, ‘intends’, ‘plans’, ‘believes’, and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievements of results are subject to risks, uncertainties, and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated, or projected. Readers should keep this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

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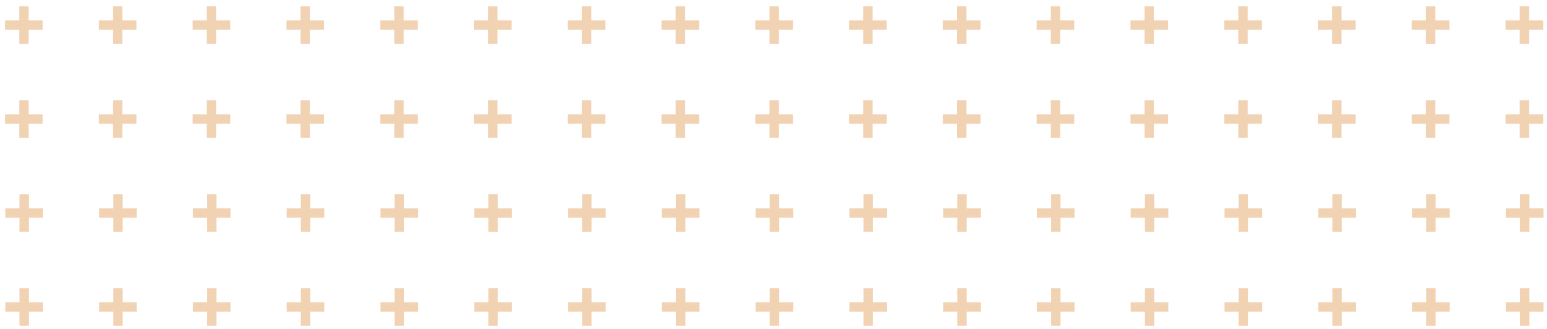
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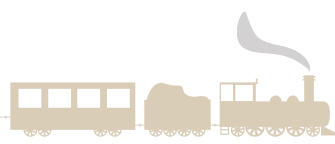


Since the successful completion of our first project about a decade ago, we have steadily grown in size, business segments, geographic coverage, clients, equipment portfolio and financial strength. Our focus areas comprise railways, roads and bridges and irrigation projects, reflecting a diverse revenue stream and a derisked business model. Through careful and accelerated implementation of our projects, we are providing higher levels of connectivity, convenience and reliability to millions of people, creating greater value to our shareholders, while at the same time contributing substantially to the nation's infrastructure creation.



At ARSS, these are multiple manifestations of one simple reality:  
**THE PLUS FACTOR.**





Corporate Overview

Strategic Review

Statutory Reports

Financial Statements

## PRIORITIES AND POSSIBILITIES



**+**  
**VISION**  
**MISSION**  
**VALUES**





## VISION

- + To be a respected global player in the infrastructure development sector
- + To satisfy our customer and enhance our shareholders' wealth
- + To have innovation and commitment as the two mantras that drive us
- + To attract, develop and sustain the best talents in the industry
- + To continue to focus on the culture of trust
- + To provide continuous learning opportunities, while meeting the expectation of our employees, stakeholders and the community

## MISSION

- + To develop infrastructure through an effective use of new ideas and cutting-edge technology
- + To become a major player in the railway infrastructure sector
- + To conquer new horizons and new heights
- + To do this, while enriching and enhancing the quality of human life
- + To set our eyes on the international arenas and no longer remain limited to domestic projects
- + To be a leader in the infrastructure sector

## VALUES

- + Commitment to quality and timeliness in providing products and services;
- + Continuous capacity improvement and use of latest technology to deliver tomorrow's solution today;
- + Customer satisfaction is the final symbol of achievement in our projects;
- + Maintaining long-term and mutually beneficial relationships with our clients, shareholders and investors, while adhering to safety, ethical, legal, cultural and environmental requirements.



₹ 3,221 crores

Order book size as on  
31st March, 2011



500 kms

Successfully completed  
railway lines



400 kms

Successfully completed  
roads and highways



100+

Successfully completed  
projects



2,407

Team strength as on 31st  
March, 2011

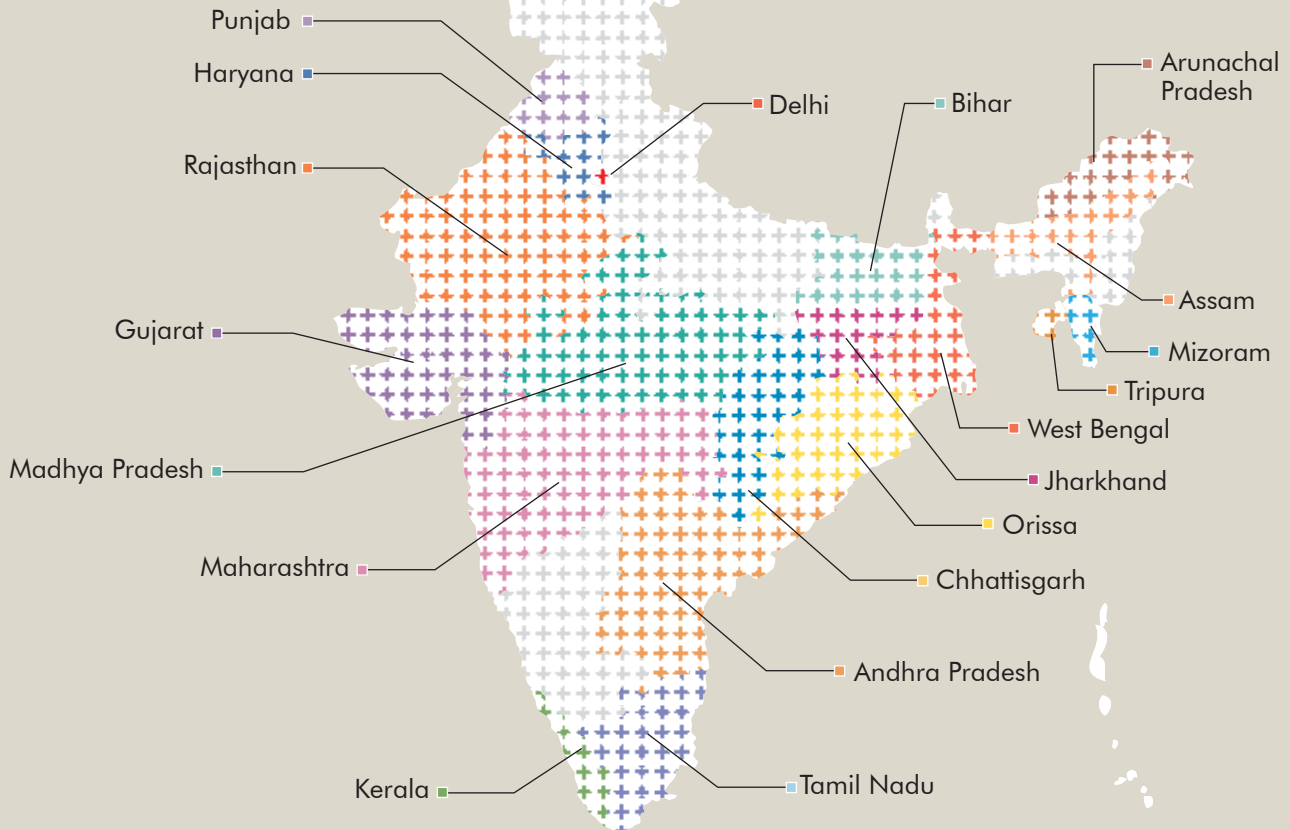


## We are firmly on track

- + ARSS Infrastructure Projects Limited is engaged in civil construction activities in India
- + Offers multiple services related to railway construction, including earthworks, major and minor bridges, supply of ballast, sleepers, laying of sleepers and rails, and linking of tracks, as well as engages in EPC activities for railways
- + Serves governments, public sector undertakings and other government agencies on a contractual basis
- + Adhere to international best practices, and have been certified with ISO 9001: 2008, Quality Management System Standard Certificate by Moody International Certification Limited
- + Listed on the National Stock Exchange of India and the Bombay Stock Exchange



## Geographic spread



## Business alliances

- + PT Adhikarya (Persero)
- + Harish Chandra (India) Limited
- + Triveni Engicons Private Limited
- + RITES
- + Kalindee Rail Nirman (Engineers) Limited
- + Patel Engineering Limited
- + Rohit Kumar Das Construction Private Limited
- + Backbone Enterprises Limited
- + Atlanta Limited
- + Som Dutt Builders (P) Limited
- + Sri Durga Condev (P) Limited
- + Welspun Infratech Limited

## ARSS Group composition

- + ARSS Infrastructure Projects Limited
- + ARSS Developers Limited
- + ARSS Steel & Power Limited
- + ARSS Cement Limited
- + ARSS Holdings Limited
- + ARSS Bus Terminal Private Limited
- + ARSS ETOE Rail Private Limited
- + Anil Contractors Private Limited
- + ARSS Biofuel Private Limited
- + ARSS Engineering Limited
- + ARSS Engineering & Technology Private Limited
- + ARSS Damoh – Hirapur Tolls Private Limited
- + ARSS Action Ropar Tollway Private Limited



NSE Ticker  
ARSSINFRA

BSE Ticker  
533163

Bloomberg  
Ticker  
ARSS: IN



## FOCUSED MOMENTUM



### 2000

- Incorporated as ARSS Stones Private Limited
- Commissioned New Crusher Plant at Dhenkanal in Orissa

### 2003

- Awarded work for five major bridges at Bhubaneswar
- Diversified into the field of earthwork, rock excavation, bridges & roadways and boring piles

### 2004

- Enhancement of bidding capacity
- Joint Venture with Triveni Engicons Private Limited for Railway Projects

### 2005

- Enhancement of bidding capacity
- Joint Venture with Domestic - Harish Chandra (India) Ltd, Kalindee Rail Nirman; and International partners - PT Adhikaria- for Railway and Road Projects
- Change of name to ARSS Infrastructure Projects Private Limited

### 2006

- Received ISO 9001:2000 certification
- Converted into a public limited company
- Established another crusher unit at Khurda, Orissa





## 2007

- Expanded business into Rajasthan, Jharkhand, Haryana and Tamil Nadu
- Joint Venture with Patel Engineering Limited
- Established another crusher unit at Ganjam, Orissa

## 2008

- Joint Venture with Somdatta Builders for road projects
- Private Equity investment by SBI (7.97%) at ₹ 315 per share

## 2009

- Doubling the turnover from ₹ 300 crores to ₹ 600 crores and becoming a leading construction company

## 2010

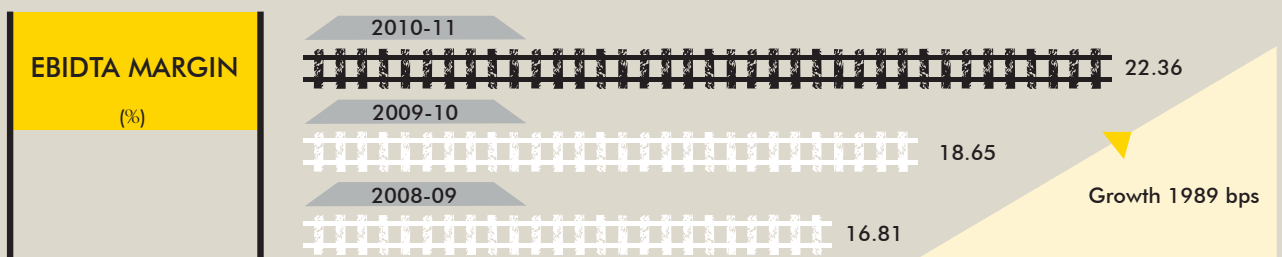
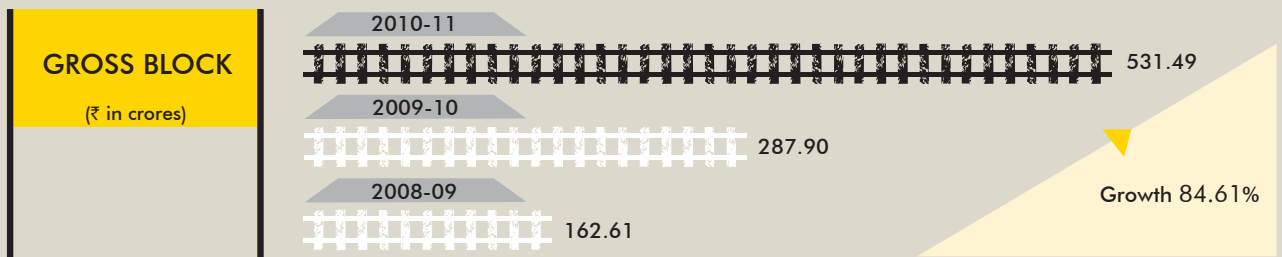
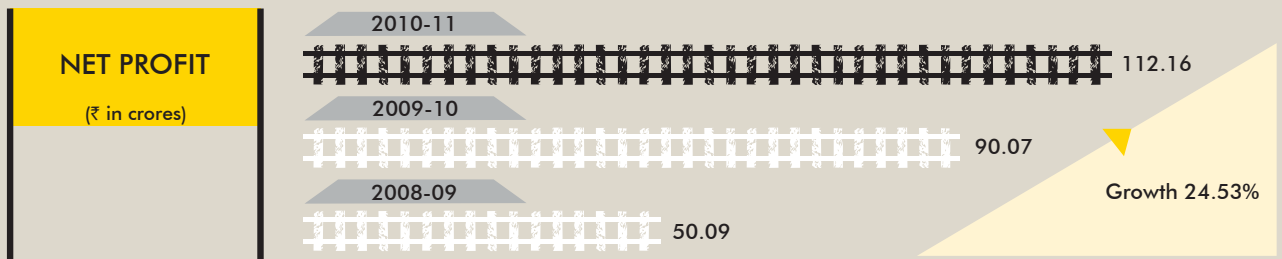
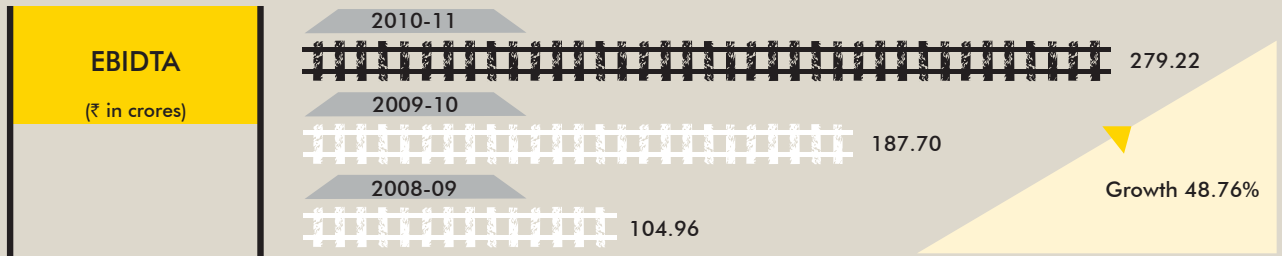
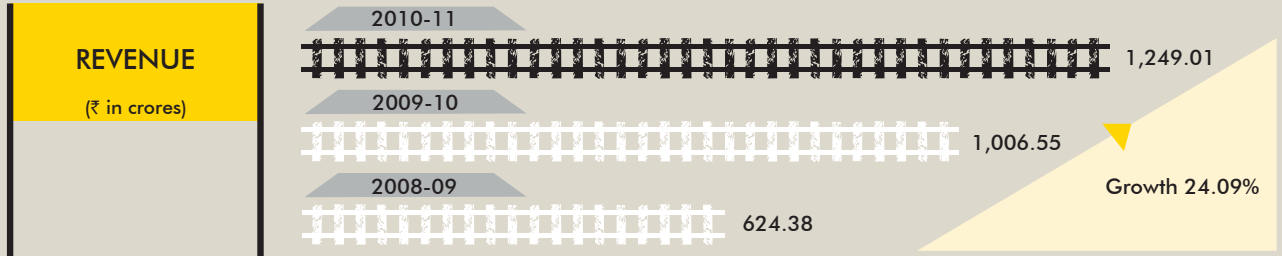
- Got listed on the National Stock Exchange of India Limited and the Bombay Stock Exchange with 52 times over-subscription and revenue crosses ₹ 1,000 crores mark

## 2011

- Received the first BOT in Madhya Pradesh and the PPP project for the development of bus terminal, Bhubaneswar



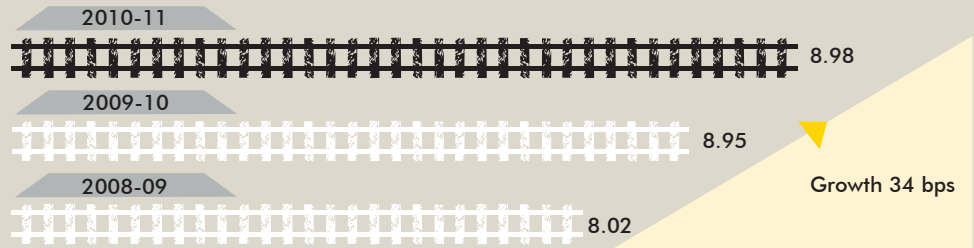
## RACING AHEAD WITH CREDIBLE NUMBERS



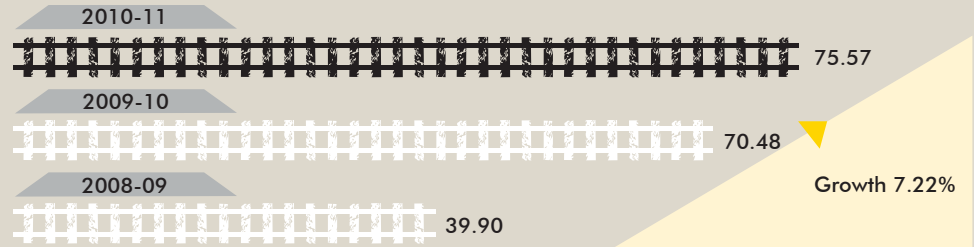
Note: Graphs not to scale



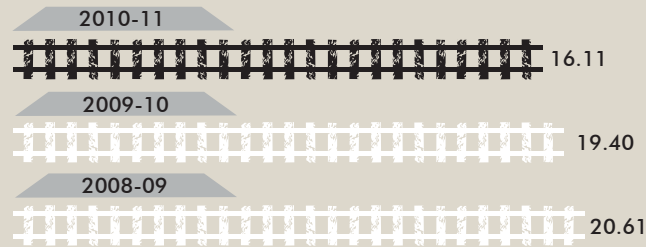
**NET PROFIT MARGIN (%)**



**EARNINGS PER SHARE (BASIC) (₹)**



**RETURN ON CAPITAL EMPLOYED (%)**



**DEBT-EQUITY RATIO**



Note: Graphs not to scale

\* Growth in 2010-11 over 2009-10

**ORDER BOOK ANALYSIS (₹ in crores)**

	2007-08		2008-09		2009-10		2010-2011	
Railway	812	53%	991	65%	1,196	43%	1,239	39%
Road	609	39%	422	28%	1,092	40%	1,701	52%
Irrigation	87	6%	57	4%	31	1%	4	0%
Other	36	2%	55	4%	440	16%	277	9%
<b>Total</b>	<b>1,544</b>	<b>100%</b>	<b>1,525</b>	<b>100%</b>	<b>2,759</b>	<b>100%</b>	<b>3,221</b>	<b>100%</b>



ARSS recorded a strong performance in 2010-11, its profitability improved significantly, and the organisation has a strong balance sheet. This has laid a rock-solid foundation for making ARSS a leading infrastructure company in India.

## CHAIRMAN'S LETTER



**Dear Shareholders,**

India is now passing through a very interesting phase. On the one hand, the sustained 8%-plus economic growth is creating opportunities in every sector of the economy, especially the infrastructure sector. On the other hand, a combination of persistently high rate of inflation and growing fiscal deficit are creating temporary hurdles to economic expansion. However, the long-term prospects of the economy continue to be robust, and with a good harvest (India is expecting a normal monsoon) rural income generation might as well propel the country's next phase of economic growth.

Infrastructure creation remains a priority sector for the government, driving enhanced fiscal allocation and creating opportunities for ARSS. In addition to central allocation, various state governments are also implementing policies to drive infrastructure projects. The objective is to enhance trade and commerce, mainstream underprivileged sections of society and enhance their quality of life.





The Government of India's investment in infrastructure is estimated to be 8.37 per cent in the final year of the 11th Plan and is likely to touch around 10 per cent of GDP in the 12th Five Year Plan (2012-2017). The contribution of the private sector in total infrastructure investment in each of the first two years of the 11th Plan (2007-2012) was around 34 per cent. This is higher than the 11th Plan target of 30 per cent and 25 per cent achieved in the 10th Plan period. It is expected to rise to 36 per cent by the end of the 11th Plan and 50 per cent during the 12th Plan (2012-2017).

### Our multi-terrain project experience and capability to handle diverse projects have stood us in great stead:

Currently, we have a ₹ 3,221 crores order book, which is expected to touch around ₹ 4,500 crores in 2011-12. Moreover, our total revenue escalated 24.12% to ₹ 1,257.47 crores in 2010-11 from ₹ 1,013.09 crores in 2009-10. Simultaneously, profit after tax surged 24.53% to ₹ 112.17 crores in 2010-11 from ₹ 90.07 crores in 2009-10.

### We are engaged in several landmark projects, which are currently being executed:

Construction of Cuttack-Paradeep Road (Orissa), construction of BRTS corridor and development of road (Jaipur Development Authority, Rajasthan), Rail Infrastructure Development project (JSPL, Angul, Orissa), widening and strengthening of existing carriage way to two lane for (Chandbali-Bhadrak-Anadpur, Orissa) and widening and strengthening of existing carriageway to two lane for Bhawanipatna to Khariar, among others.

ARSS is now focusing on more BOT projects as efficient management and timely project completion will result in healthy cash flow and drive annuity income. We initiated the execution of a few signature mega projects in BOT (Build-Operate-Transfer) and PPP (Public Private Partnership) models, such as the modernisation of Baramunda bus stand in Bhubaneswar, with air-conditioned waiting halls, multiplexes, commercial facilities, food courts, e-ticketing counters and more. We are also executing few BOT projects for Madhya Pradesh Road Development Corporation Limited and other state governments.

ARSS recorded a strong performance in 2010-11, its profitability improved significantly, and the organisation has a strong balance sheet. This has laid a rock-solid foundation for making ARSS a leading infrastructure company in India.

### Our future priorities would comprise:

- + Focus on sustainable growth through optimised resource use and environment protection
- + Enhance penetration across exiting and unexplored geographies
- + Accelerate project execution and increase investments in equipment and assets
- + Focus on acquiring BOT projects in Orissa, West Bengal and Chhattisgarh
- + Bid strategically for big-ticket projects, deriving higher volumes and margins
- + Seek opportunities in Bhutan, Bangladesh and Nigeria

Finally, I must emphasise that we would not be able to implement our future strategies, without our highly motivated personnel, the support and guidance of our stakeholders and the common values we have worked hard to create. Let's all succeed together.

Best Regards,

**Subash Agarwal**

Chairman



# OUR CAPABILITIES

Our investment in cutting-edge construction equipment and other assets represents a competitive advantage, enabling us to rapidly mobilise our equipment to multiple project sites.



## ₹ 228.14 crores

Investment in superior equipment  
fleet in 2010-11





ARSS benefits from the backward integration of sourcing aggregates, especially for its road projects. Currently, we have six captive quarrying mines and 13 stone crusher units with a cumulative 3,250 TPH crushing capacity. Stone (especially granite) represents one of the key components of construction and constitutes about 40% of the total cost. This helps reduce costs and improve margins considerably as raw materials from captive quarrying units are 50% cheaper, compared with those purchased from outside.

Moreover, we own construction equipment comprising Hydraulic Excavator, Tippers, Excavator-cum-Loader, Vibrator Roller, Vibrator Soil Contractor, Motor Grader, Hot Mix Plant, Batch Mix Plant, Concrete Batching Plant, Wet Mix Plant, Transit Mixture, Crane and other miscellaneous equipment.

### Crusher plant details

Name of crusher unit	Capacity
Chadhaidhara	350 TPH
Donkary	350 TPH
Tapang Plant	350 TPH
Parlakhemundi	200 TPH
Charichhak Crusher Plant	200 TPH
Berhampur Crusher Plant	200 TPH
Bhawanipatna Crusher plant	200 TPH
Sambalpur Crusher Plant	200 TPH
Kakiriguma Crusher Plant	200 TPH
Silchar Crusher Plant	200 TPH
Shadol Crusher Plant	200 TPH
Mizoram Crusher Plant	200 TPH
North Laxmipur Crusher plant	200 TPH





# IN GOOD COMPANY

Our strong portfolio of clients (Governments, Public Sector Undertakings and other Government agencies) reduces the risk of default and delayed payment.



# 83%

Work orders from Government and Government entities as on 31st March, 2011





## Our client centricity strengthens enriching relationships and generates repeat business.

The increasing level of infrastructure investments (especially roads, railways and irrigation projects) by Governments (state and central), international development bodies (like ADB, IFC and World Bank) with the participation of private players will be our major growth driver in future.

Over 83% of our order book comprise repeat orders from Government authorities. Clients from whom we have received repeat orders include Government of Orissa, Indian Railways, Rail Vikas Nigam Limited and RITES.

### RAILWAY



### ROAD



### BRIDGE



### OTHERS





## IMPROVING OPERATIONAL PERFORMANCE AND COST-EFFECTIVENESS THROUGH...



### Experience

ARSS possesses more than one decade of construction experience

### Cash comfort

Cash comfort: The Gross book value of our assets was ₹ 531.49 crores as on 31st March, 2011. It also enjoyed a cash and bank balance of ₹ 150.77 crores as on 31st March, 2011.

### Execution expertise

ARSS has been able to mobilise resources including equipment, raw materials and personnel to project sites at short notice. We believe that the breadth and depth of our experience, among other factors, helps us to pre-qualify for a greater number of potentially margin-accretive projects.

### Business alliances

ARSS collaborates with domestic and international companies to develop a stronger pool of resources, skills, knowledge and strategies, which would enhance business opportunities to achieve competitive bidding advantage.

### Pan-India advantage

We currently operate across 20 Indian states, reflecting our pan-India project expertise. We have expanded our operations from Orissa to states, such as Chhattisgarh, Rajasthan, Jharkhand, Haryana, Kerala, Andhra Pradesh, Assam, Maharashtra and Tamil Nadu.

### Diverse order book

Our order book comprises a well diversified portfolio across various segments, such as railways, roads and highways and road over-bridges (ROB), irrigation and dams, among others.

### Enhanced bidding capability

Bidding for infrastructure projects is dependent on multiple criteria, including, bid capacity and pre-qualification capability. Bid capacity represents the aggregate value of the contracts that can be awarded to us, and is computed based on pre-defined criteria of various authorities.

Pre-qualification capability includes various factors, such as the technical capability, financial capability and past experience in similar projects. We have considerably enhanced these capabilities to bag more projects and sustain margins.

### Talent pool

The organisation's skilled and dynamic team of engineers are responsible for superior project planning, reduced execution time and rationalised resource utilisation.

### Result

Till date, ARSS has executed over 100 projects across India; it has completed 500 kms of rail track projects and constructed over 400 kms of roads and highways.





## LANDMARK PROJECTS



### Major projects completed

#### Road

- + Construction of BRTS Corridor and development of Road (Package IB-C Zone Bypass to Panipech via Sikar road.
- + Construction of Cuttack - Govindpur - Banki- Simar Road (MDR-77) from 33 km to 38.15 km under 12th FCA.
- + Construction of Nayagarh-Jaganathprasad-Jhanjanagar Road (SH-210 from 45.50 km to 58.20 km and 60.02 km to 62.00 km).
- + Improvement of Badsankha-Tarini-Hinjili-Seragada-Sorada Road (SH-36) from 40.40 km to 54.20 km under C.R.F
- + Special repair and widening of six-lane Bhubaneswar-Nandankanan Road from the end of Municipality area-Chandutora Road SH-42 (100.50 km to 112 km) under 12th FCA

#### Rail

- + Supply and installation of track, signaling and yard-lighting works for the construction of Keonjhar-Tomka new BG railway line in Orissa, India
- + Construction of railway siding Gatora to plant yard (0.96 km to 12.88 km) including earth work in formation of railway, road, bridgework and permanent way work with supply of materials for NTPC, Sipat, STPP
- + Construction of plant yard, unloading bulb and MGR

link line up to 5 km (including earth work in formation of railway, road, bridgework and permanent way work with supply of materials) for NTPC, SSTPP in PKG-II

- + Construction of MGR Link Line from 35 km to 40/955.3 km and loading bulb and yard (including earth work in formation of railway, road, bridge work and permanent-way works with supply of materials) for NTPC-Sipat SSTPP PKG-V
- + Erection, construction and other ancillary work from Ambodala Railway Station to the alumina plant including intra-plant network for alumina refinery at Lanjigarh, District Kalahandi, Orissa on turnkey basis

### Major on-going projects

#### Standalone works

#### Road

- + Widening of 2-lane and improvement in 97/120 km to 134/960 km of Bhawanipatna - Gunupur - Kashipur - Rupkona Road (SH-44) under LWE Scheme
- + Widening and strengthening, raising of existing single lane carriage way with geometric improvement to two lane carriage way in 164.0 km to 189.0 km of NH-217
- + Improvement of Koraput-Laxmipur-Rayagada Road (SH-4) from 40/000 to 58/000 km under Vijayawada -Ranchi corridor Pkg-II out of SARCA Fund
- + Construction of ROB with approaches near canal crossing No. 88/112 from km 87.65 to 88.75 km of NH-42
- + Improvement of Jeypore-Kota-Malkangiri-Motu road (SH-25) from 0/000 Km to 21/000 Km under Vijaywada-Ranchi Corridor out of SARCA fund

#### Railway

- + JSPL, Angul Project-Work Order for execution of Rail Infrastructure Work
- + Construction of Roadbed, Major Bridges & Supply and Installation of Track (Excluding supply of rails), Signalling and Overhead Equipment (OHE) and associated equipment for 25 Kv, AC traction in connection with doubling of railway line between Barang-Rajatgarh (25 Km), Cuttack-Barang (12 Km) and 3rd line between Barang-Khurda Road (35 Km) in the state of Orissa, India



- + Civil Engineering works including Pway works in connection with construction of new BG Railway line from New Maynaguri (Westbengal) to Jogighopa (Assam). The work includes construction of station building, platform, circulating area, approach road, Service building, quarters, L-xing permanent way works and Ballast supply etc. and all other ancillary works between Chainage Km 91/670 to Km 148/300 in between the existing station New Cooch Behar(exclusive) and Golokganj (exclusive). CON/NMX-JPZ/1234
- + Construction of Rail Connectivity to Coal and Iron Ore yards-Civil Works - Phase I –ENNORE
- + Construction of Station Building, Residential building for staff, platform, Level crossing and BG track linking work including dismantling of MG track, remodeling of existing station yard and all other ancillary works as per approved plan in connection with construction of new BG Railway line from New Maynaguri to New Coochbehar of New Maynaguri - Jogighopa new BG line Project of N. F. Railway
- + Proposed Doubling of BG track between CHENGALPATTU and VILLUPURAM - Proposed construction of Major Bridges - Foundations, Sub-structure and Super-structure for Bridge Nos. 211 (36 x 17.50m PSC BOX Girders), 253 (22 x 11.85 m. PSC "I" Girder), 424 (8 x 14.64m PSC BOX Girders) and 432 (12 x 19.20 m, PSC BOX Girders) including Earthwork in forming bank, Transportation of staging materials, Dismantling / Demolishing of existing bridge structure and Other Protective works

## Joint Venture works

### Road

- + Construction for widening and strengthening of existing carriageway to two lane for chandbali-Bhadrak-anadpur (0/0 km to 45/0 km of sh-9 and 0/0 km to 50/0 km of SH-53)

- + Construction of a new 2-lane Highway from km 38/00 to km 71/00 (length=33.0 km) in Mizoram to support Kaladan Multi Modal Transport Project in phase 'A' of SARDP-NE. ( Job No.SARDP-NE/State Road/MZ/PWD/2010-11-159) Package No.-MM-II
- + Widening to 2-lane and improvement in km 0/0 to 102/9 km of Parlakhemundi-R. Udayagiri-Mohana road (SH-34) under LWE Scheme
- + Improvement of such as providing rigid pavement with paved shoulders to Cuttack-Paradeep Road (SH12) from 43/000 km to 82/000 km
- + Widening and strengthening of Existing Carriageway to 2-lane Bhawanipatna to Khariar (2/0 Km to 70/0 Km SH-16)

### Railway

- + Construction of major and minor bridges, retaining walls, earthwork including blanketing, station building & other misc. structures, ballast supply, linking of track with P.Way material (except rails & sleepers) between Harsauli-Rewari section in connection with harsauli-Rewari Doubling BG Project
- + New Broad gauge line between SALEM-KARUR (Via,) NAMAKKAL: Earth work in cutting, forming bank, construction of Major/ minor bridges, Road Over Bridges, Road Under Bridges, Limited use sub ways etc. Between 0.00 km to 25.50 km between Salem and Rasipuram. Vide Agt No-161
- + New Broad gauge line between SALEM-KARUR (Via,) NAMAKKAL: Earth work in cutting, forming bank, construction of Major/ minor bridges, Road Over Bridges, Road Under Bridges, Limited use sub ways etc. Between Km 25.50 to 52.00 between RASIPURAM and NAMA. Vide Agt No-160
- + Construction of Broad Gauge Formation and Minor Bridges from Chainage 41000.00 to 45000.00 between





Dausa and Lalsot in Connection with Dausa-Gangapur city New Broad Gauge Line Project of North Western Railway Jaipur. Vide Group No-18

- + Construction of 12 Nos. Major Bridges having total 35nos. Span with 1200 mm Diameter cast in situated bored piles and PSC Girder super structure of 18.30m. between Dausa and Gangapur city in Connection with Dausa-Gangapur city New Broad Gauge Line Project Vide Group no-14

### Irrigation

- + Construction of Kaushilia Dam and appurtenant works in panchkula district

## Strong projects pipeline

### Standalone works

#### Road

- + Two laning without paved Shoulder of Developing of road project in the state of Madhya Pradesh from Damoh-Bhatlyagarh-Baxwaha-Hirapur. (SH-37)
- + Construction of H.L Bridge over river Brahmani near Jenapur at 15th km of Kuakhia to NH-200 Road vai Jenapur in the district of Jajpur under Nabard Assistance RIDF-xvi
- + Improvement of Delanga-Brahmagiri Road from 16.500 km to 36.000 km in the Dist of Puri under NABARD Asst. RIDF-XVI
- + Improvement of Road to both side of Daya west canal from Palasuni Chhak (NH-5) to Gariage Chhak (NH-203)
- + Widening, strengthening & improvement of the Kuakhai Right Embankment (2- lanning road) f rom Kuakhai Bridge at NH-5 (Hi-Tech Chhak) to Daya Bridge Approach at NH-203 Lingipur) from RD- 0/0 to 13/0 (13Km), Bhubaneswar

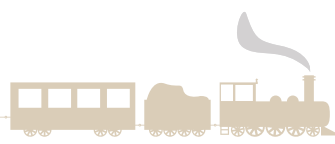
### Railway

- + Re-habilitation & up-gradation of existing Tracks inside Plant Premises(PKG. No. 053)
- + Earthwork in formation, construction of bridges and Permanent Way works in connection with linking of Barh Rly. Station with inplant yard and construction of inplant yard (Package-I) for Barh STPP, Stage-I (3 x 660 MW)", Dist. Patna, Bihar."
- + Construction of New Tracks and Signalling work & Rehabilitation of Existing Tracks in Rolling Mills Yard (PKG 051A)
- + Quarrying and supply of 84500 cum (approx), man size Blasted boulder for flood reserve stock weighing 40 kg to 70 g and stacking at Bogibeel Bridge Site Project at Bigibeel Near Dibrugarh
- + Quarrying and supply of 84500 cum (approx), man size Blasted boulder for flood reserve stock weighing 40 kg to 70 g and stacking at Bogibeel Bridge Site Project at Bigibeel Near Dibrugarh

### Joint Venture works

#### Road

- + Devlopment and operation & maintenance of Ropar Chamkur Sahib - Neelon - Doraha (up to NH-1) Road " Build Finance, Operate &Transfer (DBFOT) basis. (RFP)
- + MP State Road Project Manwar -Mangod (Bandheri) Road and Sardarpur - rajgarh - Bagh Road PKG-4
- + Improvement of existing single intermediate lane of NH-44 to two lane with paved shoulders from km 230/200 to km 247/00, km 261/504 (Ex. Ch. 260/109) to km 263/191 (Ex. Ch. 261/761) & km 272/241 (Ex. Ch. 271/00) to 284.053) (Total Length = 30.28km) under SARDP-NE, Phase-A in the State of Assam" (Job NO. SARDP-NE/NH-44/AS/PWD/2010-11/182.)
- + MP State Road Project Hata - Paterab - Kumhari - & Raipura - Saliya - Bahuriband - Sehora Road. PKG -10
- + Widening of 2-lane and imrovement in Km 46.300 to 86.000 of Jaganathpur-Berhampur-Phulbani road (SH-7) and in Km. 35.300 to 62.000 of Chikiti-ahandi-Aska Road (SH-29) in Ganjam District of Orissa under Vijayawada-Ranchi



## REVIEWING OUR BUSINESS DIVISIONS



# RAILWAYS



**Divisional revenue:**  
₹ 312.93 crores

**Division's contribution to revenue: 25.05%**

**Order book:**  
₹1,238.98 crores

**Number of projects completed in 2010-11: 5**





## Overview

Associated with Indian Railways since the last 11 years, ARSS is present across the entire value chain of activities right from survey designs to the final commissioning of railway projects. The Company has undertaken some EPC (Engineering, Procurement, and Construction) projects as well.

ARSS has executed railway projects of East Coast Railway, South Eastern Railway, South East Central Railway, Southern Railway and North Western Railway. The scope of work conducted by ARSS for a diverse portfolio of projects comprises:

- + Survey, fixing of alignment and railway designing
- + Building major and minor bridges for railways
- + Manual and mechanical layout of rail tracks
- + Maintenance of railroads and rail infrastructure
- + Constructing service buildings, railway stations and terminals
- + Building urban railways on elevated sections
- + Signaling and electrification of railway yards
- + Steel girder fabrication and erection
- + Embankment, cuttings and flash butt welding for long rails

## Segment strengths

ARSS has completed over 5 railway projects in 2010-11, and enjoys a strong ₹ 1,238.98-crores order book, on the strength of:

- + Decade-plus industry experience
- + Professional management
- + Flexibility to adopt the latest high-end technologies and equipment
- + Intellectual know-how and skilled manpower
- + Country-wide presence, with the capability to deepen rural reach

## Segment strategies

Capitalising on India's economy and infrastructural growth, ARSS adopts the following strategies:

- + Substantial investments in advanced technologies and machinery
- + Strengthening the bidding capacity
- + Securing raw material supply
- + Ensuring speedy projects completion
- + Expanding geographical presence
- + Owned crusher units and granite stone mines
- + Undertaking allied services, such as electrification, earthwork, bridges, signaling, among others

## Government support

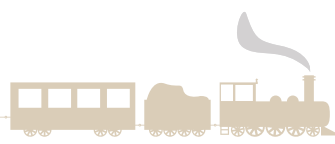


**₹ 3,216 billion worth of investments in the railway segment by 2011-2015**

**25,000 km new lines by 2020**

Investments in the railways segment is expected to increase from ₹ 1,501 billion in 2006-10 to ₹ 3,216 billion by 2011-2015. As per the Vision Document 2020, Indian Railways is aiming for a major network expansion and plans to add 25,000 km of new lines by 2020. Indian Railways is also planning for a new dedicated freight corridor (DFC), initially covering about 2,700 km, for linking the ports of Western and Eastern India. The DFC, expected to see an investment of around USD 12 billion, has already started awarding projects to construction companies. Two DFCs across the Western (Mumbai-Delhi) and Eastern (Ludhiana-Dankuni) routes are likely to be operational by 2017.

(Source: CRISIL Research, Planning Commission).



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# ROADS AND BRIDGES



**Divisional revenue:**  
₹ 909.25 crores

**Division's contribution to  
revenue: 72.80%**

**Order book:**  
₹ 1,700.81 crores

**Number of projects  
completed in 2010-11: 35**



## Overview

ARSS has a decade-plus experience in road and bridge building.

The road portfolio includes:

- + Building new roads
- + Repair and reconstruction of roads
- + Widening and strengthening of roads to help reduce commuting time and traffic congestion
- + Constructing road embankments

The Company has built major bridges and flyovers in a number of Indian cities including Orissa, Chhattisgarh, Tamil Nadu and Kerala. The most notable flyover is the major flyover at Poonama Gate, Bhubaneswar, Orissa. The different kinds of bridges constructed by the Company are the concrete deck, PSC, and steel girder bridges.

## Segment strengths

ARSS has completed 35 road projects, and has a strong order book of ₹ 1,700.81.

The strengths of the division comprise:

- + Decade-plus industry experience
- + Professionalised management
- + Advanced technologies and machinery
- + Intellectual know-how and skilled manpower
- + Pan-India presence including rural areas
- + Expertise to construct any type of bridge
- + Capability to build bridges with any type of foundation like open foundation, well foundation, pile foundation, among others
- + Capability to fabricate large scale high quality steel girders, both on site and off site

## Segment strategies

To participate in the government's national agenda of building a wide network of roads and bridges to link India's metro cities, Tier II and Tier III cities, towns, villages, and the remotest of areas, ARSS adopts the following strategies:

- + Provide managerial expertise to clients on building and repairing roads

- + Provide solutions to deal with the problem of traffic management
- + Service teams maintain equipment at remote areas for efficient project management and to reduce the time and costs of transporting equipment
- + A separate cell has been instituted for the land acquisition process
- + Secured raw material supply
- + Significant investments in the latest technologies and machinery
- + Ensure speedy completion of projects
- + Expand geographic presence

## Government support



**₹ 2,010 billion worth of investments is expected on state roads over the next five years.**

An investment of around ₹ 2,010 billion is expected on state roads over the next five years. Realising the enormous potential of the private sector as far as developing the road network is concerned, states like Madhya Pradesh, Gujarat, Rajasthan, Andhra Pradesh, Uttar Pradesh, Haryana, Punjab and Orissa have chalked out comprehensive plans for the development of road infrastructure. Even states like Orissa, which did not pay much attention towards road infrastructure in the past have started taking steps. Orissa has embarked on an ambitious plan for improving road connectivity through the PPP route. Upcoming projects include the Capital Region Ring Road (₹ 3 billion), Bhubaneswar- Paradeep Road (₹ 5.6 billion) and four-laning of Sambalpur-Rourkela Road (₹ 12.7 billion)

(Source: CRISIL Research).



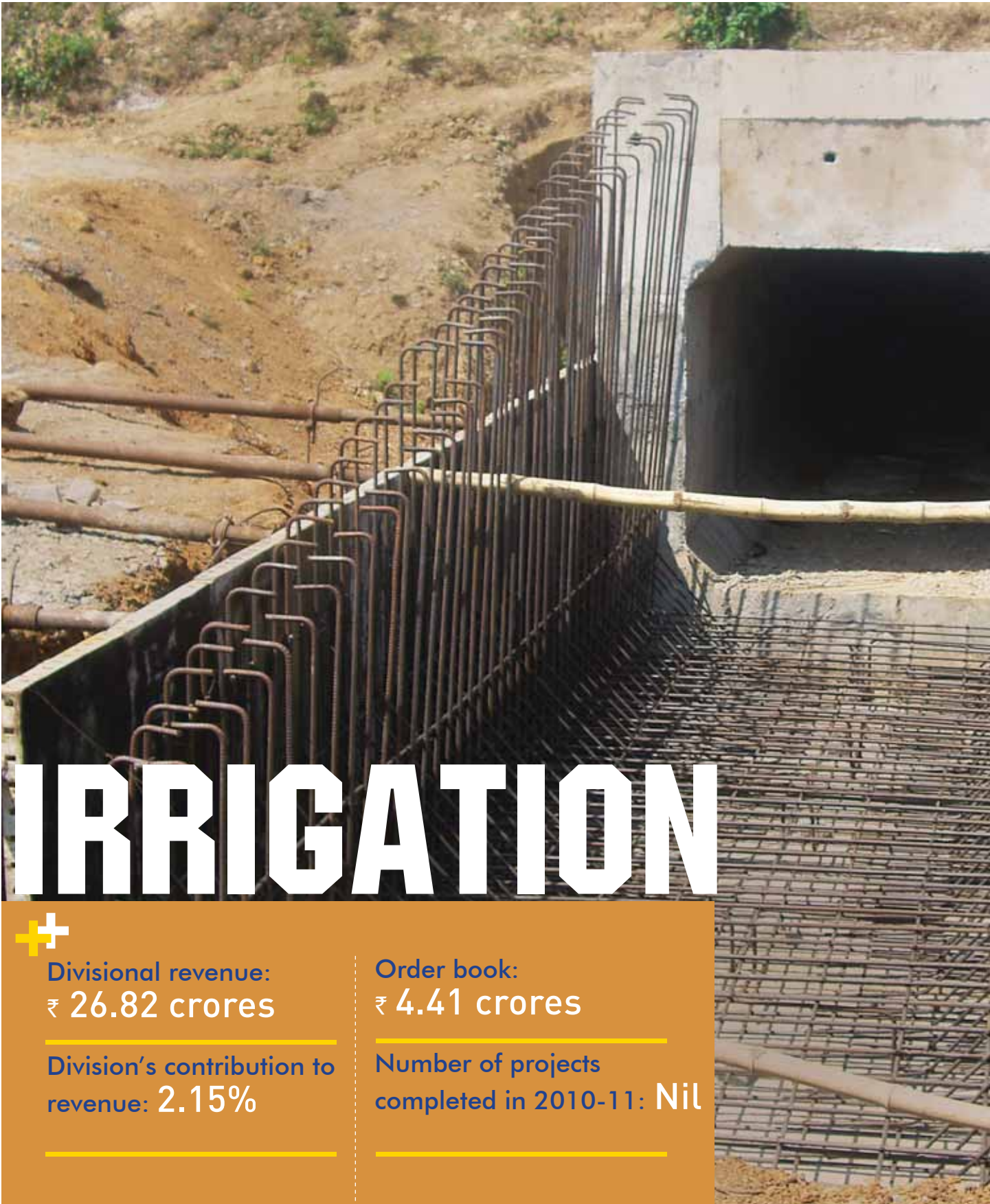


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# IRRIGATION



Divisional revenue:  
₹ 26.82 crores

Division's contribution to  
revenue: 2.15%

Order book:  
₹ 4.41 crores

Number of projects  
completed in 2010-11: Nil





## Overview

ARSS ventured into the irrigation sector quite recently. The Company is currently constructing a dam in Haryana.

The project, valued at ₹ 120 crores, involves the design, delivery, and erection of the radical gates, the hoist bridge, the trestles, and allied components. There would be an impounding reservoir that would store the river's base flow throughout the year.

## Segment strengths

- + Latest technology and equipment
- + Skilled manpower

## Segment strategies

ARSS aims to build an efficient network of canals and dams. The strategies behind venturing into the irrigation segment are:

- + To extend the decade long experience and knowledge of infrastructure construction industry to other infrastructure construction segments
- + To capitalise on economy and agricultural industry growth
- + To avail the benefits offered by the Government
- + To synergise upon the existing pool of technology, equipment and talent



# PEOPLE AT THE HEART OF ALL STRATEGY

Our objective is to be recognised as 'people enablers'. In other words, we have formalised systems and processes to produce capable leaders, who will sustain our growth in future.

## Core strategies

- + To attract and retain the best industry talent
- + To create a performance-driven and a transparent organisation with adequate reward mechanisms
- + To enhance employee morale through recreation, regular meets and holiday packages
- + To implement a performance appraisal system and a strong internal audit
- + To create a leadership pipeline through succession planning and talent management
- + To visit IIM and IIT campuses to recruit professionals

## Initiatives taken during 2010-11

- + Tied up with CIDC (Construction Industry Development Council) for designing training modules for existing and new employees across India and across various functions
- + Conducted the first Employee Performance Excellence Award during the year

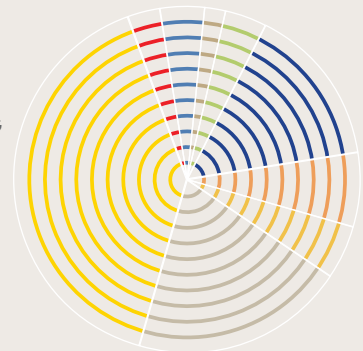
## Future plans

- + To participate in the forthcoming HR Congress in Orissa
- + To implement a centralised induction module followed by a three-week structured training programme (both classroom training and onsite training) for the fresh engineering graduates
- + To form departmental KPIs and KRAs and conduct a skill-mapping exercise to assess the training needs of employees



## Employee mix

- + CA/CS
- + MBA/PGDBM/MCA
- + M.TECH/ME
- + BE/B.TECH/B.SCENGG
- + DIPLOMA ENGINEER
- + ITI
- + POST GRADUATE
- + GRADUATE
- + UNDER GRADUATE



- + Fresher (0 to 11 Month)
- + 1 to 5 Year
- + 5+ to 10 Year
- + 10+ to 15 Year
- + 15+ to 20 Years
- + 20+ to 25 Years
- + 25+ to 30 Years
- + 30+ to 35 Years
- + 35+ to 40 Years
- + 40+ to Above







## SOCIAL RESPONSIBILITY



### At ARSS, consistent business growth has not diluted our focus from social responsibility.

We actively participate in multiple CSR activities, which include child education, sports, cultural activities, medical relief and community welfare activities.

The ARSS Charitable Trust, a not-for-profit institution for ARSS Infrastructure Projects Ltd., conducts various community services and social initiatives, including running a school for child education, health care and donations to several government and local bodies. ARSS owns and runs the Mohanlal Girls High School in Tapang, Assam to encourage female education. The organisation also conducts road safety drives, blood donation drives, ambulance services, safety trainings at various sites and personality development and business communication training programmes. Eco-sensitivity is integral to our corporate governance and we believe in the philosophy of reducing, reusing and recycling resources.

### Initiatives during the year

- + In association with Marwari Society of Bhubaneswar, ARSS provided food and blankets to over 100,000 poor people during the Ratha Yatra festival in Puri
- + Conducted and organised health check-up camps including blood donation and eye check-up
- + Donated ₹ 100,000 to Dilip Tirkey Sports Research & Development Foundation, Bhubaneswar to encourage sports
- + Donated ₹ 120,000 to Akshaya Patra Foundation and ₹ 50,000 to Barang Truck Owners Association
- + Provided financial assistance to various organisations comprising Rail Vihar Sarbajanina Puja Committee, Sri Sri Swapneswar Sanskrutika Parishad, Eagle Club Khurda, Mint Jaipur Alumni Association, Nayapalli Durga Puja Samiti, Malad Ramlila Samiti, Budheswar Kishan Seva Kendra, Indian Red Cross Society, Bhubaneswar District Tennis Association, Banki Mohatsav 2010, Bharat Swabhimaan Trust, Tillo Athematic Association Bhadrakas Donation For Cricket Tournament, District Red Cross Society Jajpur, The Lions Clubs International, Olom Panyang TMPK and AASU, Colony Wefare Khandagiri Housing Board Association, The Friends of Tribals Society Bhubaneswar, Sri Sri Chandrasekhar Jew Kala Parisada



## DIRECTORS' REPORT



Your Directors have pleasure in presenting the Eleventh Annual Report together with the Audited Accounts of the Company for the financial year ending 31st March, 2011.

### 1. Financial Highlights

(₹ in crores)

Particulars	2010-11	2009-10
Sales & Other Income	1257.47	1013.09
Profit before Depreciation, Interest and Tax	279.22	187.70
Less : Depreciation	28.22	13.54
Interest	99.03	53.07
<b>Profit Before Tax</b>	151.97	121.09
Less : Tax Expenses		
a) Current Year	30.23	25.33
b) Earlier Year	-	-
c) Deferred Tax	9.57	5.68
<b>Profit After Tax</b>	112.17	90.07
<b>Balance brought forward from previous year</b>	169.97	86.34
Amount Available for Appropriation	282.14	176.42
<b>Appropriations</b>		
a) Dividend	1.48	2.96
b) Tax on Dividend	0.24	0.54
c) Transfer to General Reserve	1.48	2.96
<b>Balance Carried to Balance Sheet</b>	278.93	169.97
<b>Earning per Share (In ₹)</b> (equity shares of face value of ₹ 10)	75.57	70.48



## 2. Result of Operation

During the year, your Company has scaled new heights and several new benchmarks in terms of revenue and asset base has been created. Total revenue for the year was ₹ 1257.47 crores against ₹ 1013.09 crores in the previous year showing an increase by 24.12%.

Profit after tax for the year was ₹ 112.17 crores as against ₹ 90.07 crores for the previous year showing an increase by 24.53%.

## 3. Order Book

Your Company has an order book of more than ₹ 3,221 crores, which includes the following major works:

- a) Construction, rehabilitation and widening of Cuttack - Paradeep road, Orissa with a contract value of ₹ 208.27 crores
- b) Construction of BRTS Corridor and Development of road, Jaipur Development Authority, Rajasthan, having a contract value of ₹ 159.02 crores
- c) JSPL, Angul, Orissa Project-Work Order for execution of Rail Infrastructure Work with a contract Value of ₹ 261.00 crores
- d) Construction for widening and strengthening of existing carriageway to two lane for Chandbali-Bhadrak-Anadpur (Km 0/0 to Km 45/0 of SH-9 and Km 0/0 to Km 50/0 of SH-53), Orissa, having a contract value of ₹ 216.23 crores
- e) Widening and Strengthening of Existing Carriageway to 2 lane for Bhawanipatna to Khariar (2/0 Km to 70/0 Km SH-16), Orissa, with a contract Value of ₹ 105.51 crores
- f) Construction for widening and strengthening of existing carriageway to two lanes for Berhampur to Taptapani (Km 0/0 to Km 41/0 of SH-17) Orissa, with a contract Value of ₹ 81.97 crores
- g) Construction of a new 2-lane Highway from km 38/00 to km 71/00 (length=33.0 Km) in Mizoram, with a contract value of ₹ 163.11 crores
- h) Widening to 2 lane and improvement in km 0/0 to 102/9 km of Parlakhemundi-R. Udayagiri-Mohana road (SH-34) under LWE Scheme. Orissa with a contract value of 153.91
- i) Construction of earthwork, bridges, supply of P-way material, supply of ballast and P-way linking for proposed private railway siding taking off from Chacher railway station to in plan yard and including inplant yard of NTPC Mauda (but excluding works within railway boundary and excluding rail over rail bridge) Dist Nagpur (M.S.) with a contract value of 114.49
- j) Improvement of existing single intermediate lane of NH-44 to two lane with paved shoulders from km 230/200 to km 247/00, km 261/504 in the State of Assam with a contract value of 104.05
- k) Widening & Reconstruction of Package-1, Shahdol-Singhpur-Turla Pandariya Road (SH-9) under Regular Contract with a contract value of ₹ 99.90 crores

## 4. Auditors

M/s. P.A. & Associates, Chartered Accountants, Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting and are eligible for reappointment.

The Company has received letter from them to the effect that their reappointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act., 1956 and that they are not disqualified for reappointment within the meaning of Section 226 of the said Act.







## 5. Report of Auditors

The notes on accounts and observations of the Auditors in their report on the accounts of Company are self explanatory except clause no. 4.2 which calls for further explanation. They are as follows;

Profit from HCIL-Adhikaria- ARSSPL JV has been ascertained on the basis of Provisional Accounts as on 31.03.2011 and also for earlier years instead of audited accounts, which is not in accordance with Accounting Standard – 27, “Financial Reporting of Interest in Joint Ventures” issued by The Institute of Chartered Accountants of India.

HCIL-Adhikaria- ARSS, an international JV, a partner of the Company, which prepare their accounts in a different basis for a different period than our Company. As their accounts are not yet finalised, the profit from the JV has been considered on provisional basis. This is beyond the control of the management and the Company does not expect any substantial deviations in the audited accounts.

## 6. Dividend

Your Directors propose to recommend a dividend of ₹ 1/- per equity share (last year ₹ 2/- per equity share) for the financial year ending March 31, 2011, amounting to ₹ 148.43 lacs (Excluding of dividend tax of ₹ 24.08 lacs). The lower rate of dividend than previous year is due to owing to deployment of more internal earnings in the working capital requirement of the company.

## 7. Directors

During the year Mr. S.R. Chaudhuri and Mr. S.C.Chakraborty have resigned w.e.f 07.02.2011 due to their other pre occupations. Dr. Bidhubhusan Samal retires by rotation at the ensuing Annual General Meeting and being eligible, have offered himself for re-appointment.

Brief resumes of Dr. Bidhubhusan Samal proposed to be reappointed, nature of his experience and names of the companies in which he holds directorship and membership are provided in the Notice for convening the Annual General Meeting.



## 8. Particulars of Employees

As required under the provision of section 217(2A) of the Companies Act, 1956, read with the Companies (particulars of employees) Rules, 1975 as amended, the names and other particulars of employees are given below :

Sl. No	Name of the person	Designation	Qualification	Age in years	Date of Joining	Experience (No of years)	Gross Remuneration (₹)
1	Subash Agarwal	Executive Chairman	B. Com	46	05/11/2007	20	1,50,00,000
2	Rajesh Agarwal	Managing Director	B.E. Civil	36	01/10/2006	15	90,00,000
3	Sunil Agarwal	President & CEO	B.com	35	01/04/2005	12	34,80,000
4	Anil Agarwal	Sr. VP & COO	B.com	42	01/04/2006	16	34,80,000
5	S. K. Singla	VP & Project Head	B. Tech, Civil	47	01/07/2006	17	42,00,000
6	C.J. Soni	Sr. Vice President	D.C.E	51	16/12/2010	30	10,50,000

## 9. Responsibility Statement

In pursuance of Section 217 (2AA) of the Companies Act, 1956, the Board of Directors of the Company confirms:

- i) that in the preparation of Annual Accounts, the applicable Accounting Standards issued by The Institute of Chartered Accountants of India have been followed by the Company and there has been no material departure
- ii) that the Directors have selected such Accounting Policies and applied them consistently and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2011 and of the profit of the Company for the year ended on that date
- iii) that the Directors have taken Proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of Sec-209 of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities and
- iv) that the Directors have prepared the Annual Accounts on a going concern basis

## 10. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo etc. U/S 217 (1) (e)

During the year under review, the Company has taken adequate measures for conservation of energy and also has not gone for any technology absorption whatsoever in accordance with the provisions of Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosures of particulars in the Report of Board of Directors) Rules, 1988.

The Company has neither earned any income nor incurred any expenditure in foreign currency during the financial year ended 31st March, 2011.

## 11. Public Deposits

Your Company has not invited any deposit from public and shareholders. So, the provisions of the Section 58A of the Companies Act, 1956 are not attracted.

## 12. Corporate Governance

Your Company is committed for adopting best ethical business practices in the management within the regulatory framework applicable to it. Accountability, Disclosure and strict compliance is the essence of good



corporate governance. On the one hand good corporate governance calls for accountability of the persons who are the helm of affairs of the Company and on the other hand it also brings benefits to all stakeholders of the Company such as investors, customers, employees and the society at large. Your Company continues to believe in such business practices and has been extremely transparent in providing reliable financial information and in maintaining transparency in all its business transactions and ensuring strict compliance of all applicable laws.

Your Company has adopted the requirement of corporate governance as prescribed under clause 49 of the Listing Agreement and a separate section titled "Corporate Governance" has been included in the Annual Report along with "Management Discussion and Analysis Report".

### 13. Industrial Relation

Employee relations continued to be cordial throughout the year. The whole-hearted support of employees and a sense of belongingness with the organisation and solidarity with the management of the Company have helped achieve better performance during the year.

### 14. Acknowledgement

Your Directors would like to place on record their appreciation for assistance and co-operation received from the financial institutions, banks, Government authorities, customers and members during the year under review. Your Directors also place on record their deep sense of appreciation for the committed services by the executives, staff and workers of the Company.

For and on behalf of the Board of Directors

**Subash Agarwal**  
Chairman

Place: Bhubaneswar

Dated: The 11th day of May, 2011



## Auditors' Certificate on Compliance of Conditions of Corporate Governance

To  
The Members  
ARSS Infrastructure Projects Limited,  
Bhubaneswar

We have examined the compliance of conditions of Corporate Governance by ARSS INFRASTRUCTURE PROJECTS LIMITED, for the year ended on 31st March, 2011 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

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

(CA. H. Dash)  
Partner  
Membership.No.63523

Place: Bhubaneswar  
Date: The 11th day of May, 2011



# CORPORATE GOVERNANCE REPORT



## 1. Company's Philosophy on Code of Corporate Governance

Integrity, transparency, proper disclosure and accountability are the cornerstones of the value system of ARSS Infrastructure Projects Limited (ARSS). ARSS has always been committed to growth and long-term shareholder wealth creation, while preserving the interest of all stakeholders – its employees, partners, customers, suppliers, and the society at large. Good corporate governance practices have been fundamental to the fulfillment of this commitment.

ARSS Infrastructure Projects Limited aims at becoming a professionally managed Company committed to meet its legal, ethical & social commitments with total satisfaction of its clients and enhancing shareholders' value. The Company shall be an innovative, entrepreneurial and empowered entity constantly creating value and attending high standards of corporate goals. It shall foster a culture of caring trust and continuous learning while meeting expectations of employees, stakeholders and the society.

### 2.1 Board Composition and Particulars of Directors

The Company's policy is to maintain optimum combination of Executive and Non Executive Directors. The Board consists of 6 Directors as on 31.03.2011 out of which three are Independent Directors. Composition of the Board and category of Directors are as follows:

Category	Name of the Directors
Chairman	Sri Subash Agarwal
Independent Directors	Dr. Bidhubhusan Samal
	Sri Swarup Chandra Parija
	Sri Dipak Kumar Dey
Executive Directors	Sri Rajesh Agarwal, Managing Director
	Sri Soumendra Keshari Pattanaik, Director (Finance)





All the Independent Directors of the Company furnish a declaration at the time of their appointment and also annually as well, that they qualify the conditions of their independence as laid down under Clause 49.

No Director is related to any other Director on the Board in terms of the definition of 'relative' given under the Companies Act, 1956, except Sri Subash Agarwal and Sri Rajesh Agarwal, who are related to each other as brothers.

## 2.2 What Constitutes Independence of Directors

For a director to be considered Independent, the Board determines that the Directors do not have any direct or indirect material or pecuniary relationship with the Company. The Board has adopted guidelines which are in line with the applicable legal requirements.

## 2.3 The Independent Directors in ARSS's Board

- + Apart from receiving sitting fees, do not have any pecuniary relationships of transactions with the Company, its promoters, its Directors, its senior management
- + Are not related to promoters or persons occupying management positions at the Board level or at one level below the Board
- + Have not been executives of the Company in the immediately preceding three financial years

- + Are not partners or executives, or were not partners or executives during the preceding three years of any :
  - + Statutory audit firm or internal audit firm that is associated with the Company
  - + Legal firm(s) and consulting firm(s) those have a material association with the Company
  - + Are not material suppliers, service providers or customers or lessors or lessees of the Company which may affect independence of the Director
  - + Are not substantial share holders of the Company i.e. do not own two percent or more of the block of voting shares

## 2.4 Selection of Independent Directors

Considering the requirement of the skill-sets on the Board, eminent persons having an independent standing in their respective field / profession and who can effectively contribute to the Company's business and policy decisions are considered by the Corporate Governance and Stakeholders' Interface Committee, which also acts as Nomination Committee, for appointment inter alia of independent directors on the Board. The number of directorships and memberships held in various committees of other companies by such persons is also considered. The Board considers the recommendations of the Committee and takes appropriate decision.



The detailed composition of the Board, Directors attendance in the Board meetings, no. of directorships in other companies and membership in other committees etc. during the year are as follows:

Name & Designation	Director Identification Number (DIN)	Board Meetings		Attendance at Last AGM	No. of other Directorship	Membership in the committees of other Companies	
		Held during the tenure	Attended			Membership	Chairmanships
Mr. Subash Agarwal Chairman	00218066	5	5	Yes	5	Nil	Nil
Dr. Bidhubhusan Samal Independent Director	00007256	5	5	Yes	12	3	3
Mr. Swarup Chandra Parija Independent Director	00363608	5	5	Yes	1	Nil	Nil
Mr. Dipak Kumar Dey Independent Director	01092357	5	5	Yes	Nil	Nil	Nil
Mr. Sujit Ranjan Chaudhuri * Independent Director	01930133	5	3	Yes	Nil	Nil	Nil
Mr. Rajesh Agarwal Managing Director	00217823	5	5	Yes	4	Nil	Nil
Mr. Soumendra Keshari Pattanaik Director (Finance)	00009924	5	4	Yes	1	Nil	Nil
Mr. Sudhendu Sekhar Chakraborty * Director (Technical)	00549731	5	5	Yes	Nil	Nil	Nil

Notes: \* Mr. Sujit Ranjan Chaudhuri (Independent Director) & Mr. Sudhendu Sekhar Chakraborty (Director Technical) resigned from Board of Directors w.e.f. 07-02-2011

## 2.5 No. of Board Meetings

During the year 2010-11, the Board of Directors met five times. The dates of Board meetings were 27th April, 2010, 26th July, 2010, 25th September, 2010, 8th November, 2010 and 7th February, 2011. The maximum time gap between any two consecutive meetings did not exceed four months.



### 3. Board Committees

Details of the standing committees of the Board and other related information are provided hereunder:

#### 3.1 Audit Committee

##### a) Composition

During the Financial Year, the Audit Committee of the Board comprised following three Independent Directors and their attendance is given below:

Name of the member	Position	No. of Meetings held	No. of meetings attend	Sitting fees paid (In ₹)
Mr. Swarup Chandra Parija	Chairman	5	5	87,000
Dr. Bidhubhushan Samal	Member	5	5	87,000
Mr. Sujit Ranjan Chaudhuri*	Member	5	3	47,000

Notes: \* Due to the Resignation of Mr. Sujit Ranjan Chaudhuri (Independent Director) of the Company, the Audit Committee has been reconstituted and Mr. Dipak kumar Dey has been inducted as a Member of the committee w.e.f. 07.02.2011

All the members of the Audit Committee possess financial/accounting expertise/ exposure. The composition of audit committee meets with the requirements of section 292A of the Companies Act., 1956 and clause 49 of the Listing Agreement.

Sri B.B. Sahoo is the Secretary to the Audit Committee.

##### b) Objective:

The Audit Committee assists the Board in its responsibility for overseeing the quality and integrity of the accounting, auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements. The Committee's purpose is to oversee the accounting and financial reporting process of the Company, the audits of the Company's financial statements, the appointment, independence and performance of the statutory auditors and internal auditors and to evaluate the Company's risk management policies.

##### c) Terms of Reference:

The terms of reference / powers of the Audit committee are as under:

##### d) Power of the Audit Committee:

- i) To investigate any activity within its terms of reference
- ii) To seek information from any employee
- iii) To obtain outside legal or other professional advice
- iv) To secure attendance of outsiders with relevant expertise, if it considers necessary

##### e) The role of the Audit Committee includes:

- i) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are true and fair with adequate credibility
- ii) Recommending to the Board, the appointment, reappointment and, if required, the replacement or removal of Statutory auditors and fixation of audit fees
- iii) Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors



- iv) Reviewing with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
- + Matters required to be included in the Directors' Responsibility Statement has been included in the Directors' Report in terms of sub-section (2AA) of Section 217 of the Companies Act, 1956
  - + Changes, if any, in accounting policies and practices and reasons for the same
  - + Major accounting entries involving estimates based on the exercise of judgment by the management
  - + Significant adjustments made in the financial statements arising out of audit findings
  - + Compliance with listing and other legal requirements relating to financial statements
  - + Disclosure of related party transactions
  - + Qualifications in draft audit report
- v) Reviewing with the managements, the quarterly financial statements before submission to the Board for approval
- vi) Reviewing with the management, the performance of statutory and Internal Auditors, adequacy of internal control systems
- vii) Discussion with Internal Auditors on any significant findings and follow up thereon
- viii) Reviewing the findings of any internal investigations by the Internal Auditors, where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the same to the Board
- ix) Discussion with Statutory Auditors before the commencement of the audit, about the nature and scope of audit as well as post audit discussion to address any area of concern
- x) To look into the reasons for substantial defaults, if any, in the payment to the shareholders (in case of non payment of declared dividends) and creditors
- xi) Carrying out such other function as may be specifically referred to the Committee by the Board of directors and / or other committees of Directors of the Company
- xii) To review the following information :
- + The management discussion and analysis of financial condition and results of operations;
  - + Statement of significant related party transactions (as defined by the Audit committee), submitted by management;
  - + Management letters / letters of internal control weaknesses issued by the Statutory Auditors;
  - + Internal audit reports relating to internal control weaknesses; and
  - + The appointment, removal and terms of remuneration of Internal Auditors.
- xiii) Review of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.).
- f) Meetings:**
- Five meetings of the Audit Committee were held during the year ended 31st March, 2011, which complies with minimum requirement of four meetings during the year in terms of companies Act.
- Executive of Accounts, Finance and Secretarial Department and Representatives of the Statutory and Internal Auditors attended the audit committee Meetings.
- The Chairman of the Audit Committee was present at the last Annual General Meeting.



### 3.2 Remuneration Committee Meeting:

#### a) Composition:

During the Financial Year the Remuneration Committee of the Board comprised following three Independent Directors and their attendance of thereof is given below:

Name of the member	Position	No. of Meetings held	No. of meetings attend	Sitting fees paid (In ₹)
Mr. Sujit Ranjan Chaudhuri*	Chairman	5	2	20,000
Dr. Bidhubhushan Samal	Member	5	5	80,000
Mr. Swarup Chandra Parija	Member	5	3	80,000

Notes: \* Due to the Resignation of Mr. Sujit Ranjan Chaudhuri (Independent Director) of the Company, Remuneration Committee has been reconstituted and Mr. Dipak kumar Dey inducted as a Member of the committee w.e.f. 07.02.2011

#### b) Terms of Reference:

The Remuneration Committee has been constituted to recommend/review remuneration of the Chairman, Managing Director and Whole Time Directors, based on their performance and defined assessment criteria.

#### c) Remuneration policy, details of remuneration and other terms of appointment of directors:

The remuneration policy of the Company being in line with the existing industry practices is directed towards rewarding performance, based on review of achievements on a periodic basis.

#### d) Remuneration paid to the Chairman & Director and the Whole time Directors.

(₹ in lacs)

Name of the Director	Position	Salary	Total
Sri Subash Agarwal	Chairman	150.00	150.00
Sri Rajesh Agarwal	Mg. Director	90.00	90.00
Sri S.K Pattanaik	Director ( F)	18.00	18.00
Sri S.S. Chakraborty*	Director ( T)	15.00	15.00

Notes: \* Mr. Sudhendu Sekhar Chakraborty (Director Technical) Resigned from Board of Directors w.e.f. 07-02-2011

The tenure of office of the Managing director and whole time Directors is for a period of 5 years from their respective dates of appointments and can be terminated by either party by giving three months' notice in writing. There is no separate provision for payment of severance fees.

The non-executive Directors are paid sitting fee at the rate of ₹ 20,000/- for attending each meeting of the Board and ₹ 20,000/- for attending each committee meeting.

#### e) Sitting fee paid to the Non-Executive Directors, for 2010-11 are as detailed below:

(₹ in lacs)

Name of the Director	Amount
Dr. Bidhubhushan Samal	3.34
Mr. Swarup Chandra Parija	2.67
Mr. Dipak Kumar Dey	1.67
Mr. Sujit Ranjan Chaudhuri *	1.54

Notes: \* Mr. Sujit Ranjan Chaudhuri (Independent Director) Resigned from Board of Directors w.e.f. 07.02.2011





### 3.3 Shareholders' / Investors' Grievance Committee

#### a) Composition:

During the Financial Year the Shareholder's/ Investor's Grievance Committee of the Board comprised following three Independent Directors and their attendance of thereof is given below:

Name of the member	Position	No. of Meetings held	No. of meetings attend	Sitting fees paid (In ₹)
Mr. Dipak Kumar Dey	Chairman	4	4	67,000
Dr. Bidhubhusan Samal	Member	4	4	67,000
Mr. Sujit Ranjan Chaudhuri*	Member	4	2	27,000

Notes: \* Due to the Resignation of Mr. Sujit Ranjan Chaudhuri (Independent Director) of the Company, Shareholders/ Investors Grievance Committee has been reconstituted and Mr. Swarup Chandra Parija has been inducted as a Member of the committee w.e.f. 07-02-2011

#### b) Terms of Reference:

The Committee, inter alia, approves issue of duplicate certificate and oversees and reviews all matters connected with transfer of securities of the Company. The Committee also looks into redressal of shareholders' / investors' complaints related to transfer of shares, non-receipt of Balance sheet, non-receipt of declared dividend, etc. the Committee oversees performance of the Registrar and Transfer Agents of the Company, and recommends measures for overall improvement in the quality of investors services. The Committee also monitors implementation and compliance of the Company's Code of conduct for Prohibition of Insider Trading in pursuance of SEBI (Prohibition of Insider Trading) Regulations, 1992. The Board has delegated the power of approving transfer of securities to the managing director and / or the Company Secretary.

#### c) Compliance Officer

Shri B.B. Sahoo, Company Secretary, is the Compliance Officer for complying with the requirements of SEBI Regulations and the Listing Agreements with the Stock Exchanges in India.





#### 4. Code of Business Conduct and Ethics for Directors and Management Personnel.

The code of Business Conduct and Ethics for Directors and management personnel ('the Code'), as recommended by the Corporate Governance and Stakeholders' Interface Committee and adopted by the Board, is a comprehensive Code applicable to all Directors and management personnel. The Code while laying down, in details, the standards of business conduct, ethics and governance, centers around the following theme:

"The Company's Board of Directors and Management Personnel are responsible for and are committed to setting the standards of conduct contained in this Code and for updating these standards, as appropriate, to ensure their continuing relevance, effectiveness and responsiveness to the needs of local and international investors and towards all other stakeholders as also to reflect corporate, legal and regulatory developments. This Code should be adhered to in letter and in spirit." A copy of the Code has been put on the Company's website [www.arssgroup.in](http://www.arssgroup.in)

The Code has been circulated to all the members of the Board and management personnel and the compliance of the same is affirmed by them annually.

A declaration signed by the Chairman of the Company is given below:

I hereby confirm that the Company has obtained from all the members of the Board and management personnel, affirmation that they have complied with the Code of Business Conduct and Ethics for Directors and management personnel in respect of the financial year 2010-11.

-sd/-

**Subash Agarwal**  
Chairman

#### 5. Annual General Meetings

The Last three Annual General Meetings of the Company were held at the registered office of the Company as under:

Year	Location	Date	Time
2008	Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar – 751 010	16.06.2008	11.30 A.M
2009	Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar – 751 010	20.07.2009	11.30 A.M
2010	Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar – 751 010	26.07.2010	11.30 A.M

#### 6. a) Disclosures on materially significant related party transactions

None of the transactions with any of the related parties were in conflict with the interest of the Company. Attention of Members is drawn to the disclosures of transactions with the related parties set out in Notes on Accounts – Schedule '20', forming Part of the Annual Report.

All related party transactions are negotiated on arms length basis and are intended to further the interests of the Company.

#### b) Details of non-compliance by the Company

There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years and hence, no penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other similar statutory authority.



## 7. Means of Communication

Official news release, detailed presentations made to media, analysts, institutional investors, etc. are displayed on the Company's website [www.arssgroup.in](http://www.arssgroup.in).

Annual Report containing, inter-alia, Audited Accounts, Consolidated Financial Statements, Directors' report, Auditors' report and other important information are circulated to members and others entitled thereto. The Management Discussion and Analysis (MD & A) Report forms part of the Annual Report and is displayed on the Company's website [www.arssgroup.in](http://www.arssgroup.in).

The Company has designated a separate email-id exclusively for investor servicing i.e. [response@arssgroup.in](mailto:response@arssgroup.in)

## 8. General Information for Shareholders

1. Date , Time and Venue of the Annual General Meeting of the Company	Saturday, the 24th September 2011, at 3:00 PM at 'Hotel Mayfair Lagoon', Jaydev Vihar, Bhubaneswar - 751013, Orissa
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## 9. Financial Calendar 2011-2012

Board Meetings, to be taken on Record Un-audited Provisional Financial Results.

Unaudited Financial results for the first quarter ending 30th June, 2011	Within 45 days from 30th June, 2011.
Unaudited Financial results for the second quarter ending 30th September, 2011	Within 45 days from 30th September, 2011.
Unaudited Financial results for the third quarter ending 31st December, 2011	Within 45 days from 30th December, 2011.
Unaudited/ audited Financial results for the year ending 31st March, 2012	Within 60 days from 31st March , 2012.

## 10. Dividend

Board of Directors at its meeting held on 11th May, 2011 recommended a dividend of ₹ 1/- per Equity share as final dividend for the financial year ended 31st March, 2011.

## 11. Listing

At Present, the Equity shares of the Company are listed on the Bombay Stock Exchange Limited (BSE) and the National Stock Exchange of India Limited (NSE). The Annual Listing fees for the year 2011-12 have been deposited with NSE & BSE.

The Company has deposited the custodial fees for the year 2011-12 with National Securities Depository Limited and Central Depository Services (India) Limited on the basis of number of beneficial account maintained by them as on 31st March, 2011.

## 12. Stock Code

ISIN (Equity Shares)	INE267I01010 (NSDL & CDSL)
BSE Code	533163
NSE Code	ARSSINFRA - EQ



### 13. Stock Market Data

High, lows and volumes of ARSS for 2010-11 at BSE and NSE

Month	BSE			NSE		
	High Price (In ₹)	Low Price (In ₹)	No. of Share Traded	High Price (In ₹)	Low Price (In ₹)	No. of Share Traded
Apr-10	1,394.75	933.00	28,996,265	1,394.80	900.00	48,709,245
May-10	1,314.45	916.15	10,401,868	1,318.20	918.00	15,913,896
Jun-10	1,278.00	1,025.00	9,102,800	1,277.50	1,025.00	14,219,382
Jul-10	1,416.20	1,115.10	6,910,936	1,418.00	1,115.00	11,618,912
Aug-10	1,409.00	1,245.00	3,231,852	1,409.00	1,244.10	5,470,421
Sep-10	1,331.70	1,191.00	1,452,943	1,330.00	1,210.00	2,342,863
Oct-10	1,275.00	1,102.60	518,803	1,275.80	1,073.50	893,565
Nov-10	1,171.30	799.40	595,876	1,174.80	804.50	780,888
Dec-10	1,003.00	641.10	2,571,450	1,005.00	642.20	4,471,758
Jan-11	869.00	622.00	1,239,478	857.60	618.00	2,301,476
Feb-11	793.00	500.00	8,928,842	793.05	500.10	14,099,510
Mar-11	649.80	488.05	7,111,239	649.90	488.10	11,680,262

### 14. Dematerialisation of Shares

The Company's shares are available for dematerialisation with both the Depositories viz. National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Limited (CDSL), for which purpose the Company has entered into an Agreement with the Respective institutions.

As at 31st March 2011, 1,48,26,179 Equity Shares representing 99.89% of total Equity Capital of the Company were held in dematerialised form.

The bifurcation of shares held in Physical and Demat form as on March 31, 2011 is given below.

Particulars	No. of Shares	% age
Physical Segment	17,051	0.11
Demat Segment		
NSDL	1,30,59,202	87.98
CDSL	17,66,977	11.91
Total	1,48,43,230	100.00

### 15. Registrar and Share Transfer Agents

Bigshare Services Private Limited

E/2, Ansa Industrial Estate, Sakivihar Road, Sakinaka

Andheri (E), Mumbai- 400 072

Tel: + 91-22-2847 0652, 4043 0200, Fax: +91-22-2847 5207

Website: [www.bigshareonline.com](http://www.bigshareonline.com), E-mail: [edp@bigshareonline.com](mailto:edp@bigshareonline.com)



## 16. Shareholding Pattern as on 31st March, 2011

Sl. No	Category	Folios	%Age	Shares	%Age
1	Resident India	13,290	92.98%	29,48,133	19.86%
2	Financial Institutions	1	0.01%	1,605	0.01%
3	Promoters	22	0.15%	81,92,771	55.20%
4	Corporate Bodies	639	4.47%	27,21,889	18.34%
5	Nationalised Banks	1	0.01%	5,50,399	3.71%
6	Non Resident Indians	96	0.67%	2,29,948	1.55%
7	Foreign Inst. Investor	4	0.03%	66,217	0.45%
8	Trusts	1	0.01%	551	0.00%
9	Other	240	1.68%	1,31,717	0.89%
	Total	14,294	100.00%	1,48,43,230	100.00%

## 17. Top Ten Shareholders of the Company as on 31st March, 2011

Sl. No	Shareholder's Name	Category	Shares	%age
1	Anil Contractors Private Limited	Promoters	15,00,000	10.11%
2	Subash Agarwal	Promoters	11,73,500	7.91%
3	Mohanlal Agarwal	Promoters	7,61,750	5.13%
4	Rajesh Agarwal	Promoters	6,56,000	4.42%
5	Ramdulari Agarwal	Promoters	5,95,000	4.01%
6	State Bank of India	Nationalized Banks	5,50,399	3.71%
7	Deven J Mehta	Public	5,20,000	3.50%
8	Rajesh Agarwal	Promoters	4,35,000	2.93%
9	Sanju Agarwal	Promoters	4,26,250	2.87%
10	Seema Agarwal	Promoters	4,15,000	2.80%
	Total		70,32,899	47.38%





## 18. Distribution Schedule of Shareholding as on 31st March, 2011

Range	As on 31st March, 2011				As on 31st March, 2010			
	Number of Shareholders	% to Total	Total Shares	% to Total	Number of Shareholders	% to Total	Total Shares	% to Total
Up to 500	13,721	95.99	6,73,772	4.54	7,661	94.80	2,78,744	1.88
501-1000	209	1.46	1,58,696	1.07	157	1.94	1,15,928	0.78
1001- 2000	155	1.08	2,22,057	1.50	81	1.00	1,18,603	0.80
2001-3000	42	0.29	1,02,640	0.69	40	0.49	99,319	0.67
3001-4000	22	0.15	75,506	0.51	13	0.16	45,654	0.31
4001-5000	24	0.17	1,13,030	0.76	15	0.19	68,756	0.46
5001-10000	39	0.27	2,80,699	1.89	31	0.38	2,35,525	1.59
10001 and above	82	0.57	1,32,16,830	89.04	83	1.03	1,38,80,701	93.52
Total	14,294	100.00	1,48,43,230	100.00	8,081	100.00	1,48,43,230	100.00

## 19. Address for Correspondence:

The Company Secretary & Compliance Officer  
 ARSS Infrastructure Projects Ltd.  
 Sector-A, Zone-D, Plot No.-38,  
 Mancheswar Industrial Estate,  
 Bhubaneswar-751 010 (ORISSA)  
 Tel: (0674) 2588552, 2588554, FAX: (0674) 2585074  
 E-mail: bbs@arssgroup.in

For and on behalf of the Board of Directors

Place: Bhubaneswar  
 Date: The 11th day of May, 2011

**Subash Agarwal**  
 Chairman



## Certificate of Compliance of the Code of Conduct of the Company

To

The Board of Directors  
ARSS Infrastructure Projects Ltd.  
Regd. Office: Sector-A, Zone-D, Plot No. -38  
Mancheswar Industrial Estate,  
Bhubaneswar-751 010  
Orissa

Dear Sirs,

I do hereby certify that the all Members of the Board of Directors of the Company and the Senior Management Personnel have affirmed their compliances with the code of conduct laid down by the Board of Directors of the Company.

This certificate is being given in compliance with the requirements of Clause 49 (D) (i) (ii) of the Listing Agreement entered into with the Stock Exchanges.

Place: Bhubaneswar  
Dated: The 11th day of May, 2011

**Rajesh Agarwal**  
Managing Director



## CEO/CFO Certification

To  
The Board of Directors  
ARSS Infrastructure Projects Ltd.  
Regd. Office: Sector-A, Zone-D, Plot No. -38  
Mancheswar Industrial Estate,  
Bhubaneswar-751 010  
Orissa

Dear Sirs,

1. We have reviewed the Balance Sheet, Profit and Loss account and all its Schedules and Notes on Accounts, as well as the Cash Flow Statements as at 31st March, 2011 and certify that to the best of our knowledge and belief :
  - i) These Statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading.
  - ii) These Statements read together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
2. We further certify that, to the best of our knowledge and belief, no transactions have been entered into by the Company during the year which are fraudulent, illegal or in violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the Auditors and the Audit committee, the deficiencies in the design or operation of internal controls, in any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies;
4. We have indicated to the Auditors and the Audit committee;
  - i) Significant changes in internal control during the year;
  - ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control systems.

Place: Bhubaneswar  
Date: The 11th day of May, 2011

**S.K.Pattanaik**  
Director Finance

**Rajesh Agarwal**  
Managing Director



## Secretarial Audit Report

To  
The Board of Directors,  
ARSS Infrastructure Projects Limited  
Plot No-38, Sector-A, Zone-D  
Mancheswar Industrial Estate  
Bhubaeswar – 751 010

We have examined all secretarial records and the compliance of provisions of the Companies Act, 1956, the regulations, guidelines and the instructions issued by the Securities and Exchange Board of India (SEBI) and the relevant clauses of the Listing Agreement with Stock Exchanges where the shares of ARSS Infrastructure Projects Limited (the Company) are listed, the Depositories Act, 1996 and bye-laws framed there under from time to time, for the year ended 31st March, 2011 and we report that :

### 1. Maintenance of Statutory Records

The Company is maintaining all statutory records and registers as required to be maintained under various provisions of the Companies Act, 1956 and the rules made there under and all the records and entries in the registers are up to date.

### 2. Filing of Statutory Returns

The Company has filed all statutory returns with the Registrar of Companies as well as with other Statutory Authorities and has furnished the required documents / intimations to the Stock Exchanges regularly and within the scheduled time frame as required under various clauses of the Listing Agreements.

### 3. Composition of the Board

The Board of Directors of the Company comprised of six directors, consisting of the Chairman (Executive Chairman) & Managing Director, two executive directors and three non-executive independent directors as on 31.03.2011. During the year one independent and one whole time director resigned from the Board. In terms of Clause 49 of Listing Agreement, at least half of the Board should comprise of independent directors which is complied by the Company.

### 4. Board Meetings

During the year, the Board of Directors of the Company met five times on 27.04.2010, 26.07.2010, 25.09.2010, 08.11.2011 and 07.02.2011 in respect of which proper notices were given. The proceedings of the meetings including the circular resolutions passed were properly recorded in the Minutes Book maintained by the Company and duly signed.

### 5. General Body Meetings

During the Year under review the Annual General Meeting of the Company was held on 26th July 2010 in respect of which proper notices were given. The proceedings of the meetings including the circular resolutions passed were properly recorded in the Minutes Book maintained by the Company and duly signed. The Register of Members were closed from 21.07.2010 to 26.07.2010 both days being inclusive.

### 6. Registrar & Share Transfer Agent

M/s. Bigshare Services Private Limited, Mumbai has been entrusted with the responsibility of Registrar and Share Transfer Agent of the Company and all the work relating to Share Registry in terms of both physical and electronic segments are being handled there at a single point.

### 7. Redressal of Investors Grievances

All the complaints/grievances relating to share transfers, transmissions, demat/remat of shares, issue of duplicate share certificates, payment of dividend etc were promptly attended by the Company and there are no grievances pending as on date. Details of shares transfers, electronic holding of shares (both NSDL and CDSL) etc. were managed by the RTA under supervision of the Company Secretary & Compliance Officer of the Company.

### 8. Daily Reconciliation of Listed and Paid up Capital

The Company has set up adequate systems and procedures in terms of SEBI guidelines to ensure daily reconciliation of shares held in Physical and electronic segments with the total shares issued by the Company.





## 9. Dematerialisation/Rematerialisation

The dematerialisation/rematerialisation requests were confirmed to the respective Depositories (NSDL/CDSL) within one week of receipt of physical documents from the DPs as per the SEBI guidelines.

## 10. Payment of Corporate Cash Benefits to the Investors

The Company has paid dividend within the due date after its declaration and wherever necessary has kept in abeyance rights to dividend, pending registration of transfer of shares or pending final settlement of suits in compliance with the provisions of the Companies Act, 1956.

## 11. Transfer to Investor Education and Protection Fund

There is no amount outstanding for any financial year to the Investor Education and Protection Fund as on 31.03.2011 in terms of Section 205A of the Companies Act, 1956 and the Investor Education and Protection Fund (Awareness and Protection of Investor) Rules, 2001.

## 12. Insider Trading Regulations

The Company has complied with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 with regard to disclosures and maintenance of records required under the regulations.

## 13. No Legal Notice

The Company has not received any show cause notice for any alleged offence/violation under the Companies Act, 1956 or under SEBI guidelines and no fine, penalty or other punishment has been imposed on the Company in this regard during the year under review.

## 14. Public Deposits

No public Deposits were accepted by the Company under Companies (Acceptance of Deposits) Rules, 1975 during the year. The Company has neither issued any GDR/ADR nor any convertible instrument during the year under report.

## 15. Borrowings of the Company

The borrowings made by the Company were within the limit prescribed under Section 293(1)(d) of the Company's Act, 1956 and registration of creation/modification of shares were duly registered.

## I further report that

- (a) The Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, share/debenture holdings and directorship in other companies and interest in other entities;
- (b) The Directors have complied with disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the code of Business Conduct and Ethics for Directors and Management Personnel;
- (c) The Company has obtained all necessary approvals under the Companies Act, 1956;
- (d) There was no prosecution initiated against or show cause notice received by the Company and no fines or penalties were imposed on the Company during the year under review under the Companies Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against the Company, its Directors and Officers.

I further report that the Company has complied with the provisions of the Depository Act, 1996 and the Bye-laws framed under that Act by the Depositories with regard to dematerialisation / rematerialisation of securities and reconciliation of records of dematerialised securities issued by the Company.

## I further report that

- (a) The Company has complied with the requirements under the Equity Listing Agreements entered in to with the Bombay Stock Exchange Limited and National Stock Exchange of India Limited.
- (b) The Company has complied with the provisions of the Securities and Exchange Board of India (Substantial Acquisition of shares and Takeovers) Regulations, 1997 including the provisions with regards to disclosures and maintenance of records required under the Regulations.
- (c) The Company has complied with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 including the provisions with regard to disclosures and maintenance of records under the Regulations.

G. Nayak

Place: Bhubaneswar  
Date: The 5th May, 2011

Practicing Company Secretary  
C.P. No.6558



# MANAGEMENT DISCUSSION AND ANALYSIS

## 1. Industry Scenario and Economic Recovery

Global economy has witnessed a positive change in the FY 2011, yet, the risks are varied and many. Possibility of disturbances in the Euro-zone spreading to the core of Europe, sustained weakness of the US realty market, increasing commodity prices, overheating in certain emerging markets and geopolitical tensions are some of the major risks challenging to tumble the global recovery.

The Indian economy has been marching towards a high growth trajectory, in spite of certain impediments on the horizon. While the year began with an optimistic note, concerns on sustainability of the high growth phase began to surface towards mid-2011. Despite overall improvement in the economy, the financial markets continued to witness high volatility primarily driven by the direction and magnitude of foreign capital flows and movement in industrial production and inflation. It has been observed that inflation remained high throughout the year, as unanticipated factors such as the rapid rise in crude oil prices had an adverse impact on the domestic economy. This fluctuation is expected to continue, and therefore the Government and businesses' will remain focused on it.

After the slowdown of the Indian economy, and particularly in the infrastructure sector in the recent past, signs of a balancing recovery has been witnessed. Sound performance by the industry indicated strong growth ahead.

The investment scenario in the country also started shaping up. Investors have again started pooling in their savings into the capital market. In fact, almost all public issues in last year were fully subscribed or over-subscribed. The only hurdle in this process was high inflation threatening the industry due to RBI's rate hike. But to sustain the prevailing growth, high margin must be hedged against the rate hike by the Banking Sector.

Under these circumstances, your company is fully geared up to face the high interest regime. ARSS will be able to source funds for development and growth seamlessly.

### Road sector

According to the National Highway Authority of India (NHAI), India has the world's second largest road network, aggregating over 3.34 million kilometres (km), and carries about 65 per cent of the freight, and 80 per cent passenger traffic.

India's construction sector is expected to grow at about 35 per cent between 2008-09 and 2012-13. The private sector is expected to contribute 44 per cent of the total projected expenditure of US\$ 100 billion on roads and highways over the Twelfth Five Year Plan period. The Indian government has launched the ambitious National Highway Development Programme (NHDP) involving a total investment of US\$ 50 billion on concessions and contracts to be awarded by 2012. The government will undertake the up gradation of around 3,700 km of national highways (NHs) under the National Highways Interconnectivity Improvement Project (NHIP) at a cost of about US\$ 4.26 billion.



### Road construction industry under SCOT framework



### Railways

The Indian Railways — one of the largest railway networks in the world — is a major catalyst of socio-economic growth. The premier transport and logistics organisation of the country has the largest rail network in Asia and is the world's second largest under a single management. The Union Railway Budget for 2011-12, presented by the Railway Minister, proposed the highest ever plan outlay of US\$ 12.72 billion. Around US\$ 2.11 billion provided for new lines. These are divided into 1300 km of new lines, 867 km of doubling of lines and 1017 km gauge conversion targeted for 2011-12.

## 2. Business Performance

During 2010-11, the Company grew in tandem with the economic growth. The order book position of the Company was healthy, with contracts worth ₹ 3,300 crores in hand for execution. During the last year, the total revenue was ₹ 1,257.47 crores, showing a healthy growth as compared to the previous year.

The abridged profit and Loss statement for the financial year ended 31st March, 2011 is as follows.

	(₹ in crores)		
	2010-2011	2009-2010	%change
Net Sales & other income	1,257.47	1,013.09	24.12
Profit before interest, Depreciation and Tax	279.22	187.70	48.76
Depreciation	28.22	13.54	108.42
Provision for Tax	30.23	25.33	19.34
Profit after Tax	112.17	90.07	24.54
Earnings per share (₹)	75.57	70.48	7.22



### 3. Opportunities, threats, risks and concerns

At ARSS, risk identification and mitigation remains integral to business sustainability and growth. Through thorough research and development, the Company has formulated elaborate processes to mitigate risks, as much as possible, to enhance profitability and sustainability.

#### Industry risk

A downturn in key downstream sectors could affect the Company's growth prospects.

##### Risk mitigation

- + The Company operates through three main business segments – railway, roads & bridges and irrigation; presenting a diversified income portfolio
- + The Government has worked aggressively to improve GDP growth rate to 8-8.5%; continuous infrastructure growth, the Company's chief business activity, is the key factor for achieving this growth sustainably
- + An investment of US\$ 1 trillion is planned for the infrastructure sector in the Twelfth Plan (2012-17), of which the private sector is expected to contribute almost 50%

#### Competition risk

The Company might attract competition from smaller as well as bigger players.

##### Risk mitigation

- + The Company has consistently engaged in capacity expansions in all its business segments in order to execute larger projects
- + It has been consistently bidding for bigger projects, especially in the BOT format, which adds to its long-term profitability and inflow of revenues
- + It focuses on and has continually been providing comprehensive turnkey solutions to the Railways, one of the biggest customers any infrastructure company can hope to serve on a long-term basis
- + We have reduced project delivery timelines and have completed projects on time, to have garnered client appreciation, trust and repeat business, resulting in a long-term association

#### Cost risk

Rising costs of operations could hamper the Company's performance

##### Risk mitigation

- + The Company's steady efforts in asset building

and process re-engineering helps in reducing cost of execution. With enhanced implementation capabilities, quality compliances has been our priority. The company has six captive quarrying mines and 13 stone crusher units with a crushing capacity of 3,250 TPH. This enables the company to reduce its costs and improve margins considerably as raw materials from captive quarrying units are 50% cheaper compared with those purchased from outside

- + The Company is well covered with all the escalations pertaining to cost hike for all its projects

#### People risk

Attrition of efficient and experienced people could affect ARSS's operations.

##### Risk mitigation

- + The Company offers lucrative incentives to motivate performance and retain talent
- + Employees attend technical seminars and workshops to enhance their expertise levels. Creative problem solving is encouraged in the Company to attract active interest from skilled professionals
- + The Company's continuous focus on skill building and providing equal opportunities for lateral growth encourages non-hierarchical growth aspirations within the Company.
- + Consistent focus on leadership development among the people to head its growth plans has helped us retain quality human resources for many years, resulting in thorough knowledge and experience, not only of industry trends, but also of the Company
- + The Company is known to have one of the lowest attrition rates in the industry

#### Geographic and client concentration risks

Revenue concentration from a particular geography or a customer could affect the Company's growth, especially in event of a downturn in a particular sector.

##### Risk mitigation

- + The Company has an extensive customer list of over 50 across all its divisions; safeguarding it from any revenue loss in case of minor customer attrition. The Company's commitment & dedication towards achievement of goal has helped it develop a pan India presence





- + It is present in Orissa, Chhattisgarh, Rajasthan, Jharkhand, Haryana, Kerala, Andhra Pradesh, Assam, Maharashtra and Tamil Nadu; catering to a wide geographic diversity

#### 4. Strategic Initiative

Despite competition from peers in the industry, the Company is comfortably placed and strategically equipped to meet its growth targets. It has succeeded due to the effective business strategies pursued by the Company that include timely execution of all projects, strategic joint ventures for large projects and thereby economising on the critical resources.

The foray into high-potential businesses of railways, roads and bridges has been successful during the year and boosted the order inflow. The Company is now focused on strengthening its manpower for the execution of high value projects and adding assets for development of infrastructures to achieve timely completion of projects.

#### 5. Outlook

A golden period awaits infrastructure industries as economic development of a nation depends on infrastructural development. According to estimates by CRISIL, eight sectors - oil and gas, power, roads, ports, airports, railways, urban infrastructure and telecom - are together expected to attract huge investment in the years to come.

#### 6. Internal control system and efficiency

ARSS has a comprehensive system of internal controls to prevent the loss of Company assets due to unauthorised use and processes are in place to ensure proper authorisation of financial transactions. The Company has an well structured budgetary control system to monitor all expenditures against approved budgets on an ongoing basis.

The Company maintains a system of internal controls designed to provide a high degree of assurance on the effectiveness and efficiency of operations, reliability of financial controls, and compliance with applicable laws and regulations as applicable in the various jurisdictions in which Company operates.

The organisation is well structured, and the policy guidelines well documented, with appropriate delegation of authority. The Company has also implemented suitable controls to ensure optimum utilisation of resources, accuracy in the reporting of financial transactions and timely compliance with applicable laws, regulations and statutes.

ARSS has established a well laid out policy to maintain the highest standards of Health, Safety and Environmental norms while maintaining operational integrity and frequent audits are held to ensure its implementation and compliance from time to time. This policy is strictly adhered to at all operational sites of the Company.

The Company has an internal audit function, which is empowered to examine the adequacy and compliance with policies, plans and statutory requirements. It is also responsible for assessing and improving the effectiveness of the risk management, control and governance process. The Company's management duly considers and takes appropriate action on the recommendations made by the statutory auditors, internal auditors and the independent Audit Committee of the Board of Directors.

#### 7. Management Development in HR

The Company has a well qualified and experienced team of professionals with a dedicated human resource department, which is competent to deliver at all times of need. Labour relations at all work sites and at the headquarters of the Company continued to remain cordial throughout the year. There was no industrial dispute during the year under review.

#### 8. Cautionary Statement

The statements in the report of the Board of Directors, and the Management Discussion and Analysis Report describe the Company's outlook, estimates, performance or predictions with a forward perspective, considering the applicable business and economic regulations affecting the industry. Actual results could differ from those expressed or implied, since the Company's operations are influenced by many external and internal factors beyond the control of the Management. The Management takes no responsibility for keeping the members updated on changes in these factors stated above apart from those, which may statutorily be required to be reported from time to time.

For and on behalf  
of the Board of Directors,

Place: Bhubaneswar  
Dated: The 11th May, 2011

(Subash Agarwal)  
Chairman



# AUDITOR'S REPORT

To

The Members

ARSS Infrastructure Projects Limited

1. We have audited the attached Balance Sheet of ARSS Infrastructure Projects Limited, as at 31st March, 2011 the Profit and Loss Account and also the Cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditors' Report) (Amendment) Order, 2004 (hereinafter referred to as the order) issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act 1956, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the Annexure I referred to in paragraph 3 above, we report that:
  - 4.1 We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - 4.2 Profit from HCIL-Adhikaria- ARSSPL JV has been considered on the basis of Provisional Accounts as on 31.03.2011 and also for earlier years instead of audited accounts, which is not in accordance with Accounting Standard – 27, "Financial Reporting of Interest in Joint Ventures" issued by The Institute of Chartered Accountants of India.
  - 4.3 In our opinion, the Company has kept proper books of accounts as required by law so far as appears from our examination of those books.
  - 4.4 The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report, are in agreement with the books of account.
  - 4.5 In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement have been drawn up in accordance with Accounting Standards (AS) referred to in Sub- section (3C) of Section 211 of the Companies Act, 1956 except as stated in Para – 4.2 above.
  - 4.6 According to the information and explanations provided to us and on the basis of written representations received from the company, we report that none of the Directors are disqualified as on 31.03.2011 from being appointed as a director in terms of clause (g), sub section (i) of section 274 of the Companies Act, 1956.
  - 4.7 In our opinion and to the best of our information and according to the explanations provided to us, the said accounts, subject to the observations in para 4.2 above regarding consideration of provisional profit and investment in one of the Joint Venture, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
    - i. In the case of Balance Sheet of the state of affairs of company as at 31st March, 2011.
    - ii. In the case of Profit and Loss Account of the Profit of the Company for the year ended on that date and.
    - iii. In the case of Cash Flow Statement of the Cash Flows for the year ended on that date.

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

**(CA P. S. Panda)**  
Partner

M. No. 51092

Bhubaneswar

The 11th day of May, 2011



## ANNEXURE TO AUDITOR'S REPORT (Referred to in Para 1 of the said report of even date)

1. In respect of its Fixed Assets
  - a) The company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.
  - b) According to the information and explanations provided to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such physical verification.
  - c) In our opinion the Company has not disposed off a substantial part of its fixed assets during the year and hence the status of the Company as a going concern is not affected.
2. In respect of its Inventories
  - a) As explained to us, inventories have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable having regard to the size of the company and nature of its business.
  - b) According to the information and explanation provided to us the procedure of physical verification of inventories followed by the management in our opinion are reasonable and adequate in relation to the size of the company and the nature of its business.
  - c) On the basis of our examination , we are of the opinion that the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of account.
3.
  - a) According to the information and explanations provided to us, the company has granted loan to two parties covered in the register maintained under section 301 of the Act. The maximum amount involved during the year was ₹ 84.20 lacs and the balance at the end of the year is ₹ 9.20 lacs.
  - b) In our opinion and according to the information and explanations provided to us, the aforesaid loan is interest free and other terms and conditions of the loan taken by the parties, were not prima facie prejudicial to the interest of the company.
  - c) The said interest free loan is repayable on demand and there is no repayment schedule.
  - d) The company had taken loan from one party covered in the register maintained U/s 301 of the Act. The maximum amount involved during the year is ₹ 120.00 lacs and the balance at the end of the year was NIL.
  - e) In our opinion and according to the information and explanations provided to us, the aforesaid loan is interest free and other terms and conditions of the loan taken by the company , were not prima facie prejudicial to the interest of the company.
  - f) The company has repaid the loan during the year as stipulated in the terms and conditions of the loan.
4. In our opinion and according to the information and explanations provided to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and also for sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
5. According to the information & explanation provided to us, we are of the opinion that the particulars of the contracts or arrangements that need to be entered in the register maintained U/s. 301 of the Companies Act, 1956 have been so entered.



## ANNEXURE TO AUDITOR'S REPORT (Referred to in Para 1 of the said report of even date) (Contd.)

6. In our opinion and according to the information and explanations provided to us, each such transaction have been made at prices which are reasonable having regard to the prevailing market price at the relevant time.
7. In our opinion and according to the information and explanations provided to us, the Company has not accepted any deposit from public within the meaning of section 58A and 58AA or any other provisions of the Act and rules framed there under.
8. In our opinion and according to the information and explanations provided to us, the company has an internal audit system commensurate with the size of company and the nature of its business.
9. According to the information and explanations provided to us , the Central Government has not prescribed the maintenance of cost records under section 209(1) (d) of the Companies Act, 1956 for any of the products of the Company.
10. According to the information and explanations provided to us the company is generally regular in deposit of undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, VAT and Service Tax.
11. According to the information and explanation provided to us, in our opinion , no undisputed amount payable in respect of the aforesaid dues were outstanding as at 31st March,2011 for a period of more than six months from the date they became payable.
12. According to the information & explanation provided to us and on basis of the records of the company examined by us, the particulars of sales tax, income tax and entry tax as at 31st March, 2011 which have not been deposited on account of pending disputes are as under.

(₹ in lacs)

Forum where disputes are Pending	Period to which the dispute relates.	Amount of demand
1. Orissa Sales Tax Act.		
Appellate Tribunal	2000-01 & 2004-05	52.11
Commissioner of Commercial Taxes	2000-01 to 2002-03	31.86
2. Orissa VAT Act		
Commissioner of Commercial Taxes	2004-05 to 2006-07	14.51
Joint Commissioner of Commercial Taxes	2004-05 to 2006-07	7.79
3. Orissa Entry Tax Act		
Joint Commissioner of Commercial Taxes	2004-05 to 2006-07	24.59
Commissioner of Commercial Taxes	2004-05 to 2006-07	9.83
4. Central sales Tax Act		
Commissioner of Commercial Taxes	2008-09	791.10
5. Income Tax Act, 1961		
CIT(Appeal)	A.Y. 2006-07 to A.Y. 2007-08	151.07





## ANNEXURE TO AUDITOR'S REPORT (Referred to in Para 1 of the said report of even date) (Contd.)

13. The company does not have accumulated losses at the end of the financial year and has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
14. In our opinion and based on the information and explanations provided to us the company has not defaulted in repayment of dues to financial institutions or banks.
15. According to the information and explanations provided to us, the company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or other securities.
16. In our opinion, the company is not a chit fund or nidhi/mutual benefit fund/society. Therefore, the provisions of clause (xiii) of paragraph 4 of the Order are not applicable to the Company.
17. As explained to us and on the basis of information provided to us, the company is not dealing in shares, securities, debentures and other investments. Accordingly, the provisions of clause (xiv) of paragraph 4 of the order are not applicable to the Company.
18. In our opinion and according to the information and explanations provided to us, the terms and conditions of guarantees given by the company for loans taken by others from banks are not prima facie prejudicial to the interest of the company.
19. In our opinion and according to the information and explanations provided to us, the term loans have been applied for the purpose for which they were obtained.
20. According to the information and explanations provided to us and on an overall examination of the books of accounts of the company, we are of the opinion that no funds raised on short-term basis have been utilised for long term investment.
21. According to the information and explanations provided to us, during the year, the company has not made any preferential allotments of shares to parties covered in the register maintained under section 301 of the Act.
22. During the period covered by our audit report, the Company has not issued any debentures.
23. The Company has not raised any monies by way of public issues during the year.
24. To the best of our knowledge and belief and according to the information and explanation provided to us, no material fraud on or by the company has been noticed or reported during the course of our audit.

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

**(CA. P. S. Panda)**  
Partner  
M. No. 51092

Bhubaneswar  
The 11th day of May, 2011



## BALANCE SHEET as at 31st March, 2011

(₹)

	Schedules	2011	2010
<b>I. Sources of Funds</b>			
<b>1. Shareholders' Funds</b>			
a) Share Capital	1	148,432,300	148,432,300
b) Reserves and Surplus	2	4,335,636,664	3,231,235,827
<b>2. Loan Funds</b>			
a) Secured Loans	3	9,298,977,607	4,457,664,482
b) Unsecured Loans	4	99,156,117	12,226,366
<b>3. Deferred Tax Liability</b>	5	216,143,050	120,410,804
<b>Total</b>		<b>14,098,345,738</b>	<b>7,969,969,779</b>
<b>II. Application of Funds</b>			
<b>1. Fixed Assets</b>			
a) Gross Block	6	5,314,901,427	2,879,051,806
b) Less: Depreciation		575,070,355	295,311,305
c) Net Block		4,739,831,072	2,583,740,501
<b>2. Investments</b>	7	361,851,873	34,440,872
<b>3. Current Assets, Loans and advances</b>			
a) Inventories	8	7,770,988,128	3,701,088,128
b) Sundry Debtors	9	712,240,249	786,122,901
c) Cash & Bank Balances	10	1,507,751,636	1,095,090,537
d) Loans & Advances	11	2,186,134,506	1,406,480,937
		<b>12,177,114,518</b>	<b>6,988,782,503</b>
<b>4. Current Liabilities and Provisions</b>			
a) Current Liabilities	12	2,912,507,815	1,447,454,152
b) Provisions	13	319,563,986	258,380,043
		<b>3,232,071,801</b>	<b>1,705,834,195</b>
<b>5. Net Current Assets (3 - 4)</b>		8,945,042,718	5,282,948,308
<b>6. Miscellaneous Expenditure (To the extent not written off or adjusted)</b>	14	51,620,074	68,840,098
		<b>14,098,345,738</b>	<b>7,969,969,779</b>
<b>7. Significant Accounting policies and Notes to accounts</b>	20		

The schedules referred to above form an integral part of the Balance Sheet

As per our separate report of even date

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

(CA. P. S. Panda)  
Partner  
M. No. 51092

Bhubaneswar  
The 11th day of May, 2011

For and on behalf of the Board

(S. K. Pattanaik)  
Director Finance

(Rajesh Agarwal)  
Managing Director

(B.B.Sahoo)  
Company Secretary



## PROFIT AND LOSS ACCOUNT for the year ended on 31st March, 2011

		(₹)	
	Schedules	2011	2010
<b>1. Income</b>			
a) Contract Revenue		12,490,111,161	10,065,504,283
b) Other Income		84,548,510	65,350,851
		<b>12,574,659,671</b>	<b>10,130,855,134</b>
<b>2. Expenditure</b>			
a) Direct Contract expenses	15	8,915,457,251	7,625,408,084
b) Personnel Expenses	16	419,228,525	262,364,862
c) Administrative Expenses	17	263,421,011	172,315,889
d) Selling Expenses	18	184,312,599	193,751,628
e) Interest & Financial Charges	19	990,312,007	530,739,774
f) Depreciation		282,231,209	135,423,261
		<b>11,054,962,602</b>	<b>8,920,003,498</b>
<b>3. Profit Before Tax</b>		<b>1,519,697,069</b>	<b>1,210,851,636</b>
<b>4. Less : Tax Expenses</b>			
a) Income Tax			
Current Year		302,312,813	253,334,829
b) Deferred Tax		95,732,246	56,784,482
<b>5. Profit After Tax</b>		<b>1,121,652,010</b>	<b>900,732,325</b>
<b>6. Balance brought forward from</b>			
Previous year		1,699,732,913	863,418,722
<b>7. Amount Available for Appropriation</b>		<b>2,821,384,923</b>	<b>1,764,151,047</b>
<b>8. Appropriations</b>			
a) Dividend		14,843,230	29,686,460
b) Tax on Dividend		2,407,943	5,045,214
c) Transfer to General Reserve		14,843,230	29,686,460
<b>9. Profit Carried Forward</b>		<b>2,789,290,520</b>	<b>1,699,732,913</b>
<b>10. Earnings Per Share (Face Value ₹ 10/-)</b>			
Basic		75.57	70.48
Diluted		75.57	70.48
<b>11. Significant Accounting policies and Notes to accounts</b>	20		

The schedules referred to above form an integral part of the Profit & Loss Account.

As per our separate report of even date

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

For and on behalf of the Board

(**CA. P. S. Panda**)  
Partner  
M. No. 51092

(**S. K. Pattanaik**)  
Director Finance

(**Rajesh Agarwal**)  
Managing Director

Bhubaneswar  
The 11th day of May, 2011

(**B.B.Sahoo**)  
Company Secretary



# CASH FLOW STATEMENT

 for the year ended on 31st March, 2011

(₹)

	31st March, 2011	31st March, 2010
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation & exceptional items	1,519,697,069	1,210,851,636
Add : Adjustments for :		
Depreciation	282,231,209	135,423,261
Interest paid	990,312,007	530,739,774
Loss on sale of assets	1,102,419	531,632
Preliminary Exp. W/o	17,220,024	17,362,525
Operating profit before working capital change	2,810,562,728	1,894,908,828
Add : Adjustments for :		
Trade & other receivables	(705,770,916)	(1,206,660,093)
Inventories	(4,069,900,000)	(1,818,383,188)
Trade creditors & other liabilities	1,465,053,663	299,525,536
Cash generation from operation	(500,054,526)	(830,608,917)
Income tax & Fringe Benefit Tax	258,380,043	172,295,569
<b>Net cash from operating activities</b>	<b>(758,434,569)</b>	<b>(1,002,904,486)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(2,444,061,082)	(1,253,492,186)
Sale of Fixed Assets	4,636,883	-
Preliminary expenditure	-	(85,862,623)
Investment	(327,411,001)	3,772,049
<b>Net cash from Investing Activities</b>	<b>(2,766,835,200)</b>	<b>(1,335,582,760)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Share Capital & Premium	-	1,030,153,500
Dividend Paid	-	(29,686,460)
Interest paid	(990,312,007)	(530,739,774)
Unsecured Loan accepted	86,929,751	(28,835,107)
Borrowings availed including repayment	4,841,313,125	2,275,470,681
<b>Net cash from Financing activities</b>	<b>3,937,930,868</b>	<b>2,716,362,840</b>
<b>D Increase/Decrease in cash and cash equivalent</b>	<b>412,661,100</b>	<b>377,875,594</b>
<b>E Cash and cash equivalent as at beginning</b>	<b>1,095,090,536</b>	<b>717,214,942</b>
<b>F Cash and cash equivalent as at closing</b>	<b>1,507,751,636</b>	<b>1,095,090,536</b>

As per our separate report of even date

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

(**CA. P. S. Panda**)  
Partner  
M. No. 51092

Bhubaneswar  
The 11th day of May, 2011

For and on behalf of the Board

(**S. K. Pattanaik**)  
Director Finance

(**Rajesh Agarwal**)  
Managing Director

(**B.B.Sahoo**)  
Company Secretary



## SCHEDULES to Balance Sheet as at 31st March, 2011

	(₹)	
	2011	2010
<b>Schedule - 1</b>		
<b>Share Capital</b>		
Authorised :		
2,00,00,000		
equity shares of ₹ 10/- each	200,000,000	200,000,000
Issued , Subscribed & Paid up		
1,48,43,230 equity shares		
of ₹ 10/- each fully paid up	148,432,300	148,432,300
	<b>148,432,300</b>	<b>148,432,300</b>
<b>Schedule - 2</b>		
<b>Reserve and Surplus</b>		
Share Premium Account	1,473,634,700	1,473,634,700
General reserve	72,711,444	57,868,214
Profit & Loss Account	2,789,290,520	1,699,732,913
	<b>4,335,636,664</b>	<b>3,231,235,827</b>
<b>Schedule - 3</b>		
<b>Secured Loans</b>		
Term Loan	1,684,103,776	1,096,342,957
Working Capital Loan	5,589,698,878	2,885,494,519
(The above loans are secured by way of mortgage of Land & building and hypothecation of Plant & Machinery, stock & book debts.)		
Loan from NBFCs (Against hypothecation of fixed assets acquired out of the Loan)	2,025,174,953	475,827,006
	<b>9,298,977,607</b>	<b>4,457,664,482</b>
<b>Schedule - 4</b>		
<b>Unsecured Loans</b>		
From Banks	99,156,117	12,226,366
	<b>99,156,117</b>	<b>12,226,366</b>
<b>Schedule - 5</b>		
<b>Deferred Tax Liability</b>		
Opening Balance	120,410,804	63,626,322
Add : addition during the year	95,732,246	56,784,482
	<b>216,143,050</b>	<b>120,410,804</b>





## SCHEDULES to Balance Sheet as at 31st March, 2011 (Contd.)

### Schedule - 6 Fixed Assets

Sl No.	Particulars	GROSS BLOCK				DEPRECIATION		NET BLOCK	
		As at 1st April 2,010	Addition during the year	Deletion during the year	As at 31st March 2011	As at 31st March 2011	As at 31st March 2010		
1	Land								
	a) Free Hold	70,384,584	8,200,000	-	78,584,584	-	78,584,584	70,384,584	
	b) Lease Hold	3,978,325	-	-	3,978,325	-	3,978,325	3,978,325	
2	Building								
	a) Factory	298,976	-	-	298,976	106,425	192,551	202,564	
	b) Non-Factory	32,403,215	1,994,000	-	34,397,215	1,007,442	33,389,772	31,949,791	
3	Plant & Machinery	2,583,208,996	2,375,387,085	7,207,934	4,951,388,147	524,094,125	4,427,294,022	2,318,415,773	
4	Furniture & Fixtures	11,302,487	2,666,139	-	13,968,626	1,960,841	12,007,785	10,110,009	
5	Vehicles	147,489,548	48,022,799	1,003,527	194,508,820	40,894,443	153,614,377	122,394,275	
6	Computer	16,815,642	7,791,059	-	24,606,701	7,007,078	17,599,623	13,135,147	
		2,865,881,773	2,444,061,082	8,211,461	5,301,731,394	575,070,355	4,726,661,039	2,570,570,468	
7	CAPITAL WIP	13,170,033	-	-	13,170,033	-	13,170,033	13,170,033	
		<b>2,879,051,806</b>	<b>2,444,061,082</b>	<b>8,211,461</b>	<b>5,314,901,427</b>	<b>575,070,355</b>	<b>4,739,831,072</b>	<b>2,583,740,501</b>	
	PREVIOUS YEAR	1,626,196,379	1,274,289,027	21,433,601	2,879,051,805	295,311,305	2,583,740,500		



## SCHEDULES to Balance Sheet as at 31st March, 2011 (Contd.)

	(₹)	
	2011	2010
<b>Schedule - 7</b>		
<b>Investment (Unquoted, at cost)</b>		
NSC including interest accrued	1,483,778	3,145,478
In Capital of Joint Ventures	43,423,470	30,487,394
In Shares of Companies	311,944,625	808,000
Others	5,000,000	-
	<b>361,851,873</b>	<b>34,440,872</b>
<b>Schedule - 8</b>		
<b>Inventories (As certified by the management)</b>		
At cost being lower of N.R.V.		
Raw Materials	681,752,350	464,589,560
Stores & Spares	78,465,210	61,354,880
Finished Goods	1,267,845,320	651,456,230
At completion contract method		
Work in Progress	5,742,925,248	2,523,687,458
	<b>7,770,988,128</b>	<b>3,701,088,128</b>
<b>Schedule - 9</b>		
<b>Sundry Debtors (Unsecured, considered good)</b>		
Outstanding for a period more than six months	49,424,308	39,541,394
Others	662,815,941	746,581,507
	<b>712,240,249</b>	<b>786,122,901</b>
<b>Schedule -10</b>		
<b>Cash and Bank Balances</b>		
Cash in hand (As certified by the management)	24,934,426	5,412,022
Balanace with Scheduled Banks		
In Current Accounts	122,117,687	200,644,454
In Fixed Deposit Accounts	1,079,408,609	562,163,689
Interest Accrued on above	80,479,373	51,542,840
Cheques in Hand	200,811,541	275,327,532
	<b>1,507,751,636</b>	<b>1,095,090,537</b>



## SCHEDULES to Balance Sheet as at 31st March, 2011 (Contd.)

	(₹)	
	2011	2010
<b>Schedule - 11</b>		
<b>Loans and Advances (Unsecured considered good)</b>		
Advance Recoverable in cash or in kind for value to be received	1,424,508,777	1,284,026,499
Deposits	625,528,302	83,248,255
Prepaid Expenditure	135,028,993	38,668,903
Loans & Advances to Employee	1,068,434	537,280
	<b>2,186,134,506</b>	<b>1,406,480,937</b>
<b>Schedule - 12</b>		
<b>Current Liabilities</b>		
Sundry Creditors	2,912,507,815	1,447,454,152
	<b>2,912,507,815</b>	<b>1,447,454,152</b>
<b>Schedule-13</b>		
<b>Provisions</b>		
Provision for Taxation	302,312,813	253,334,829
Provision for proposed dividend	14,843,230	-
Tax on proposed Dividend	2,407,943	5,045,214
	<b>319,563,986</b>	<b>258,380,043</b>
<b>Schedule -14</b>		
<b>Miscellaneous Expenditure (to the extent not written off or adjusted)</b>		
Preliminary Expenses	51,620,074	68,840,098
	<b>51,620,074</b>	<b>68,840,098</b>



## SCHEDULES to Profit & Loss Account for the year ended on 31st March, 2011

	(₹)	
	2011	2010
<b>Schedule -15</b>		
<b>Direct Expenses</b>		
Material Purchased including subcontracting charges	10,983,564,677	8,153,221,421
Wages	236,385,595	166,901,012
Power & Fuel	1,098,523,125	662,183,763
Royalty	128,024,331	83,657,387
Repair & Maintenance (Plant & Vehicle)	437,639,480	295,375,462
Hire Charges	101,220,042	82,452,227
	<b>12,985,357,251</b>	<b>9,443,791,272</b>
Increase / (Decrease) in Stock		
Opening Stock		
Construction Materials, stores & spare parts	1,177,400,670	370,659,280
Project work-in-progress	2,523,687,458	1,512,045,660
Closing Stock		
Construction Materials, stores & spare parts	2,028,062,880	1,177,400,670
Project work-in-progress	5,742,925,248	2,523,687,458
	<b>8,915,457,251</b>	<b>7,625,408,084</b>
<b>Schedule -16</b>		
<b>Personnel Expenses</b>		
Salary, Wages & Bonus	405,366,930	250,331,994
Contribution to provident fund & other fund	5,470,650	4,567,613
Staff Welfare	8,390,945	7,465,255
	<b>419,228,525</b>	<b>262,364,862</b>
<b>Schedule -17</b>		
<b>Administrative Expenses</b>		
Insurance	21,080,947	14,662,565
Fuel & Lubricants	9,067,969	4,987,759
Repair & Maintenance (O)	4,732,857	2,819,506
Rent, Rates & Taxes	35,085,595	20,567,083
Managerial Remuneration	27,300,000	20,700,000
General Expenses	116,998,177	76,206,244
Telephone Expenses	11,675,021	8,378,238
Travelling & Conveyance	26,164,282	17,887,751
Electricity Charges	7,786,564	3,547,783
Payment to Auditors		
As Audit Fees	2,867,800	2,095,700
Internal Audit Fees	661,800	463,260
	<b>263,421,011</b>	<b>172,315,889</b>



## SCHEDULES to Profit & Loss Account for the year ended on 31st March, 2011 (Contd.)

	(₹)	
	2011	2010
<b>Schedule -18</b>		
<b>Selling Expenses</b>		
Business Promotion	8,099,478	5,026,586
Advertisement	4,770,196	2,891,898
Tender Document	6,738,940	3,209,783
VAT	151,550,053	123,026,691
Service Tax	13,153,932	59,596,670
	<b>184,312,599</b>	<b>193,751,628</b>
<b>Schedule -19</b>		
<b>Interest &amp; Financial Charges</b>		
Bank Commission & Other charges	96,619,637	66,875,557
Interest	893,692,370	463,864,217
	<b>990,312,007</b>	<b>530,739,774</b>

## NOTES TO ACCOUNTS

### Schedule – 20

#### Significant Accounting Policies and Notes to Accounts

##### A. Significant Accounting Policies.

###### 1. *Basis of Accounting*

The financial statements are prepared under the historical cost convention on accrual basis of accounting in accordance with generally accepted accounting principles [GAAP], accounting standards issued by the Institute of Chartered Accountants of India, as applicable and the relevant provisions of the Companies Act, 1956.

###### 2. *Use of Estimates*

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

###### 3. *Fixed Assets*

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

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





## NOTES TO ACCOUNTS (Contd.)

### 4. *Depreciation*

Depreciation is provided on Straight Line Method at the rates specified in Schedule -XIV to the Companies Act, 1956.

Depreciation on addition / deletion of fixed assets during the year is provided on pro-rata basis with reference to the date of addition / deletion.

### 5. *Borrowing Costs*

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

### 6. *Investments*

Investments in integrated Joint ventures are carried at cost net of adjustments for the company's share in profits or losses as recognised.

### 7. *Accounting for Joint Ventures Contracts*

- i. Contracts executed in Joint Venture under work sharing arrangement (consortium) are accounted for in accordance with the accounting policy followed by the Company as that of an independent contract to the extent work is executed.
- ii. In respect of contracts executed in Integrated Joint Ventures under profit sharing arrangement ( assessed as AOP under Income Tax Laws), the services rendered to the Joint Ventures are accounted for as income on accrual basis. The profit / Loss is accounted for, as and when it is determined by the Joint Venture and the net investment in the Joint Venture is reflected as investments, loans and advances or current liabilities.

### 8. *Inventories*

- i) Raw Materials, Stores & Spares and Finished Goods

Raw Materials, construction materials and Finished Goods are valued at the lower of cost and net realisable value.

- ii) Work in Progress

The work in progress is valued as percentage of completion contract method as per Accounting Standard 7 on "Construction Contracts" issued by the Institute of Chartered Accountants of India.

### 9. *Revenue Recognition*

The company follows the percentage of completion method as per Accounting Standard - 7 on "Construction Contracts" issued by the Institute of Chartered Accountants of India to recognise revenue in respect of contracts executed. Contract revenue is accounted for on the basis of bills submitted to clients/bill certified by clients and does not include material supplied by the clients free of cost. Other revenue and expenses are accounted for on accrual basis.

### 10. *Taxes on Income*

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



## NOTES TO ACCOUNTS (Contd.)

### 11. Employee Benefits

#### i) Defined contribution plans

Contributions paid/payable to defined contribution plans comprising of provident fund is recognised as expenses during the period in which the employees perform the services that the payments cover.

The Company makes monthly contributions and has no further obligations under the plan beyond its contributions.

#### ii) Defined benefit plan

Gratuity for employees is covered under a scheme of SBI Life Insurance and contributions in respect of such scheme are recognised in the Profit and Loss Account. The liability as at the Balance Sheet date is provided for based on the actuarial valuation, at the Balance Sheet date, carried out by an independent actuary. Actuarial gains and losses comprise experience adjustments and the effect of changes in the actuarial assumptions and are recognised immediately in the Profit and Loss account as income or expense.

#### iii) Short term employee benefits

Short term employee benefits including compensated absences as at the Balance Sheet date are recognised as an expense as per the Company's schemes based on the expected obligation on an undiscounted basis.

### 12. Contingent Liabilities and Contingent Assets

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

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

### 13. Earning per share

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

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

### 14. Overdue Charges in Respect of Loans

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



## NOTES TO ACCOUNTS (Contd.)

### B. Notes to Accounts

1. *Materials are purchased indigenously.*
2. The company operates only in one segment, i.e. Civil Construction. Hence the company has no segment as defined in Accounting Standard -17 on "Segment Reporting" issued by the Institute of Chartered Accountants of India.
3. *The deferred tax liability comprise of the following:*

Sl. No. Particulars	(₹)	
	As at 31st March, 2011	As at 31st March, 2010
a) Deferred Tax Liability Relating to fixed assets	216,143,050	120,410,804
b) Deferred Tax Asset Disallowance u/s 36(v) of the Income Tax Act, 1961	-	-
c) Provision for deferred tax	216,143,050	120,410,804

4. *Details of contingent liabilities not provided for in books of accounts*

		(₹ in lacs)
Name of the statute to which the liability relates		Amount
a)	Orissa Sales Tax Act	106.29
b)	Orissa Entry Tax Act	34.44
c)	Central Sales Tax Act	791.10
d)	Orissa Electricity Act	47.22
e)	Corporate Guarantees to sister concerns of the Company:	
	i) ARSS Biofuel (P) Ltd.	260.00
	ii) Anil Contractors (P) Ltd	600.00
f)	Income Tax Act	
	i) CIT (Appeal)	151.07
g)	Performance Bank Guarantee	62,022.96
	<b>Total</b>	<b>64,013.08</b>

5. *Earning Per Share (Equity of ₹10 each)*

Particulars	(₹)	
	Basic	Diluted
1. Net Profit After Taxation	1,12,16,52,010	1,12,16,52,010
2. Number of equity shares		
a. At the beginning of the period	1,48,43,230	1,48,43,230
b. Issued during the period	NIL	NIL
c. At the end of the period	1,48,43,230	1,48,43,230
d. Weighted Equity shares at the end of the period	1,48,43,230	1,48,43,230
3. Basic /Diluted EPS	75.57	75.57



## NOTES TO ACCOUNTS (Contd.)

6. Sundry debtors exceeding six months include ₹ 350.67 lacs due from joint ventures in which the company is a partner. As the recoverability of such sundry debtors is dependant on the release of security deposit and withheld amount, the company treats the debtors as good and has not made any provision against the same.
7. As per the intimation available with the Company, there are no Micro, Small and Medium Enterprises, as defined in the Micro, Small, and Medium Enterprises Development Act, 2006, to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made.

8. *Other particulars required pursuant to para 4 of part II of Schedule – VI:*

a. *Foreign Currency Transactions*

(₹ in lacs)

Sl. No.	Particulars	As at 31st March, 2011	As at 31st March, 2010
a)	Earnings in Foreign Currency	Nil	Nil
b)	Expenditure in Foreign Currency	Nil	Nil

b. *Managerial Remuneration as per section 198 of the Companies Act, 1956.  
(Excluding provision for gratuity)*

(₹ in lacs)

Sl. No.	Particulars	As at 31st March, 2011	As at 31st March, 2010
1.	Salaries	273.00	207.00
2.	Commission	Nil	Nil

c. *Computation of Net Profit in accordance with Section 349 of the Companies Act, 1956.*

(₹ in lacs)

Sl. No.	Particulars	As at 31st March, 2011	As at 31st March, 2010
1.	Profit before Taxation	15,196.97	12,108.51
2.	Add : Managerial Remuneration	273.00	207.00
3.	Profit for the year as per section 349	<b>15,469.97</b>	<b>12,315.51</b>

- d. Depreciation is provided on Straight Line Method at the rates specified in schedule XIV of the Companies Act 1956. During the year, ₹ 2,822.31 lacs (Previous year ₹ 1,354.23 lacs) has been provided as depreciation, asset wise detail of which is given below.

(₹ in lacs)

Sl. No.	Particulars	Amount
1.	Building (Factory)	0.10
2.	Building (Non-Factory)	5.54
3.	Plant & Machinery	2614.95
4.	Furniture & Fixtures	7.68
5.	Vehicle	160.76
6.	Computer	33.27
	<b>Total</b>	<b>2,822.31</b>



## NOTES TO ACCOUNTS (Contd.)

9. As per Accounting Standard 18 on "Related Party Disclosure" issued by the Institute of Chartered Accountants of India, the details of transactions between the company and the related parties are given below.

a. Expenses

(₹ in lacs)

Sl. No.	Name & Nature of Relationship	Nature of Transaction	Amount	Reflected in Schedule
1	Subash Agrawal, Chairman	Remuneration	150.00	Administrative Expenses
2	Rajesh Agarwal, Mg. Director	Remuneration	90.00	Administrative Expenses
3	S. K. Pattanaik, Director Finance	Remuneration	18.00	Administrative Expenses
4	S. S. Chakrabrot, Director Technical	Remuneration	15.00	Administrative Expenses
5	Sunil Agrawal, President & CEO	Remuneration	34.80	Personnel Expenses
6	Anil Agrawal, Sr. Vice President & COO	Remuneration	34.80	Personnel Expenses
7	S. K. Singla, Vice President & Project Head	Remuneration	42.00	Personnel Expenses

b. Other Transactions

(₹ in lacs)

Sl. No.	Name & Nature of Relationship	Nature of Transaction	Amount	Reflected Schedule
1	S. K. Singla, Relative	Sub Contract	1,298.22	Direct Contract Expenses
2	HCIL-ARSSPL-Adhikaria-JV	Sub Contract	5,355.68	Contract Revenue
3	Niraj-ARSS-JV	Sub Contract	4,393.27	Contract Revenue
4	ARSS-HCIL-Consortium,	Sub Contract	1,480.51	Contract Revenue
5	ARSS- ANPR JV	Sub Contract	665.37	Contract Revenue
6	ARSS – Triveni JV	Sub Contract	237.54	Contract Revenue
7	Back Bone ARSS-JV	Sub Contract	1,064.44	Contract Revenue
8	Atlanta ARSS JV	Sub Contract	2,628.43	Contract Revenue
9	Patel ARSS JV	Sub Contract	3,578.95	Contract Revenue
10	Anil Contractors pvt. Ltd.	Sub Contract	1,862.31	Contract Revenue
11	ARSS Atlanta JV	Sub Contract	1,075.76	Contract Revenue
12	Somadatta ARSS JV	Sub Contract	1,014.66	Contract Revenue
13	ARSS Developers Limited	Equity Investment	1,000.00	Investment
14	ARSS Developers Limited	Unsecured Loan	2,497.30	Loans & Advances
15	ARSS Steel & Power Ltd.	Unsecured Loan	10.00	Loans & Advances
16	ARSS Bus Terminal (P) Ltd	Equity Investment	2,103.92	Investment
17	ARSS ETOE Rail (P) Ltd.	Equity Investment	1.14	Investment





## NOTES TO ACCOUNTS (Contd.)

10. Since the Company carries on the business of Construction, being a service industry the quantitative information as required under para 3 of part II of Schedule – VI is not being furnished.
11. A search and seizure operation was conducted by the Income Tax Authorities in the premises of the Company on 6th October, 2010. During the course of search some documents of the Company were seized. Accounts have been prepared based on certified photocopies of such seized documents.
12. Paisa has been rounded off to nearest rupee
13. Previous year figures have been rearranged and regrouped wherever considered necessary. As per our separate report of even date

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

**(CA. P. S. Panda)**  
Partner  
M. No. 51092

Bhubaneswar  
The 11th day of May, 2011

For and on behalf of the Board

**(S. K. Pattanaik)**  
Director Finance

**(Rajesh Agarwal)**  
Managing Director

**(B.B.Sahoo)**  
Company Secretary



# BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

Additional information as required under Part VI of Schedule-VI to the Companies Act, 1956

## I. Registration Details:

Registration No.:

L 1 4 1 0 3 O R 2 0 0 0 P L C 0 0 6 2 3 0

Balance Sheet Date:

3 1 - 0 3 - 2 0 1 1

State Code

1 5

## II. Capital raised during the year: (Amount in ₹ Thousands)

Public Issue:

N I L

Right Issue:

N I L

Bonus Issue:

N I L

Private Placement:

N I L

Share Application Money:

N I L

## III. Position of mobilisation and deployment of funds: (Amount in ₹ Thousands)

Total Liabilities:

1 4 0 9 8 3 4 6

Total Assets:

1 4 0 9 8 3 4 6

Sources of Funds:

Application of Funds:

Paid-up Capital:

1 4 8 4 3 2

Net Fixed Assets:

4 7 3 9 8 3 1

Share Application Money:

N I L

Investment:

3 6 1 8 5 2

Reserves and Surplus:

4 3 3 5 6 3 7

Net Current Assets:

8 9 4 5 0 4 3

Secured Loans

9 2 9 8 9 7 8

Miscellaneous Expenditure:

5 1 6 2 0

Unsecured Loans:

9 9 1 5 6

Profit and Loss Account:

N I L

## IV. Performance of the Company: (Amount in ₹ Thousands)

Net Turnover:

1 2 5 7 4 6 6 0

Total Expenditure:

1 1 0 5 4 9 6 3

Profit / (-) Loss before tax:

1 5 1 9 6 9 7

Profit/(-) Loss after tax:

1 1 2 1 6 5 2

Earnings per Share in ₹:

- Basic

7 5 . 5 7

Dividend Rate in % :

1 0

- Diluted

7 5 . 5 7

## V. Generic Names of Principal Products of the Company

Item Code Number

N I L

Product Description

W o r k s C o n t r a c t

Item Code Number

Product Description

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

For and on behalf of the Board

(CA. P. S. Panda)

Partner

M. No. 51092

(S. K. Pattanaik)

Director Finance

(Rajesh Agarwal)

Managing Director

Bhubaneswar  
The 11th day of May, 2011

(B.B.Sahoo)  
Company Secretary



## ARSS INFRASTRUCTURE PROJECTS LIMITED

REGISTERED OFFICE:- PLOT NO-38, SECTOR-A ZONE-D  
MANCHESWAR INDUSTRIAL ESTATE BHUBANESWAR-751010

### NOTICE

Notice is hereby given that the Eleventh Annual General Meeting of the Members of ARSS INFRASTRUCTURE PROJECTS LIMITED will be held on Saturday, the 24th September, 2011 at 03.00 p.m. at Hotel Mayfair Lagoon, Jaydev Vihar, Bhubaneswar-751013, Orissa to transact the following business:

#### ORDINARY BUSINESS:

1. To receive, consider and if thought fit adopt the Audited Balance Sheet as at 31st March, 2011 and the Profit and Loss Account for the year ending on that date, together with the reports of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Dr. Bidhubhusan Samal, who retires by rotation and being eligible, offers himself for re-appointment.
3. To declare dividend on Equity Shares.
4. To appoint Auditors of the Company.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution.

"RESOLVED THAT M/s P.A. & Associates, Chartered Accountants, Bhubaneswar, be and is hereby reappointed as Statutory Auditors of the Company to hold office from the conclusion of this Meeting till the conclusion of the next Annual General Meeting of the Company and that the Board of Directors of the Company be and is hereby authorised to fix their remuneration for the period".

#### SPECIAL BUSINESS:

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

##### **Increase in Borrowing power of the Company.**

"RESOLVED THAT in supersession of the earlier resolution passed on 06/02/2010, the consent of the members be and is hereby accorded to the Board of Directors of company (hereinafter referred to as 'the Board', which term shall include any committee constituted by the board or any person(s) authorised by the Board to exercise the powers conferred on the Board by this resolution) in terms of Section – 293(1)(d) and other applicable provisions, if any, of the Companies act, 1956 (including any statutory modification or re-enactment thereof), to borrow for the purpose of company's business, any sum or sums of money from time to time at its discretion in accordance with the Memorandum & Articles of Association of the company notwithstanding that such sum or sums of money together with the moneys already borrowed by the Company (apart from the temporary loans obtained or to be obtained from time to time from the Company's bankers in the ordinary course of its business) may exceed the aggregate of the paid up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose, provided that the aggregate of

all sums borrowed by the Board from time to time and remaining outstanding shall not exceed, at any point of time, ₹ 3000 Crores (₹ Three Thousand Crores only).

RESOLVED FURTHER THAT the Board be and is hereby authorised to negotiate and finalise all the terms and conditions of all such moneys to be borrowed from time to time as to interest, repayment, securities or any other terms and conditions as it may consider fit in the interest of the company and to execute all the agreements, deeds, undertakings or any other papers and to do all such acts, deeds, matters and things as it may, in its' absolute discretion deem fit, necessary, desirable or expedient for giving effect to this resolution."

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

##### **Mortgage and/or create Charge on Movable and immovable properties of Company.**

"RESOLVED THAT in supersession of the earlier resolution passed on 06/02/2010, and pursuant to the provisions of Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof) and the provisions of the Memorandum & Articles of Association of the company, consent of the members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee thereof) to mortgage and / or charge / hypothecate in such form and manner and on such terms and conditions and at such time(s) as the Board may deem fit / or proper, the whole or substantially the whole of the undertaking(s) of the Company, all movable and immovable properties of the Company both present and future, wherever situated in favour of lenders/ trustees/ agents /others for securing any sum or sums of money borrowed or to be borrowed by the Company by way of debentures, bonds, loans or any other instrument or any other credit facilities availed / to be availed by the company aggregating ₹ 3,000 Crores (₹ Three Thousand Crores only) or equivalent amount in any other foreign currency together with interest or other costs, charges, expenses and other money payable thereon.

RESOLVED FURTHER THAT the Board be and is hereby authorised to finalise the deeds, documents and other writings as may be applicable or required for creating the aforesaid mortgages or charges and to do all such

acts, deeds, matters and things as may be necessary or expedient for giving effect to this resolution.”

7. To consider and, if thought fit, to pass with or without modification (s) the following resolution as a Special resolution.

**Shifting of Registered office from Bhubaneswar, Orissa to Delhi.**

“RESOLVED THAT Pursuant to the provisions of Section – 17, 146(2), 192A and other applicable provisions, if any, of the Companies Act, 1956 read with the companies passing of the resolution by Postal Ballot ) Rule – 2001, and subject to confirmation of Company Law Board, the consent of the Shareholders of the Company be and is hereby accorded for shifting of the Registered office of the Company from the State of Orissa to the State of Delhi and Clause –II of the Memorandum of Association be altered by substituting the word ‘ the State of Delhi’ for the words ‘the State of Orissa’.

RESOLVED FURTHER THAT for giving effect to this resolution, the Board of Directors be and is hereby authorised to do all such acts, deeds and things as the Board may, in its absolute discretion, consider necessary, expedient, usual, proper or incidental and to delegate any or all of aforementioned powers, to any Committee of the Board or to one or more Directors or officers of the Company.”

8. To Consider and if thought fit, to pass with or with out modification (s), the following resolution as a special resolution:

“RESOLVED THAT subjects to the approval of the Central Government under section 314 (1B) of the Companies Act, 1956 and subject to such modifications as the Central Government while according its approval may make, the consent of the members be and is hereby accorded to the Company for enhancement of salary of Mr. Sunil Agarwal, President & Chief Executive Officer of the Company, who is a relative of the Directors from ₹ 2,90,000/- ( ₹ Two Lacs Ninety Thousands only) to ₹ 15,00,000/- ( ₹ Fifteen Lacs only) per month consolidated w.e.f 1st April , 2011 for the remaining period of his tenure i.e. up to 31st March 2015 in terms of the recommendation of the Selection Committee”.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take all such steps as may be necessary, proper or expedient to give effect to this resolution”.

9. To Consider and if thought fit, to pass with or with out modification(s), the following resolution as a special resolution:

“RESOLVED THAT Pursuant to the provisions of section 314 (1B) of the Companies Act, 1956 and subject to the approval of the Central Government and subject to such modifications as the Central Government while according its approval may make, the consent of the members be and is hereby accorded to the company for enhancement of salary of Mr. Anil Agarwal, Sr. Vice President & Chief Operating Officer of the Company,

who is a relative of the Directors from ₹ 2,90,000/- ( ₹ Two Lac Ninety Thousand Only) to ₹ 15,00,000/- ( ₹ Fifteen Lacs only) per month consolidated w.e.f 1st April, 2011 for the remaining period of his tenure i.e. up to 31st March 2015 in terms of the recommendation of the Selection Committee.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take all such steps as may be necessary, proper or expedient to give effect to this resolution”.

10. To Consider and if thought fit, to pass with or with out modification(s), the following resolution as a special resolution:

“RESOLVED THAT Pursuant to the provisions of section 314 (1B) of the Companies Act, 1956 and subject to the approval of the Central Government and subject to such modifications as the Central Government while according its approval may make, the consent of the members be and is hereby accorded to the company for enhancement of salary of Mr. Shiv Kumar Singla, VP & Project Head of the Company, who is a relative of the Directors from ₹ 2,90,000/- ( ₹ Two Lac Ninety Thousand Only) to ₹ 5,00,000/- ( ₹ Five Lacs only) per month consolidated w.e.f 1st April, 2011 for the remaining period of his tenure i.e. up to 31st March 2015 in terms of the recommendation of the Selection Committee”.

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take all such steps as may be necessary, proper or expedient to give effect to this resolution”.

11. To Consider and if thought fit, to pass with or with out modification(s), the following resolution as a special resolution:

“RESOLVED THAT Pursuant to the provisions of sections 198,269,309,310&311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and subject to such other consents and approvals as may be required, approval of the members be and is hereby accorded to the company for enhancement of salary of Mr. Subash Agarwal as Whole time Director & Chairman of Company from ₹ 12,50,000/- ( ₹ Twelve Lakh Fifty Thousand Only) to ₹ 15,00,000/- ( ₹ Fifteen lacs only) per month consolidated w.e.f 1st April , 2011 for the remaining period of his tenure i.e. up to 4th November 2012 with liberty to the Board of Directors to alter and vary the terms and conditions and/or remuneration not exceeding the limit as specified in Schedule XIII of the Companies Act, 1956 or any statutory modification(s) or re-enactments thereof ”.

RESOLVED FURTHER THAT where in any financial year, the Company has no profits or inadequate profits, the remuneration as decided by the Board from time to time shall be paid to Sri Subash Agarwal as minimum remuneration as per Schedule XIII.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to take all such steps as may

be necessary, proper or expedient to give effect to this resolution."

12. To Consider and if thought fit, to pass with or without modification(s), the following resolution as a special resolution:

"RESOLVED THAT Pursuant to the provisions of sections 198, 269, 309, 310 & 311 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) and subject to such other approvals, permissions and sanctions, as may be required, and pursuant to the approval of the remuneration committee of the Board and the Board of Directors at their respective meetings held on 8th August 2011, approval of the members be and is hereby accorded to the re-appointment of Mr. Rajesh Agarwal as Managing Director of the company for a period of 5 (five) years i.e. with effect from 01.04.2011 to 31.03.2016 on a total monthly remuneration of ₹ 15,00,000/- (₹ Fifteen lacs only) plus other benefits as per the rules of the Company with the liberty to the Board of Directors to alter and vary the terms and conditions and/or remuneration, not exceeding the limits specified under Schedule XIII to the Companies Act, 1956 or any statutory modification(s) or re-enactments thereof.

RESOLVED FURTHER THAT where in any financial year, the Company has no profits or inadequate profits, the remuneration as decided by the Board from time to time shall be paid to Mr. Rajesh Agarwal as minimum remuneration as per Schedule XIII.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to take all such steps as may be necessary, proper or expedient to give effect to this resolution".

13. To Consider and if thought fit, to pass with or without modification(s) the following resolution as a special resolution:

"RESOLVED THAT Pursuant to the provisions of sections 198, 269, 309, 310 & 311 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) and subject to such other approvals, permissions and sanctions, as may be required, and pursuant to the approval of the remuneration committee of the Board and the Board of Directors at their respective meetings held on 8th August 2011, approval of the members be and is hereby accorded to the re-appointment of Mr. Soumendra Keshari Pattanaik as Director Finance of the Company for a period of 5 (five) years i.e. with effect from 01.04.2011 to 31.03.2016 on a total monthly remuneration of ₹ 2,50,000/- (₹ Two lacs Fifty Thousands only) plus other benefits as per the rules of the Company with the liberty to the Board of Directors to alter and vary the terms and conditions and/or remuneration, not exceeding the limits specified under Schedule XIII to the Companies Act, 1956 or any statutory modification(s) or re-enactments thereof.

RESOLVED FURTHER THAT where in any financial year, the Company has no profits or inadequate profits, the remuneration as decided by the Board from time to time shall be paid to Mr. Soumendra Keshari Pattanaik as minimum remuneration as per Schedule XIII.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board of Directors  
For ARSS Infrastructure Projects Limited

Place: Bhubaneswar (Haraprasad Rout)  
Date: The 8th day of August, 2011 Company Secretary

#### NOTES:

1. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the company. However proxy forms should be deposited at the registered office of the company not less than 48 hours before the commencement of the meeting in order to be effective.
2. Register of members and share transfer books of the Company shall remain closed from Monday, 19th September, 2011 to Saturday, 24th September, 2011 (Both days inclusive).
3. With respect to the Resolutions at item nos. 5 to 7 of the Notice, members are required to vote only by Postal Ballot in terms of Section 192A of the Companies Act, 1956 read with the companies passing of the resolution by Postal Ballot ) Rule – 2001. Notice of the Postal Ballot process, Postal Ballot form along with Postage prepaid envelope is being sent to all the Shareholders separately by Registered post. Depending upon the result of the Postal Ballot, the same will be declared having been passed or otherwise, at the ensuing Annual General Meeting.
4. Members are requested to visit the website of the Company [www.arssgroup.in](http://www.arssgroup.in) for viewing the quarterly, half-yearly and Annual financial results and for more information about the Company. Useful information on various services being provided to the investors is also available on the website of the Company.
5. All the investor related communication may be addressed to:

**Haraprasad Rout**

Company Secretary and Compliance Officer  
Sector-A, Zone-D, Plot No-38,  
Mancheswar Industrial Estate,  
Bhubaneswar-751010

Tel: 0674-2588552, 2588554, Fax: 0674-2585074.



E-mail: [hprout@arssgroup.in](mailto:hprout@arssgroup.in)

6. Members/proxies are requested to kindly take note the following:
  - a. Copies of Annual Report will not be distributed at the venue of Annual General Meeting
  - b. Bring their Attendance slip sent herewith duly completed and signed for attending the meeting
  - c. Entry to the meeting hall will be strictly on the basis of the entrance slip to be made available at the counters at the venue, to be exchanged with the duly completed and signed Attendance Slip.
7. Members are requested to send their queries on the operations of the Company, if any, to reach the Company's Registered Office at least 10 days before the meeting so that the information could be complied in advance.
8. Members may please note that briefcases, bags, mobile phones and eatables will not be allowed to be taken inside the venue of the meeting for security reasons.
9. Members are requested to notify immediately any change in their address directly to their Depository Participant in case they hold Shares in dematerialised form or to the Company's Registrar & Transfer Agents, in case they hold Shares in physical form.
10. As per the MCA Circular no. 17/2011 dated 21.04.2011 and Circular No. 18/2011 dated 29.04.2011, the Ministry of Corporate Affairs has taken 'green initiative' in corporate governance – by allowing paperless compliances by companies. As per the said circulars, companies are permitted to send the annual reports to the members through electronic mode (e-mail). Hence, members are requested to update their e-mail id and changes there in from time to time with the RTA of the company and the company at [investorgrievance@arssgroup.in](mailto:investorgrievance@arssgroup.in)

By Order of the Board of Directors  
For ARSS Infrastructure Projects Limited

Place: Bhubaneswar (Haraprasad Rout)  
Date: The 8th day of August, 2011 Company Secretary

#### EXPLANATORY STATEMENT

(Pursuant to Section 173(2) of The Companies Act, 1956)  
(Forming part of the AGM Notice dated 8th August 2011.)

#### Item No. 5

Under section 293(1)(d) of the Companies Act, 1956, the Board of Directors cannot except with the consent of the Company in general meeting, borrow moneys apart from temporary loans obtained from the Company's bankers in the ordinary course of business, in excess of the aggregate of the paid-up capital and free reserves of the Company, that is to say reserves not set apart for any specific purpose. Presently, the borrowing limit obtained by the Company through members' resolution dated 06/02/2010 is ₹ 2,000.00 Crores.

Considering the growing financial requirements of the Company, the total existing borrowing limit of the Company is going to be exhausted soon and the said limit in terms of section 293(1)(d) needs to be enhanced. The Company proposes to increase the total borrowing limit up to ₹ 3,000.00 Crores. The use of the increased borrowing limit would be made depending upon the business exigencies and in accordance with sound financial policies.

The Directors recommend the resolution for members' approval.

None of the Directors is any way concerned or interested in this resolution except to the extent of their share holding & Directorship of the Company.

#### Item No. 6

As members are aware, your Company is exploring various opportunities for all round growth of the Company through expansion, diversification by taking up various projects through out India. With a view to meet the capital expenditure and other funds requirement for above purposes, the Company would be required to borrow funds from time to time by way of loans and/ or issue of Bonds, Debentures or other securities.

In furtherance to the resolution no. 5 of this notice, the said borrowings/ issue of securities may be required to be secured by way of mortgage/ charge over all or any part of the movable and/or immovable properties of the Company and as per the provisions of Section 293(1)(a) of the Companies Act, 1956, the mortgage or charge on all or any part of the movable and/or immovable properties of the Company, may be deemed as the disposal of the whole, or substantially the whole, of the undertaking of the Company and hence requires approval from the members of the Company.

As per provisions of Section 192A of the Companies Act, 1956 read with the Companies (Passing of Resolutions by Postal Ballot) Rules, 2001, the above said approval is to be obtained by way of Postal Ballot process. Accordingly, this resolution is being proposed to seek your consent under Section 293(1) (a) read with section 192A of the Companies Act, 1956, by way of Postal Ballot process as required by the Companies Act, 1956.

The Directors recommend the resolution for members' approval.

None of the Directors is any way concerned or interested in this resolution except to the extent of their share holding & directorship of the Company.

#### Item No.7

As members are aware, Presently the Company is having its Corporate Office at 8th Floor, K.L.J Tower North, Plot No.B-5, Netaji Subhash Place, District Centre, Pitampura, New Delhi-110034 controlling the Company's North and Central India operations. But the Company's increased North India presence requires more control for smooth & economy running of company's operations. Your Directors feel by changing the registered office from Bhubaneswar to Delhi, it would result in achieving a better coordination and control and also it would

result in achieving a greater scale of economy and better administration. It will also enhance the Company's stature being a Delhi based Company having all India presence.

Moreover, the Company is having a lot of orders from north India and having the Registered office at New Delhi would be beneficial and cost effective for controlling the north Indian projects. After getting the approval of Shareholders, the Company needs to approach the Company Law Board for obtaining their confirmation in terms of Section 17 of the Companies Act, 1956 for the proposed shifting.

As per provisions of Section 192A of the Companies Act, 1956 read with the Companies (Passing of Resolutions by Postal Ballot) Rules, 2001, the above said approval is to be obtained by way of Postal Ballot process. Accordingly, this resolution is being proposed to seek your consent under Section 293(1) (a) read with section 192A of the Companies Act, 1956, by way of Postal Ballot process as required by the Companies Act, 1956.

Therefore, your Directors recommend the resolution for members' approval.

None of the Directors is any way concerned or interested in this resolution except to the extent of their share holding & directorship of the Company.

#### **Item No.8**

Mr. Sunil Agarwal is serving your Company as President & Chief Executive Officer and his present Salary is ₹ 2,90,000/- per month. He is the brother of Mr. Subash Agarwal & Mr. Rajesh Agarwal, who are the promoter Directors of your company. Keeping in view his enhanced responsibility, rich & diversified experience in the industry and his growing involvement in the day to day affairs of the company, your Directors think it appropriate to increase his remuneration up to an amount of ₹ 15,00,000/- per month.

Since he is a relative of the Directors and the proposed enhancement is beyond the prescribed limit, it will attract the provisions of Section – 314 of the Companies Act, 1956 which calls for Shareholders' as well as Central Government's approval. The proposal has already been approved by the Board of Directors and the Selection committee at their meeting held on 8th August 2011.

Therefore, your Directors recommend the Resolution for your approval.

Except that of Mr. Subash Agarwal & Mr. Rajesh Agarwal, none of the Directors of the Company is concerned or interested in this Resolution except to the extent of their Share holdings & directorship of the Company.

#### **Item No.9**

Mr. Anil Agarwal is serving your company as Sr. Vice President & Chief Operating Officer. His present Salary is ₹ 2,90,000/- per month. He is the brother of Mr. Subash Agarwal & Mr. Rajesh Agarwal, who are the Promoter Directors of your company. Keeping in view his enhanced responsibility, rich & diversified experience in the industry and his growing involvement in the day to day affairs of the company, your Directors think it appropriate to increase his remuneration up

to an amount of ₹ 15,00,000/- per month.

Since he is a relative of the Directors and the proposed enhancement is beyond the prescribed limit, it will attract the provisions of Section – 314 of the Companies Act, 1956 which calls for Shareholders as well as Central Government's approval. The proposal has already been approved by the Board of Directors and the Selection committee at their meeting held on 8th August 2011.

Therefore, your Directors recommend the Resolution for acceptance by the Members

Except that of Mr. Subash Agarwal & Mr. Rajesh Agarwal, none of the Directors of the Company is concerned or interested in this Resolution except to the extent of their Share holdings and Directorship of the Company, who is a relative of the Directors

#### **Item No.10**

Mr. Shiv Kumar Singla is serving your Company as VP & Project Head and taking the sole responsibility for planning and execution of all the critical technological executions. His present Salary is ₹ 3,50,000/- per month. He is the Brother-in-Law of Mr. Subash Agarwal & Mr. Rajesh Agarwal who are the Promoter Directors of your company. Keeping in view his enhanced responsibility, rich & diversified experience in the industry and his growing involvement in the day to day affairs of the company, your Directors think it appropriate to increase his remuneration up to ₹ 5,00,000/- per month.

Since he is a relative of the Directors and the proposed enhancement is beyond the prescribed limit, it will attract the provisions of Section – 314 of the Companies Act, 1956 which calls for Shareholders as well as Central Government's approval. The proposal has already been approved by the Board of Directors and the Selection committee at their meeting held on 8th August 2011.

Therefore, your Directors recommend the Resolution for acceptance by the Members

Except that of Mr. Subash Agarwal & Mr. Rajesh Agarwal, none of the Directors of the Company is concerned or interested in this Resolution except to the extent of their Share holdings in the Company.

#### **Item No. 11**

The Company in its General Meeting held on 26th July, 2010 enhanced the salary of Mr. Subash Agarwal as whole-time Director to an amount of ₹ 12.50 lacs.

Schedule XIII part (II) to the Companies Act, 1956 provides that a Public Limited Company may pay any remuneration not exceeding 5% of its net profits for any one Whole time Director or 10% if there is more than one such whole time Directors. The net profit of our Company as per the last audited Balance Sheet is ₹ 112.16 crores.

Accordingly, keeping in view of the enhanced responsibility and rich and diversified experience in the Industry and his professional services for the Company, your Directors think it to be appropriate to increase his remuneration and the increased remuneration will be within the limit as prescribed under the Act.

As per the provisions of Section-310 of the Companies Act, 1956 any increase in remuneration of Whole time Directors in accordance with Schedule XIII requires the approval of Shareholders at the General Meeting. The Directors of your Company on recommendation made by the Remuneration Committee, have approved the proposal to increase the remuneration of Mr. Subash Agarwal, subject to the approval of the members.

Therefore, your Directors recommend the resolution for approval by the members of the Company.

Except that of Mr. Rajesh Agarwal, none of the Directors of the Company is concerned or interested in this Resolution except to the extent of their Share holdings and Directorship of the Company.

#### **Item No. 12**

Mr. Rajesh Agarwal was appointed as the Managing Director of your company for a term of five years w.e.f. 1st October 2006 by the Board at its meeting held on 2nd September 2006 and subsequent approval of shareholders was obtained at their General Meeting held on 27th September 2006 and the said term expires on 30.09.2011. During the tenure of his service, the Company has grown manifold achieving excellent growth and diversification and also has successfully completed many projects under his direct supervision, guidance and control.

Keeping in view the growing involvement, rich and diversified experience of Mr. Rajesh Agarwal your Directors think it to be prudent in the best interest of the company to re-appoint him for a further period of five years with effect from 01.04.2011 to 31.03.2016 with a varied terms and conditions in accordance with the provisions of the Companies Act, 1956.

In terms of Section 269 of the Companies Act, 1956 any appointment or re-appointment in accordance with Schedule XIII requires the approval of Shareholders at the General Meeting.

Therefore, your Directors recommend the resolution for approval by the members of the Company.

Except that of Mr. Subash Agarwal, none of the Directors of the Company is concerned or interested in this Resolution

except to the extent of their Share holdings in the Company.

#### **Item No. 13**

Mr. Soumendra Keshari Pattanaik was appointed as the Whole time Director of your company for a term of five years with effect from 1st October 2006 by the Board at its meeting held on 1st October 2006 and subsequent approval of shareholders was obtained at their General Meeting held on 1st October 2006 and term of his appointment expires on 30.09.2011. During the tenure of his service as Director Finance, the Company's Initial Public Offer (IPO) was a phenomenal success and his involvement in it was crucial for its success. Moreover, he was instrumental in sourcing finances for implementation of major infrastructure projects of the company.

Keeping in view his valued contribution and responsibility in financial discipline and the rich and diversified experiences, your Directors think it to be in the best interest of the company to re-appoint him for a further period with a varied terms and conditions in accordance with the provisions of the Companies Act, 1956.

In terms of Section 269 of the Companies Act, 1956 any appointment or re-appointment in accordance with Schedule XIII requires the approval of Shareholders at the General Meeting.

Therefore, your Directors recommend the resolution for approval by the members of the Company.

Non of the Directors is concerned or interested in the proposed resolution except to the extent of their Directorship and Shareholdings in the Company.

By Order of the Board of Directors

For ARSS Infrastructure Projects Limited

Place: Bhubaneswar

(Haraprasad Rout)

Date: The 8th day of August, 2011

Company Secretary

**Details of Directors seeking re-election and re-appointment at this Annual General Meeting**

Particulars	Dr. Bidhubhusan Samal.	Mr. Rajesh Agarwal.	Mr. Soumendra Keshari Pattanaik.
Date of Birth	02.03.1943	12.01.1973	11.09.1970
Appointed on	27.11.2007	17.05.2000	01.04.2005
Qualification.	Master Degree in Agriculture, Phd. In Economics & Post Graduate in Bank Management.	B.E. (Civil)	M.Com, L.L.B, M.B.A. (Finance)
Expertise in Specific functional area.	Policy Formulation & Decision making.	Technical & Engineering.	Finance & Accounts.
Directorship held in other Companies.	<ol style="list-style-type: none"> <li>1. Jaiprakash Associates Ltd.</li> <li>2. Jaypee Infratech Ltd.</li> <li>3. Jaypee Karchem Hydro Corporation Limited</li> <li>4. Surana Industries Ltd.</li> <li>5. Reliance Capital Ltd.</li> <li>6. Industrial Investment Trust Ltd.</li> <li>7. IITL Projects Ltd.</li> <li>8. IIT Invetrust Limited.</li> <li>9. IIT Insurance Broking &amp; Risk Management Pvt. Ltd.</li> <li>10. May fair Hotels and Resorts Limited.</li> <li>11. Vipul Limited.</li> <li>12. World Resorts Ltd.</li> </ol>	<ol style="list-style-type: none"> <li>1. ARSS Developers Ltd.</li> <li>2. ARSS Steel &amp; Power Ltd.</li> <li>3. ARSS Cement Ltd.</li> <li>4. ARSS Bus Terminal Pvt. Ltd.</li> </ol>	<ol style="list-style-type: none"> <li>1. ARSS Bus Terminal Pvt. Ltd.</li> </ol>
Memberships / Chairmanships of Audit and Investor Grievances committee across public companies.	<ol style="list-style-type: none"> <li>1. Surana Industries Limited (Audit Committee)</li> </ol>	NIL	NIL
Shareholding	Nil	6,56,000	2,000

## NOTICE FOR POSTAL BALLOT

[Pursuant to Section 192A of the Companies Act, 1956]

To

The Members

NOTICE is hereby given that pursuant to Section 192A of the Companies Act, 1956, read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001, the consent of the share holders is being sought to the following resolutions by means of Postal Ballot. The proposed resolutions along with the explanatory statement stating all material facts and the reasons for the proposal is appended hereto for your kind consideration. You are requested to give your assent/dissent to the following Resolutions.

1. To consider and, if thought fit, to pass with or without modification (s) the following resolution as an Ordinary resolution.

### **Increase in Borrowing power of the Company**

“RESOLVED THAT in supersession of the earlier resolution passed on 06/02/2010, the consent of the company be and is hereby accorded to the Board of directors of company (hereinafter referred to as ‘the Board’, which term shall include any committee constituted by the board or any person(s) authorised by the Board to exercise the powers conferred on the Board by this resolution) in terms of Section – 293(1)(d) and other applicable provisions, if any, of the Companies act, 1956 (including any statutory modification or re-enactment thereof), to borrow for the purpose of company’s business, any sum or sums of money from time to time at its discretion in accordance with the Memorandum & Articles of Association of the company notwithstanding that such sum or sums of money together with the moneys already borrowed by the Company (apart from the temporary loans obtained or to be obtained from time to time from the Company’s bankers in the ordinary course of its business) may exceed the aggregate of the paid up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose, provided that the aggregate of all sums borrowed by the Board from time to time and remaining outstanding shall not exceed, at any point of time, Rs. 3000 Crores (Rupees Three Thousand Crores only).

RESOLVED FURTHER THAT the Board be and is hereby authorised to negotiate and finalise all the terms and conditions of all such moneys to be borrowed from time to time as to interest, repayment, securities or any other terms and conditions as it may consider fit in the interest of the company and to execute all the agreements, deeds, undertakings or any other papers and to do all such acts, deeds, matters and things as it may, in its’ absolute discretion deem fit, necessary, desirable or expedient for giving effect to this resolution.”

2. To consider and, if thought fit, to pass with or without modification (s) the following resolution as an Ordinary resolution.

### **Mortgage and/or create Charge on Movable and immovable properties of Company.**

“RESOLVED THAT in supersession of the earlier resolution

passed on 06/02/2010, and pursuant to the provisions of Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof) and the provisions of the Memorandum & Articles of Association of the company, consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee thereof) to mortgage and / or charge / hypothecate in such form and manner and on such terms and conditions and at such time(s) as the Board may deem fit / or proper, the whole or substantially the whole of the undertaking(s) of the Company, all movable and immovable properties of the Company both present and future, wherever situated in favour of lenders/ trustees/ agents /others for securing any sum or sums of money borrowed or to be borrowed by the Company by way of debentures, bonds, loans or any other instrument or any other credit facilities availed / to be availed by the company aggregating Rs. 3000 Crores (Rupees Three Thousand Crores only) or equivalent amount in any other foreign currency together with interest or other costs, charges, expenses and other money payable thereon.

RESOLVED FURTHER that the Board be and is hereby authorised to finalise the deeds, documents and other writings as may be applicable or required for creating the aforesaid mortgages or charges and to do all such acts, deeds, matters and things as may be necessary or expedient for giving effect to this resolution.”

3. To consider and, if thought fit, to pass with or without modification (s) the following resolution as a Special resolution.

### **Shifting of Registered office from Bhubaneswr, Orissa to Delhi.**

RESOLVED THAT Pursuant to the provisions of Section – 17, 146(2), 192A and other applicable provisions, if any, of the Companies Act, 1956 read with the companies (passing of the resolution by Postal Ballot ) Rules – 2001, and subject to confirmation of Company Law Board, the consent of the share holders of the Company be and is hereby accorded for shifting of the Registered office of the Company from the State of Orissa to the State of Delhi and Clause –II of the Memorandum of Association be altered by substituting the words ‘ the State of Delhi’ for the words ‘the State of Orissa’.



RESOLVED FURTHER THAT for giving effect to this resolution, the Board of Directors be and is hereby authorised to do all such acts, deeds and things as the Board may, in its absolute discretion, consider necessary, expedient, usual, proper or incidental and to delegate any or all of aforementioned powers, to any Committee of the Board or to one or more directors or officers of the Company.

By Order of the Board of Directors  
For ARSS Infrastructure Projects Limited

Place: Bhubaneswar (Haraprasad Rout)  
Date: The 8th day of August, 2011 Company Secretary

**Enclosures:-**

1. Resolution with explanatory statement.
2. Postal Ballot Form.
3. Self Addressed postal envelope.

**NOTES:**

1. The Consent of the share holders in respect of the above Resolutions are solicited by way of Postal Ballot process.
2. Explanatory statements pursuant to the provisions of Section – 173(2) read with section – 192A of the Companies Act, 1956 in respect of the business under item nos.1 to 3 has been annexed hereto.
3. The Board has appointed Mr. Gopinath Nayak, F.C.S., Practicing Company Secretary as Scrutinizer for the purpose of Postal Ballot process in a fair and transparent manner.
4. The notice is being sent by Regd. post to all the Share holders whose names appear in the Register of members as on Friday, the 12th August 2011.
5. A member desiring to exercise vote by Postal Ballot shall complete the enclosed Postal Ballot Form and send it to the Scrutinizer in the enclosed self addressed Business Reply Envelop. Postage will be born and paid by the Company. However, envelops containing Postal Ballots, if sent by courier or registered post at the Expenses of the members will also be accepted. The enclosed postal pre-paid self-addressed envelop containing the Postal Ballot should reach the Scrutinizer not later than the close of Working hours on Wednesday, the 21st September 2011.
6. The result of the Postal Ballot shall be announced by the Chairman, or in his absence by any other person authorised by the chairman, on Saturday, the 24th September 2011 at 3.00 p.m. at the ensuing Annual General Meeting of the Company to be held at 'Hotel Maifair Lagoon', Jaydev Vihar, Bhubaneswar-751013, Orissa and the resolutions will be taken as passed effectively on the date of announcement of the result by the Chairman, if the result of the Postal Ballot indicates that the requisite majority of the Members assent to the resolution (s).
7. Members are requested to carefully read the instructions printed on the backside of the Postal Ballot Form before exercising their vote.

8. You are requested to carefully read the instructions printed on the backside the Postal Ballot Form (appended hereto) and return the form duly completed in the attached self addressed postage prepaid envelope, so as to reach the Scrutinizer before the closing of working hours on or before 21st September 2011. Please note that Postal Ballot Form(s) received after the said date will be treated as not having been received.
9. The Scrutinizer will submit his report to the Chairman after completion of the scrutiny and the result of the voting by Postal Ballot will be announced by the Chairman of the Company on 24th September 2011 at the ensuing Annual General Meeting of the Company to be held at 'Hotel Maifair Lagoon', Jaydev Vihar, Bhubaneswar-751013, Orissa.

**EXPLANATORY STATEMENT**

Pursuant to Section 173(2) of The Companies Act, 1956

**Item No. 1**

Under section 293(1)(d) of the Companies Act, 1956, the Board of Directors cannot except with the consent of the Company in general meeting, borrow moneys apart from temporary loans obtained from the Company's bankers in the ordinary course of business, in excess of the aggregate of the paid-up capital and free reserves of the Company, that is to say reserves not set apart for any specific purposes. Presently, the borrowing limit obtained by the Company through members' resolution dated 06/02/2010 is Rs. 2000.00 Crores.

Considering the growing financial requirements of the Company, the total existing borrowing limit of the Company is going to be exhausted soon and the said limit in terms of section 293(1)(d) needs to be enhanced. The Company proposes to increase the total borrowing limit up to Rs. 3000.00 Crores. The use of the increased borrowing limit would be made depending upon the business exigencies and in accordance with sound financial policies.

The Directors recommend the resolution for members' approval.

None of the directors is in any way concerned or interested in this resolution except to the extent of their share holding & Directorship of the Company.

**Item No. 2**

As members are aware, your Company is exploring various opportunities for all round growth of the Company through expansion, diversification by taking up various projects through out India. With a view to meet the capital expenditure and other funds requirement for above purposes, the Company would be required to borrow funds from time to time by way of loans and/ or issue of Bonds, Debentures or other securities.

In furtherance to the resolution no 1 of this notice, the said borrowings/ issue of securities may be required to be secured by way of mortgage/ charge over all or any part of the movable and/or immovable properties of the Company and as per the provisions of Section 293(1)(a) of the Companies Act, 1956, the mortgage or charge on all or any part of the movable and/or immovable properties of the Company, may be deemed as the disposal of the whole, or substantially the whole, of the undertaking of the Company and hence requires

approval from the members of the Company.

As per provisions of Section 192A of the Companies Act, 1956 read with the Companies (Passing of Resolutions by Postal Ballot) Rules, 2001, the above

said approval is to be obtained by way of Postal Ballot process. Accordingly, this resolution is being proposed to seek your consent under Section 293(1)(a) read with section 192A of the Companies Act, 1956, by way of Postal Ballot process as required by the Companies Act, 1956.

The Directors recommend the resolution for members' approval.

None of the directors is any way concerned or interested in this resolution except to the extent of their share holding & directorship of the Company.

### **Item No.3.**

As members are aware, Presently the Company is having its Corporate Office at 8th Floor, K.L.J Tower North, Plot No.B-5, Netaji Subhash Place, District Centre, Pitampura, New Delhi-110034 controlling the Company's North and Central India operations. But the Company's increased North India presence requires more control for smooth & economy running of company's operations. Your Directors feel by changing the registered office from Bhubaneswar, Orissa to

Delhi, it would result in achieving a better coordination and control and also it would result in achieving a greater scale of economy and better administration. It will also enhance the Company's stature being a Delhi based Company having all India presence.

Moreover, the Company is having a lot of orders from north India and having the Registered office at New Delhi would be beneficial and cost effective for controlling the north Indian projects. After getting the approval of share holders, the Company needs to approach the Company Law Board for obtaining their confirmation in terms of Section 17 of the Companies Act, 1956 for the proposed shifting.

Therefore, Your Directors recommend the resolution for members' approval.

None of the directors is any way concerned or interested in this resolution except to the extent of their share holding & directorship of the Company.

By Order of the Board of Directors  
For ARSS Infrastructure Projects Limited

Place: Bhubaneswar

**(Haraprasad Rout)**

Date: The 8th day of August, 2011

Company Secretary

**POSTAL BALLOT FORM.**

(Pursuant to Section 192A of the Companies Act, 1956.)

Serial No.....

1. Name of the Member(s) : .....  
(In BLOCK letters including joint-holders if any.)
2. Registered address of the Sole/: .....  
First named share holder. ....
3. Registered folio No./ DP ID/ Client ID No.: .....
4. Number of Shares held.: .....
5. I/We hereby exercise my/our vote in respect of the following resolutions to be passed through Postal Ballot for the business stated in the notice of the Company dated 08.08.2011 by sending my/our assent or dissent to the said resolution by placing (✓) mark at the appropriate box below.

Description	No. of Shares	I / We assent to the Resolution	I/ We dissent to the Resolution
1. Ordinary Resolution for Increase in Borrowing power of the Company			
2. Mortgage and/or create Charge on Movable and immovable Assets of Company.			
3. Shifting of Registered office from Bhubaneswar, Orissa to Delhi.			

Place:.....

Date:.....

.....

Signature of the share holder / Beneficial holder.

## INSTRUCTION

1. A member desirous to exercise vote by Postal Ballot shall complete this Postal Ballot form and send it to the Scrutinizer in the attached self-addressed business reply envelope. Members need not affix postal stamps since the postage will be paid by the company. However envelope containing Postal Ballots, if sent by courier or by registered post at the expense of registered members will also be accepted.
2. The self-addressed envelope bears the address of the scrutinizer appointed by the Board of Directors of the Company.
3. This form should be completed and signed by the members (as per the specimen signature with the company / Depository participant). In case of joint holding, this form should be completed and signed by the first named shareholder and in his absence, by the next named shareholder.
4. Incomplete or Unsigned Postal Ballot form will be rejected
5. Duly completed Postal Ballot form should reach the Scrutinizer not later than the close of business hour on Wednesday, the 21st September 2011. Postal Ballot form received after this date will be strictly treated as if the reply from the member has not been received.
6. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the shareholders on Friday, 12th August 2011.
7. In case the shares held by bodies corporate or by persons authorised under power of attorney, the Postal Ballot form signed in the representative capacity must be accompanied by a certified true copy of the resolution of the Board of Directors of the Concerned body corporate or by an attested true copy of the power of attorney authorising such person, as the case may be, along with a specimen signature of the said authorised representative or power of attorney holder. If the same is/are already registered with the company / Depository

participant, please quote the Registration no. beneath the signature. Where the Postal Ballot form has been signed by a representative of the President of India or of the Governor of a State, a Certified true copy of the nomination should accompany the Postal Ballot form.

8. Members are requested not to send any other paper/document along with the Postal Ballot form in the enclosed self-addressed postage pre-paid business reply envelope, as all such envelopes will be sent to the scrutinizer and any extraneous paper found in such envelope would be destroyed by the Scrutinizer.

## NOTES:

1. The relevant explanatory statements pursuant to Section – 173(2) of the Companies Act, 1956 in respect of the business under item nos.1 to 3 has been annexed to the postal ballot notice.
2. The Board has appointed Mr. Gopinath Nayak, F.C.S., Practising Company Secretary as Scrutinizer for the purpose of Postal Ballot process in a fair and transparent manner.
3. Mr. Gopinath Nayak will hold the position of the Scrutinizer from the date of posting of this notice until submission of his final report to the Chairman on Saturday, the 24th September 2011
4. The Scrutinizer will be available at the Venue of the ensuing Annual General Meeting as stated earlier for the purpose of ascertaining the requisite majority. The Postal Ballot and all other documents relating to Postal Ballot will be under his safe custody until the Chairman considers, approves and signs the minutes of the proceedings of the meeting at which the resolution will be deemed to have been passed.
5. The result of the Postal Ballot will be declared by the Chairman on Saturday, the 24th September 2011 at the ensuing Annual General Meeting of the Company to be held at 'Hotel Maifair Lagoon', Jaydev Vihar, Bhubaneswar-751013, Orissa.







## ARSS INFRASTRUCTURE PROJECTS LIMITED

REGISTERED OFFICE:- PLOT NO-38, SECTOR-A ZONE-D  
MANCHESWAR INDUSTRIAL ESTATE  
BHUBANESWAR-751010

### ATTENDANCE SLIP

L.F No ..... No of Shares held.....

DP ID ..... Client ID .....

I/We hereby record my/our presence at the 11th Annual General Meeting of the Company on Saturday, the 24th September 2011 at 3.00 P.M. at Hotel Mayfair Lagoon, Jaydev Vihar, Bhubaneswar - 751013, Orissa.

Name of the Member .....

(IN BLOCK LETTER)

Signature of member/proxy\* .....

Note: You are requested to sign and hand this over at the entrance.



## ARSS INFRASTRUCTURE PROJECTS LIMITED

REGISTERED OFFICE- PLOT NO-38, SECTOR-A ZONE-D  
MANCHESWAR INDUSTRIAL ESTAT  
BHUBANESWAR-751010

### FORM OF PROXY

L.F No ..... No of Shares held .....

DP ID ..... Client ID .....

I/We..... being a member members of the above named Company hereby appoint Mr./Ms..... or failing him Mr./ Ms..... as my/our proxy to vote for me/us on my/our behalf at the 11th Annual General Meeting of the Company on Saturday, the 24th September 2011 at 3.00 p.m. at Hotel Mayfair Lagoon, Jaydev Vihar, Bhubaneswar- 751013, Orissa or at any adjournment thereof.

Signed this..... Day of .....2011

Signature.....

Revenue  
stamp  
Affix  
₹ 1.00

Signature

(Please sign across the stamp)

#### Note-

1. The form should be signed across the stamp as per specimen signature registered with the Company.
2. The proxy must be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.
3. A proxy need not be a member.





# CORPORATE INFORMATION

## Board of Directors



### Chairman

Mr. Subash Agarwal



### Independent Directors

Dr. Bidhubhusan Samal

Mr. Swarup Chandra Parija

Mr. Dipak Kumar Dey



### Executive Directors

Mr. Rajesh Agarwal

*Managing Director*

Mr. Soumendra Keshari Pattanaik

*Director Finance & CFO*



### Senior Executives

Mr. Sunil Agarwal

*President & CEO*

Mr. Anil Agarwal

*Sr. VP & COO*

Mr. Shiv Kumar Singla

*Vice President & Project Head*

## Board Committees



### Audit Committee

Mr. Swarup Chandra Parija

*Chairman*

Dr. Bidhubhusan Samal

Mr. Dipak Kumar Dey



### Shareholders' Grievance Committee

Mr. Dipak Kumar Dey, Chairman

Dr. Bidhubhusan Samal

Mr. Swarup Chandra Parija



### Remuneration Committee

Dr. Bidhubhusan Samal, Chairman

Mr. Swarup Chandra Parija

Mr. Dipak Kumar Dey



### Company Secretary and Compliance Officer

Mr. Bibhuti Bhusan Sahoo



### Auditors

P. A. & Associates

Chartered Accountants,

20, Govind Vihar, Bamikhal

Bhubaneswar - 751010



### Registered Office

Plot No-38, Sector-A Zone-D,

Mancheswar Industrial Estate

Bhubaneswar-751 010

Phone: 91 674 2588552 – 54

Fax: 91 674 2585074

Email: [response@arssgroup.in](mailto:response@arssgroup.in)

Website: [www.arssgroup.in](http://www.arssgroup.in)



### Corporate Office

8<sup>th</sup> floor, K.L.J. Tower North,

Plot no.B-5, Netaji Subhash Place,

District Centre, Pitampura,

New Delhi- 110 034.

Phone: +91 11 48636363-11

Fax: + 91 11 48636339



### Bankers

State Bank of India

Bank of India

ICICI Bank Limited

IDBI Bank Limited

Punjab National Bank

State Bank of Bikaner and Jaipur

Export Import Bank of India

AXIS Bank Limited

Corporation Bank

Central Bank of India



### Registrar and Share Transfer Agents

Bigshare Services Private Limited

E/2, Ansa Industrial Estate,

Sakivihar Road, Sakinaka,

Andheri (E), Mumbai – 400 072

Tel: + 91 22 2847 0652,  
4043 0200

Fax: + 91 22 2847 5207

Email: [edp@bigshareonline.com](mailto:edp@bigshareonline.com)

Website: [www.bigshareonline.com](http://www.bigshareonline.com)



## ARSS INFRASTRUCTURE PROJECTS LIMITED

### Registered Office

Plot-No-38, Sector-A, Zone-D  
Mancheswar Industrial Estate  
Bhubaneswar-751 010, Orissa, India

Tel: 91 674 2588552/2588554

Fax: 91 674 2585074

### Corporate Office

8th Floor, KLJ Tower North  
Plot No.B-5, Netaji Subhash Place  
District Centre, Pitampura  
New Delhi-110 034, India

Tel: 011- 48636363

Fax: 011-48636339

