



ARSS INFRASTRUCTURE PROJECTS LTD.

Date: 29.08.2019

Bombay Stock Exchange Limited,
Phiroze Jeejeebhoy Towers
1st Floor, Rotunda Building,
Dalal Street,
Mumbai- 400 001
BSE Scrip Code - 533163

National Stock Exchange of India Limited,
Exchange Plaza, Plot No-C1, G Block
Bandra Kurla Complex,
Bandra (E),
Mumbai-400 051
NSE Symbol: ARSSINFRA

Sub: Annual Report of the Company for the Financial Year 2018-19

Ref: Regulation 34 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR')

Dear Sir/Madam,

We hereby informed you that the 19th Annual General Meeting ('AGM') of ARSS Infrastructure Projects Limited ('the Company') will be held on Wednesday, September 25, 2019 at 11:00 a.m. at Plot No-38, Sector-A, Zone-D Mancheswar Industrial Estate, Bhubaneswar-751010, Odisha.

Pursuant to Regulation 34 (1) & Schedule III (A) (12), read with Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the copy of Annual Report of the Company along with the Notice of the AGM for the Financial Year 2018-19 which is being dispatched / sent to the members by the permitted mode(s).

The copy of Annual Report 2018-19 along with the Notice of AGM is also available on Company's website; www.arssgroup.in

The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, September 18, 2019 to Wednesday, September 25, 2019 (both days inclusive) for the purpose of Annual General Meeting as per the provisions of Section 91 of the Companies Act, 2013 read with SEBI (LODR) Regulation, 2015.

CIN : L14103OR2000PLC006230

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

Tel : 91 674 2602763 / 2588552 / 2588554, Fax : +91 674 2585074, E-mail: response@arssgroup.in, Website : www.arssgroup.in

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



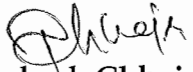


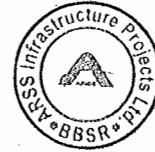
ARSS INFRASTRUCTURE PROJECTS LTD.

Further we wish to inform that the Company will provide to its members the facility to cast their vote(s) on all resolutions set out in the Notice by electronic means ("e-voting"). The remote e-voting period for the 19th AGM commences on Sunday, September 22, 2019 at 9.00 a.m. and ends on Tuesday, September 24, 2019 at 5.00 p.m. (both days inclusive). During this period, the members of the Company holding shares in physical form or in dematerialized form, as on the cut-off date, being Wednesday, September 18, 2019, can cast their votes in the manner and process set out in the notice of the AGM.

This is for your information and records.

Thanking You,
For ARSS Infrastructure Projects Limited


(Prakash Chhajjer)
Company Secretary & Compliance officer
Encl. As Above



CC To,

1. **Bigshare Services Private Limited ,**
1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road,
Marol, Andheri East, Mumbai - 400059.
2. **National Securities Depository Limited,**
Trade World, 'A' Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg,
Lower Parel, Mumbai - 400 013.
3. **Central Depository Services (India) Limited**
Regd. Office: Marathon Futurex, A-Wing, 25th floor, NM Joshi Marg, Lower
Parel, Mumbai 400013

CIN : L14103OR2000PLC006230

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Tel.: +91 1125252024, Fax : +91 1125252012, E-mail : delhi@arssgroup.in



ARSS INFRASTRUCTURE PROJECTS LIMITED

ANNUAL REPORT 2018-19



CORPORATE OFFICE

ARSS Mall, Plot No. 40,
Community Center, Block-A, Paschim Vihar,
Opposite to Jwalaheri Market
New Delhi - 110 063, India.
Tel. : 91 11 25252024
Fax : 91 11 25252012

REGISTERED OFFICE

Plot No. 38, Sector - A, Zone - D,
Mancheswar Industrial Estate,
Bhubaneswar - 751 010, Odisha, India.
Tel. : 91 674 2588552 / 2588554 / 2602763
Fax : 91 674 2585074

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Chairman's Letter

Dear Fellow Stakeholders,

On behalf of the Board of ARSS it is my pleasure to present the 19th Annual Report and Audited Financial Statements for the year ended 31st March, 2019. It's always a pleasure to speak with you to reflect on the performance of your Company in the year and share with you our aspiration for the future.

The standalone result for 2018-19 is as under:

- Turnover of ₹ 459.10 crores.
- EBITDA is ₹ 32.72 crores.
- PAT (loss) is ₹ (11.21) crores.
- EPS (basic) is ₹ (4.93).

India's GDP in FY2019 is estimated to have grown by around 7 per cent. While this is a laudable achievement in the global context, it falls marginally short of expectations due to an interplay of macro-economic and political factors. These include the uncertainties which invariably accompany our General Elections, volatility in crude prices and unpredictable currency fluctuations. The economy also had to grapple with a funding crunch for NFBCs precipitated by the IL&FS debt default, deceleration in the agriculture and mining sectors and widening of fiscal and current account deficits. On a positive note, the country has largely got back on track after the initial disruptive effects of twin reform measures, viz., Demonetisation and GST. The longer-term benefits of both these measures are gradually being realised through an uptick in tax collections on an expanding base of tax payers. We also see the light at the end of the tunnel in the case of overleveraged corporate balance sheets and high bank loan delinquencies. Imaginative steps such as the resolution of stressed businesses under the Insolvency & Bankruptcy Code, bank recapitalisation and more stringent application of NPA credit provisions norms should help the sector back on its feet.

Though corporate earnings have registered reasonable growth during FY 2019, FIIs have been withdrawing significant tranches of money from secondary markets for the better part of the year. Domestic money managers also rebalanced their portfolios by favouring defensive sectors and reducing allocations to cyclical sectors like Infrastructure. The last few months of FY 2019 have, however, witnessed a rebooting of confidence in the future of the economy, with markets too recording a significant inflow of FII money. While the private sector has been somewhat tentative in increasing spends in FY 2019 (in areas of PPP, industrial capex and certain segments of urban infrastructure), the public sector has been far more forthcoming with vigorous investments in key sectors. These include water, metro rail networks, railways, roads and road adjacencies (special bridges, expressways and city flyovers), power transmission & distribution and hydrocarbon. The strong underlying macro drivers of investments in these sectors are expected to sustain into FY 2020 and beyond. Encouragingly, the private sector also seems to have overcome its bashfulness, and begun to show signs of revival in road concessions, airports, healthcare, metals, mining and cement capacity augmentation.

The Infrastructure segment – especially the EPC sector – has witnessed a decent order inflow in the last four quarters, driven mainly by Government Capex. On the other side, private / corporate Capex has declined for 7 years in succession over FY 2012-2018. The Power sector, especially, faces an over-supply situation, with corporate in the sector having created significant capacity over the past decade in transmission and distribution to drive investments. Given the favourable macro situation, the implementation rate of infra projects has improved considerably in FY 2018-19, also driven by general elections in Q1 of FY 2019-20. On the irrigation front, apart from Telangana, Andhra Pradesh, Karnataka, Gujarat, Haryana and Madhya Pradesh, Odisha has also significantly enhanced its irrigation investments. Urban Infrastructure, which is the key focus of the current Government, played a key role over the years and is likely to continue in future with implementation of Smart Cities, Water Infrastructure, Housing for All under Pradhan Mantri Awas Yojana. The Railways, always a key focus area, received a decent share of India's overall Budget, and have been a consistent spender of almost its entire budget amount during the last few years. In the Roads sector, the EPC mode, which contributed 65–70% of the total cost of projects awarded by NHAI during the FY 2014-2016 periods, has taken a backseat. Single-segment road players have seen a relatively lower inflow of 'new' orders – on the back of slowdown in order award activity by NHAI. NHAI has awarded only 550 km of projects in FY 2018-2019 as compared to 7400 km in the previous year – leading to muted inflows. Moreover, over the last two fiscals, the HAM Model has taken the sweet spot, with EPC projects forming just 30–35% of the cost of projects awarded. A comeback of the EPC mode in FY 2019-20 will be a game changer for the sector.

The Infrastructure Sector in India was after independence completely in the hands of the public sector and this hampered the growth of this sector. India's less spending on real estate, power, telecommunications, construction, and transportation prevented the country from sustaining very high rates of growth.

The government plans to restructure the national highways programme to create network of highways grid of a desirable capacity for better connectivity. government envisions using rivers for cargo transportation, a move that will decongest roads and railways and government expect that Railway infrastructure will need investment of ₹50 lakh crore between 2018 and 2030 and their move towards Public Private Partnerships (PPP) will be used to unleash faster development and delivery of passenger freight services.

Another major plans of the government to launch station modernization programme, Projects such as industrial corridors, DFC, Bharatmala, Sagarmala and UDAN schemes have and will continue to improve connectivity and increase competitiveness. Road corridor project Bharatmala, port-linked industrialization plan Sagarmala and UDAN will help in bridging the rural-urban divide and improve transport infrastructure.

The government has set an investment target of ₹80,250 crore for phase three of the Pradhan Mantri Gram Sadak Yojana, under which the government wants to build 1,25,000 km of village roads. The earlier phases of this scheme led to the construction of 30,000 km of village roads with green technology. The finance ministry had allocated the highest-ever budgetary support of ₹83,016 crore to the highways sector in the interim budget announced earlier this year in February and ₹64,587 crore for railways.

The country has raised ₹24,000 crore by monetizing public infrastructure, through infrastructure investment trusts, real estate investment trusts and the toll-operate-transfer scheme of the National Highways Authority of India. To boost investment, the government will encourage foreign portfolio investors to invest in infrastructure debt funds, introduce credit default swaps for the infrastructure sector, deepen the corporate bond market, and encourage equity investment by non-residential Indians.

Our Board processes, from the activities of the board committee's right through to the regular functioning of the Board itself, were externally reviewed during the year and I am confident that they deliver the highest levels of corporate governance. Though there are opportunities galore, we need to be very cautious of the present volatile and uncertain environment and need to make very cautious decisions which add value to all the stakeholders.

I would like to place on record my sincere gratitude to you, our valued shareholders for having given me this privilege. I would also like to place on record my deepest appreciation of the tireless efforts of all my colleagues, past and present who have travelled with me in this journey, lending their shoulder to build this great organization. I draw solace that with team of professionals in our group, our shared aspiration is surely within reach. Here, I would like to express my special gratitude to all the employees I am really thankful for their cooperation and support.

Before I conclude, I would like to extend my thanks to Customers, vendors and suppliers, Central and State Governments, Regulatory Authorities, investors, bankers and financial institutions for their continued faith and trust, without whom our continued growth momentum would not have been possible. I would also like to thank my fellow Board members for their unstinted support and encouragement and helping me in creating good governance culture across the organization and fulfilling the responsibilities of Board. I would like to place on record the sincerity, hard work, commitment and dedication of the entire Team of ARSS. I seek your continued support in making the Company more sustainable and resilient to external challenges.

With warm and very best regards,

Yours

Subash Agarwal

Chairman

Company Information

Board of Directors

Chairman

Mr. Subash Agarwal (Executive Director)

Managing Director

Mr. Rajesh Agarwal (Executive Director)

Independent Non-Executive Directors

Mr. Swarup Chandra Parija

Mrs. Janhabi Deo (Women Director)

Mr. Pareswar Panda

Nominee Director

Mr. Krishna Chandra Raut (State Bank of India)

Senior Executives

Mr. Sunil Agarwal- President & CEO

Mr. Anil Agarwal- Sr. VP & COO

Mr. S. K.Pattanaik- CFO

Company Secretary & Compliance Officer

Mr. Prakash Chhajjar

Registered Office

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

Mancheswar Industrial Estate

Bhubaneswar-751 010, Odisha.

Phone - 91 674 2588552 / 2588554 / 2602763

Fax- 91 674 258 5074

Email – cs@arssgroup.in,

Web site - www.arssgroup.in

Corporate Office

ARSS Mall, Plot No-40,

Community Centre, Block-A,

Paschim Vihar

Opposite to Jwalaheri Market,

New Delhi – 110063

Phone – 91 11 25252024

Fax - 91 11 25252012

E-mail - cs@arssgroup.in

Registrar and Share Transfer Agents

Bigshare Services Private Limited

1st Floor, Bharat Tin Works Building,

Opp. Vasant Oasis, Makwana Road,

Marol, Andheri East,

Mumbai – 400059 Maharashtra

Tel: + 91 22-62638200 / 62638261

Fax: + 91 22-62638299

e-mail ids: marketing@bigshareonline.com

investor@bigshareonline.com

Website:www.bigshareonline.com

Board Committees

Audit Committee

(1) Mr. Swarup Chandra Parija

Independent Director- Chairman of the Committee

(2) Mrs. Janhabi Deo

Independent Director- Member

(3) Mr. Krishna Chandra Raut

Nominee Director- Member

Stakeholders Relationship Committee

(1) Mr. Swarup Chandra Parija,

Independent Director- Chairman of the Committee

(2) Mr. Krishna Chandra Raut

Nominee Director- Member

(3) Mrs. Janhabi Deo

Independent Director- Member

Nomination and Remuneration Committee

(1) Mr. Swarup Chandra Parija,

Independent Director- Chairman of the Committee

(2) Mr. Krishna Chandra Raut

Nominee Director- Member

(3) Mrs. Janhabi Deo

Independent Director- Member

Corporate Social Responsibility Committee

(1) Mr. Rajesh Agarwal

Executive Director- Chairman of the Committee

(2) Mr. Swarup Chandra Parija

Independent Director- Member

(3) Mr. Pareswar Panda

Independent Director- Member

Statutory Auditors

M/s Ajay B Garg

Chartered Accountants,

517-518, Shreekant Chambers,

V.N.Purav Marg, Chembur,

Mumbai- 400 071,

Tel:- 022 6797 8001,

Fax:- 022 6797 8002

E-mail:-agarg@ajaygarg.com

Bankers

State Bank of India

Bank of India

ICICI Bank Ltd.

IDBI Bank Ltd.

Punjab National Bank

Directors' Report

To,
The Members of
ARSS Infrastructure Projects Limited

Your Directors have pleasure in presenting before you the 19th Annual Report of the Company together with summary of standalone and consolidated audited financial statements for the year ended March 31, 2019.

1. A. Financial Position & Performance:

(₹ In Crores)

Particulars	Standalone		Consolidated	
	2018-19	2017-18	2018-19	2017-18
Sales	459.10	584.34	459.10	584.34
Profit before Depreciation, Interest and Tax	32.72	(17.59)	32.72	(17.58)
Less : Depreciation	22.02	23.94	22.02	23.94
Interest	27.53	37.24	27.53	37.25
Share of net profit or associates and joint ventures accounted using equity method	-	-	(0.60)	(3.66)
Profit Before Tax	(16.83)	(78.77)	(17.43)	(82.43)
Less : Tax Expenses				
a) Current Year	-	-	-	-
b) Earlier Year	-	5.95	-	5.95
c) Deferred Tax	(5.62)	(29.95)	(5.62)	(29.96)
Profit/Loss After Tax	(11.21)	(54.77)	(11.81)	(58.42)
Balance brought forward from previous year	(187.27)	(132.47)	(197.28)	(138.83)
Add :Re-measurement of defined employee benefit plans through OCI	0.05	(0.03)	0.05	(0.03)
Amount Available for Appropriation	(198.43)	(187.27)	(209.04)	(197.28)
Appropriations				
a) Dividend	-	-	-	-
b) Tax on Dividend	-	-	-	-
c) Transfer to General Reserve	-	-	-	-
Balance Carried to Balance Sheet	(198.43)	(187.27)	(209.04)	(197.28)
Earnings per Share (In ₹) (Weighted) Basic (Equity Shares of face value of ₹ 10/- each)	(4.93)	(27.52)	(5.20)	(29.35)
Earnings per Share (In ₹) (Weighted) Diluted (Equity Shares of face value of ₹ 10/- each)	(4.93)	(27.52)	(5.20)	(29.35)

B. Subsidiary/ Associate & Joint Venture Company

(₹ In Crores)

Particulars	ARSS Damoh Hirapur Tolls Pvt. Ltd. (Subsidiary Company)		ARSS Developers Limited (Associates)	
	2018-19	2017-18	2018-19	2017-18
Sales	-	-	0.02	0.10
Profit before Depreciation, Interest and Tax	-	-	-0.29	-0.45
Less : Depreciation	-	-	0.28	0.28
Interest	-	-	4.53	6.31
Profit Before Tax	-	-	-5.10	-7.04
Less : Tax Expenses				
a) Current Year	-	-		-
b) Earlier Year	-	-		-
c) Deferred Tax	-	-	0.33	-0.03
Profit/Loss After Tax	-	-	-4.77	-7.07
Balance brought forward from previous year	-	-	-26.24	-19.17
Amount Available for Appropriation	-	-	-	-
Appropriations				
a) Dividend	-	-	-	-
b) Tax on Dividend	-	-	-	-
c) Transfer to General Reserve	-	-	-	-
Balance Carried to Balance Sheet	-	-	-31.01	-26.24
Earnings per Share (In ₹) (Weighted) Basic (Equity Shares of face value of ₹ 10/- each)	-	-	-7.32	-10.86
Earnings per Share (In ₹) (Weighted) Diluted (Equity Shares of face value of ₹ 10/- each)	-	-	-7.32	-10.86

2. Dividend

Your Directors did not recommend any dividend for the financial year ended March 31, 2019.

3. Operating Result :

The turnover of the Company in the year is ₹ 459.10 crores as compared to ₹ 584.34 crores in the previous financial year. The profit before tax is ₹ (16.83) crores as compared to ₹ (78.77) crores for the previous financial year.

4. Details of Subsidiary, Joint Venture or Associates**A. Details of Subsidiary and Associate Companies**

During the year under review no companies have become or ceased to be company's subsidiary, or associate companies. However, the company has started some Joint Venture (JVs) during the year. A report on the company's subsidiary, joint ventures or associate companies as per companies Act 2013 is provided hereunder:

Sl. No.	Name of the Company	Address of the Company	CIN/GLN/ PAN	Holding / subsidiary/ associate	% of shares held/ share in JV	Applicable section
1	ARSS Damoh-Hirapur Tolls Private limited	Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar- 751010	U45201OR2011PTC013524	Subsidiary Company	99.82 %	2 (87)
2	ARSS Developers Limited	Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar- 751010	U45209OR2007PLC009201	Associate Company	38.41%	2 (6)

B. Joint Venture (AOP)

Sl. No.	Name of the company	Address of the company	CIN/GLN/PAN	Holding /subsidiary/ associate	% of shares held/ share in JV
1	NIRAJ-ARSS JV.	Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar- 751010	AAAAN5116B	Joint Venture	40.00%
2	ARSS-ATLANTA JV.	Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar- 751010	AAQFA8726P	Joint Venture	51.00%
3	ATLANTA-ARSS JV	Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar- 751010	AABAA0048E	Joint Venture	49.00%
4	ARSS-HCIL CONSORTIUM	Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar- 751010	AAOFA4560D	Joint Venture	60.00%
5	ARSS-TRIVENI JV	Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar- 751010	AABAA1081H	Joint Venture	51.00%
6	PATEL-ARSS JV	Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar- 751010	AAAAP8266E	Joint Venture	49.00%
7	BACKBONE-ARSS JV.	Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar- 751010	AAAAB7056Q	Joint Venture	49.00%
8	SOMDATT BUILDERS-ARSS JV	Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar- 751010	AADAS6434L	Joint Venture	49.00%
9	ARSS-ANPR JV	Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar- 751010	AABAA1158M	Joint Venture	51.00%
10	HCIL-ADHIKARYA-ARSS JV	Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar- 751010	AAEFH3757R	Joint Venture	30.00%
11	ARSS GVR JV	Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar- 751010	AACAA1049A	Joint Venture	51.00%
12	HCIL-ARSSSPL-TRIVENI JV	113-A, Kamala Nagar, Delhi-110007	AADFH8758B	Joint Venture	30.00%
13	HCIL-KALINDEE-ARSS JV	113-A, Kamala Nagar, Delhi-110007	AAEFH1678M	Joint Venture	30.00%

Sl. No.	Name of the company	Address of the company	CIN/GLN/PAN	Holding /subsidiary/ associate	% of shares held/ share in JV
14	ARSS - SIPS (JV)	129, Transport Centre, Rohtak Road, Punjabi Bagh, New Delhi – 110 035	AAEAA3620K	Joint Venture	51.00%
15	ARSS - SCPL (JV)	Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar- 751010	AAEAA3621J	Joint Venture	51.00%
16	ARSS - BMS (JV)	Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar- 751010	AAEAA4835G	Joint Venture	51.00%
17	ARSS-LGPPL JV.	Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar- 751010	AAGAA3633G	Joint Venture	51.00%
18	ARSS-TECHNOCOM-PRIYASHI ASHI JV.	Kamrup Chamber road, Fancy Bazar, Guwahati-781001-Assam	AAHAA8492L	Joint Venture	51.00%
19	ARSS-SNKI JV	Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar- 751010	AAEAA8546Q	Joint Venture	51.00%
20	ARSS-THAKUR JV.	Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar- 751010	AAJAA0912F	Joint Venture	80.00%
21	NPCC-ARSS JV	Raja House,30-31, Nehru Place, New Delhi-110019	Awaited	Joint Venture	26.00%
22	ARSS-KKMPL JV	Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar- 751010	AAHAA8368B	Joint Venture	51.00%

The name of the Joint Venture which have become JV during the year :

Sl. No.	Name of the Company	Address of the Company	CIN/GLN/PAN	Holding / Subsidiary / Associate	% of shares held/ share in JV
1	ARSS-LGPPL JV.	Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar- 751010	AAGAA3633G	Joint Venture	51.00%
2	ARSS-TECHNOCOM-PRIYASHI ASHI JV.	Kamrup Chamber road, Fancy Bazar, Guwahati-781001-Assam	AAHAA8492L	Joint Venture	51.00%

Sl. No.	Name of the Company	Address of the Company	CIN/GLN/PAN	Holding / Subsidiary / Associate	% of shares held/ share in JV
3	ARSS-SNKI JV	Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar- 751010	AAEAA8546Q	Joint Venture	51.00%
4	ARSS-THAKUR JV.	Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar- 751010	AAJAA0912F	Joint Venture	80.00%
5	NPCC-ARSS JV	Raja House,30-31, Nehru Place, New Delhi-110019	Awaited	Joint Venture	26.00%
6	ARSS-KKMPL JV	Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar- 751010	AAHAA8368B	Joint Venture	51.00%

During the year under review, no Joint Venture has been ceased to become JV.

5. Consolidated Financial Statements:

Consolidated financial statements (consolidating financials of ARSS Damoh - Hirapur Tolls Private Limited being its subsidiary company and of ARSS Developers Limited being its associate company) in terms of Section 129 (3) of the Companies Act, 2013 read with rule 6 of Companies (Accounts) Rules, 2014 and under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as “SEBI Listing Regulations”) and as per requirements of Ind AS 110 –consolidated financial statements read with Ind AS 28- Investment in associates and Joint ventures and Ind AS 31 – interest in Joint ventures, the Audited Consolidated Financial Statements are provided in this Annual Report.

Pursuant to the Section 129 (3) of the Companies Act, 2013 read with rule 5 of Companies (Accounts) Rules, 2014, a statement containing the salient features of the financials statements of each of the subsidiary and associate company in the prescribed form AOC-1 is annexed to this annual report.

Pursuant to the Section 136 of the Companies Act, 2013 financial statements of subsidiary/ associate companies are kept for inspection by the shareholders at the Registered Office of the Company. The said financial statements of the subsidiaries are also available on the website of the Company www.arssgroup.in under the Investors Section.

6. Reserve

No amount was proposed to be transferred to general reserve.

7. Operations- Work Orders

Your Directors are pleased to inform that during the year under report, the Company (alongwith it's JVs) has secured the following contracts (work order):

- At – Kenduapada “Supply & Delivery of 50mm size hard stone machine crushed ballast of approved quality and loading the same into any type of railway wagons at Kenduapada depot for unloading in different sections.” is awarded in favour of our Company i.e. ARSS Infrastructure Projects Limited by East Coast Railway, Khurda Road, on 16th April, 2018 with a contract value ₹ 6.78 crores.
- At Tangla: Manufacturing, supply and staking of 50/60mm size machine crushed stone ballast in machine in depot and loading the same into hopper in Rangiya Division is awarded in favour one of our Joint Venture (JV) named ARSS TECNOCOM-PRIYASHIAASI(JV), Kamrup Chambeer Road Fancy Bazar Guwahati-781001 by the DRM (Works), Northeast Frontier Railway, Rangiya , Maligaon 28th August, 2018 with a contract value of ₹ 26.05 crores.
- At NAM/BOJ: Manufacturing, supply and staking (from Private Quarry) of 50mm machine crushed Stone ballast in Depot and Loading the ballast into hopper wagon in TSK Division is awarded in favour one of our Joint Venture (JV) named ARSS TECNOCOM-PRIYASHIAASI(JV), Kamrup Chamber Road Fancy Bazar Guwahati-781001 by DRM (Works), Northeast Frontier Railway, Rangiya , Maligaon on 28th Augst, 2018 with Contract Value ₹ 51.73 Crores.

- d. At Raghunathpur - "Supply 50000 cum. of hard stone machine crushed ballast of 50 mm size at Raghunathpur Depot & Loading the same into any type of railway wagon for Khurda Road Division is awarded in favor of our Company ARSS Infrastructure Projects Limited by DRM Engg., East Coast Railway, Khurda Road, on 17th December, 2018 with a contract value of ₹ 8.49 Crores.
- e. At Koraput-Singapur road Doubling project :- Supplying, transporting and stacking of 97,000 cum of contractor's hard stone machine crushed Track Ballast as per Railway specifications between Laxmipur Road - Tikiri Stations(Including yard) From Km.61.17 to Km.83.06) on KR line of WAT Division of East Coast Railway is awarded in favour one of our Joint Venture (JV) named "ARSS-SCPL (JV)" by East Coast Railway on 26th December, 2018 with a contract value of ₹ 15.51 Crores.
- f. At Mizoram - Widening and upgradation to 2 Lane with paved shoulder configuration and geometric improvement from km 298.00 to km 339.00 on Aizawl-tuipang section of NH-54 in the state of Mizoram (Package-7) with JICA loan Assistance Project On EPC mode is awarded in favour one of our Joint Venture (JV) named "NPCC-ARSS- (JV)" by National Highway & Infrastructure Development Corporation Limited on 26th February, 2019 with a contract value of ₹ 429.00 Crores.

8. Performance and financial position of each of the subsidiaries and associates companies are included in the consolidated financial statement.

9. CREDIT Rating

The accounts of the company is NPA since 2012, therefore no rating has been assigned to the company.

10. Listing with stock exchanges

The Company confirms that it has paid the Annual Listing Fees for the financial year 2019-2020 to The Bombay Stock Exchange Limited and National Stock Exchange of India Limited where the Company's Shares are listed.

11. Management Discussion and Analysis Report:

As required under regulation 34 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis Report is enclosed as a part of this report as 'Annexure –A'.

12. Corporate Governance and Shareholders Information:

The Company is committed to maintain the highest standards of Corporate Governance and adheres to the Corporate Governance requirements as stipulated by Securities and Exchange Board of India (SEBI). The report on Corporate Governance as prescribed in Schedule V (C) of the SEBI Listing Regulations forms an integral part of this Annual Report. The requisite certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance along-with a declaration signed by Managing Director stating that the members of the Board of Directors and Senior Management personnel have affirmed compliance with the respective codes of conduct of the Board of Directors and Senior Management is attached to the report on Corporate Governance. A report on Corporate Governance is included as a part of this Annual Report as 'Annexure –B'.

13. The extract of the annual return as provided under sub-section (3) of section 92;

As per the provisions of section 92(3) of the companies act, 2013, an extract of the Annual Return in form MGT-9 is attached as Annexure – C .

The Annual Return of the company will be available on its website <http://arssgroup.in/pdf/EXTRACT%20OF%20ANNUAL%20RETURN%20MGT-9%2031032019.pdf>

14. Board Committees

The Board of Directors of your Company had already constituted various Committees in compliance with the provisions of the Companies Act, 2013 and SEBI Listing Regulations viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and CSR Committee.

During financial year 2014-15, in accordance with the provisions of the erstwhile Clause 49 of the Listing Agreement, the Board had voluntarily constituted the Risk Management Committee.

All decisions pertaining to the constitution of Committees, appointment of members and fixing of terms of reference / role of the Committees are taken by the Board of Directors.

Details of the role and composition of these Committees, including the number of meetings held during the financial year and attendance at these meetings, are provided in the Corporate Governance Section of the Annual Report

15. Number of Board Meetings:

Four Board Meetings were held during the year and the gap between two meetings did not exceed four months. The dates on which the Board Meetings were held are as follows:

30th May, 2018, 10th August, 2018, 26th October, 2018, and 13th February, 2019.

16. Committees of the Board of Directors

a. Audit Committee

The company has in place an Audit Committee in terms of the requirements of the Companies Act, 2013 read with the rules made there under and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details relating to the same are given in 'Annexure B' of the Board Report on the Corporate Governance forming part of this report. Members are requested to refer to point No. 4 of Corporate Governance Report attached with this annual report.

b. Nomination and Remuneration Committee

The company has in place Nomination and Remuneration Committee in terms of the requirements of the Companies Act, 2013 read with the rules made there under and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details relating to the same are given in 'Annexure B' of the Board Report on the Corporate Governance forming part of this report. Members are requested to refer to point No. 5 of Corporate Governance Report attached with this annual report.

c. Corporate Social Responsibility Committee (CSR):

The company has in place Corporate Social Responsibility Committee (CSR) in terms of the requirements of section 135 and Schedule VII of the Companies Act, 2013. The details relating to the same are given in 'Annexure B' of the Board Report on the Corporate Governance forming part of this report. Members are requested to refer to point No. 6 of Corporate Governance Report attached with this annual report.

d. Shareholders Relationship Committee

The company has in place Shareholders Relationship Committee in terms of the requirements of the Companies Act, 2013 read with the rules made there under and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details relating to the same are given in 'Annexure B' of the Board Report on the Corporate Governance forming part of this report. Members are requested to refer to point No. 7 of Corporate Governance Report attached with this annual report.

17. Dematerialization of shares:

Physical/ NSDL/ CDSL/Summary Report as on 31st March, 2019, representing 99.94% of total Equity Share Capital of the Company were held in dematerialized form. The Company's Registrars is Bigshare Services Private Limited, 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai – 400059, Maharashtra.

Particulars	No. of Shareholders	No. of Shares	%
CDSL	8219	13262660	58.32%
NSDL	9561	9462579	41.62%
PHYSICAL	8	12727	0.06%
TOTAL	17788	22737966	100.00%

18. Public deposits, covered under Chapter V of the Act

Your Company has not invited any deposit from public and shareholders. So, the provisions of the Chapter V of the Companies Act, 2013 are not attracted.

19. Auditors:**Statutory Auditors:**

The Retiring auditors M/s. Ajay B Garg, Chartered Accountants (Mem. Number - 032538), Mumbai, retire at the ensuing Annual General Meeting and have expressed their unwillingness to be reappointed for a further term due to their pre-occupation of work.

The company has received necessary consent and certificates under Section 139 of the Companies Act, 2013 from M/s. A R M S & Associates, Chartered Accountant (Firm's Registration No. 013019N) of Gurugram for the appointment as statutory auditors of the company to audit the accounts of the company for the five consecutive financial years i.e. up to 2023-24, to the effect that their appointment, if made, shall be in accordance with the conditions specified therein and they satisfies the Criteria as prescribed in Section 141 of the Companies Act, 2013.

In view of the above, M/s. A R M S & Associates, being eligible for appointment and based on the recommendation of the Audit Committee, the Board of Directors has, at its meeting held on 12th August, 2019, proposed the appointment of M/s. A R M S & Associates as the statutory auditors of the Company to hold office for the five consecutive year from the conclusion of this Annual General Meeting until the conclusion of 24th Annual General Meeting, at such remuneration plus GST, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company or committee thereof and the Auditors."

Cost Auditors:

Company has maintained proper cost records and books of account pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products/ services.

M/s. Asutosh & Associates, Cost Accountants, Bhubaneswar were appointed as Cost Auditors for auditing the cost accounts of your Company for the year ended 31st March, 2019 by the Board of Directors pursuant to the Section 148 of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014.

Secretarial Auditors:

M/s Sunita Mohanty & Associates., a firm of practicing Company Secretaries, Bhubaneswar were appointed as Secretarial Auditors of the Company for the financial year 2018-19 by the Board of Directors pursuant to the Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Secretarial Audit Report submitted by M/s Sunita Mohanty & Associates, is enclosed as a part of this report '**Annexure-D**'. The secretarial Audit Report doesn't have any qualifications however there are some matters of emphasis marked by the auditors. In the opinion of the management all matters pending before concern authorities and will be settled. These matters will not impact the company's going concern.

Internal Auditors:

M/s. PR & Associates, Cost Accountants, Bhubaneswar were appointed as Internal Auditors of the Company for the financial year 2018-19 by the Board of Directors pursuant to the Section 138 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014.

20. Report of Auditors:**Statutory Auditors**

Our reply to the qualifications of Auditors: -

Basis for Qualified Opinion on Standalone Financial Statements

- a) In absence of relevant records, Contract-wise surplus/loss has neither been ascertained nor recognized in compliance with Ind AS-115 'Revenue from contract with customers'.

Company Reply: During the work execution period there is escalation claim, revision of contract value, extension of completion period, etc due to which unpredictable variation in reliable estimation of revenue and cost. Also the allocation of combine Operating overhead, Head office overhead and Financial Cost is not possible due to combine use or high swapping of resources, size of the Contracts. Hence financial implication of the qualification is not quantifiable.

- b) The company has overdue accumulated secured debts amounting to ₹ 1629.46 Crores out of which ₹ 123.53 Crores subject to interest reconciliation from 01.10.2018 and ₹ 1505.93 Crores subject to reconciliation of interest thereon from

01.04.2016. Banks have classified the accounts as NPA. No interest has been charged on these secured debts to the Profit & Loss account resulting in understatement of loss to that extent and understatement of liability. Secured lenders have served notices on various dates under section 13(2) of Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 for recovery of their dues.

Company Reply: The Company has not provided interest on NPA accounts, Since the outstanding amount is not quantifiable and the company is in the process for one time settlement with the banks.

- c) Bank statement from State Bank of India and Export Import Bank of India (now Edelweiss) is not available from banks. We are unable to ascertain balances and transaction with these banks.

Company Reply: the accounts became NPA for both the cases therefore bank statements are not provided by the banks. The company is in the process for one time settlement with the banks.

Basis for Qualified Opinion on Consolidated Financial Statements

- a) In the absence of audited books of accounts of ARSS-SIPS JV and ARSS-BMS JV, this entity has not been included in consolidation of financial statement.

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

- b) In absence of relevant records, Contract-wise surplus/loss of holding company has neither been ascertained nor recognized in compliance with Ind AS-115 'Revenue from contract with customers'.

Company Reply: During the work execution period there is escalation claim, revision of contract value, extension of completion period, etc due to which unpredictable variation in reliable estimation of revenue and cost. Also the allocation of combine Operating overhead, Head office overhead and Financial Cost is not possible due to combine use or high swapping of resources, size of the Contracts. Hence financial implication of the qualification is not quantifiable.

- c) The company has overdue accumulated secured debts amounting to ₹ 1629.46 Crores out of which ₹ 123.53 Crores subject to interest reconciliation from 01.10.2018 and ₹ 1505.93 Crores subject to reconciliation of interest thereon from 01.04.2016. Banks has classified it as NPA. No interest has been charged on these secured debts to the Profit & Loss account resulting in understatement of loss to that extent and understatement of liability. Secured lenders have served notices on various dates under section 13(2) of Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 for recovery of their dues.

Company Reply: The Company has not provided interest on NPA accounts, Since the outstanding amount is not quantifiable and the company is in the process for one time settlement with the banks.

- d) Bank statement for State bank of India and Export Import Bank of India is not available from banks. We are unable to ascertain balances and transaction with these banks.

Company Reply: The account became NPA for both the cases therefore bank statements are not provided by the banks. The company is in the process for one time settlement with the banks.

- e) In case of M/s. ARSS Damoh-Hirapur Tolls Pvt Ltd; wherein, status of rights and title on the Capital work-in-progress valued at ₹ 104.36 Crores has neither been ascertained nor the effect of the same has been accounted for in the financial statements.

Company Reply: We have filed Arbitration claim before MPRDCL for rights on the title, the matter is subjudice.

- f) In case of M/s. ARSS Damoh-Hirapur Tolls Pvt Ltd; wherein, in absence of details of physical verification of Capital Work in Progress, discrepancies, if any, between book and physical balance could not be ascertained including effect of the same in the financial statements.

Company Reply: The work has been terminated since long and mater is subjudice and therefore it is difficult to do physical verification.

- g) We draw attention to Note No.12 to accompanying statement, wherein, in case of M/s. ARSS Damoh-Hirapur Tolls Pvt Ltd, interest on Loan from Banks of ₹ 58.41Crores classified by bankers as NPA, has neither been ascertained nor the effect of the same has been accounted for in the financial statements. During the year company restate its liability to match bank statement provided by bank wherein interest has not been charged.

Company Reply: The account has already turned NPA. Interest has been reversed to the extent of bank statement balance as at 31st March 2019 and the company is in the process of obtaining a compromise settlement.

- h) In case of HCIL -ADHIKARYA- ARSS JV, wherein, status of rights, title and recoverability of the Work-In-Progress valued at ₹ 165.38 Crores has neither been verified and ascertained nor the effect of the same has been accounted for in the financial statement.

Company Reply: Since the matter is in Arbitration, the Company has not booked the Work in Progress in revenues, awaiting the final decision.

21. Directors /Key Managerial Personnel Appointed / Resigned During the Year; (*)

The following were appointed/ reappointed/ Resigned as Directors /Key Managerial Personnel during the financial year under review:

Sl. No.	Name	Designation	Date of Appointment	Date of Resignation
1	Mrs. Alka Khemka	Company Secretary	1 st November, 2014	30 th March, 2019

In accordance with the provisions of the Act and the Articles of Association of the Company, Shri Subash Agarwal, Chairman of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The proposal regarding the re-appointment of the aforesaid Director is placed for your approval. The Board of Directors recommends his re-appointment.

Suitable resolution(s) for appointment / reappointment of Director(s), as referred above, will be placed for approval of the members in the forthcoming Annual General Meeting. The brief resume and other information of the concerned director(s), in terms of the Regulation 26(4) and 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been detailed as an annexure in the notice convening the forthcoming Annual General Meeting.

During the year, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, and reimbursement of expenses incurred by them for the purpose of attending meetings of the Company.

22. Key Managerial Personnel

Following persons are the Key Managerial Personnel of the Company pursuant to Section 2(51) and Section 203 of the Act, read with the Rules framed thereunder:

- a. Mr. Rajesh Agarwal, Managing Director;
- b. Mr. S. K. Pattanaik, Chief Financial Officer
- c. Mrs. Alka Khemka, Company Secretary*
- d. Mr. Prakash Chhajer, Company Secretary**
 - *Mrs. Khemka was resigned from the post of Company Secretary w.e.f. 30.03.2019
 - ** Mr. Prakash Chhajer has joined the company as company secretary (KMP) w.e.f. 28.05.2019

23. Secretarial Standards

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

24. Director's Responsibility Statement:

Pursuant to the section 134 sub-section (3) clause (c) Directors confirm and state that—

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any,
- (b) the directors had selected such accounting policies and applied them consistently and 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 at the end of the financial year and of the profit and loss of the company for that period;

- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors had laid down internal financial controls and such internal financial controls are adequate and are operating effectively.
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

25. Code of Conduct

The Code of Conduct (hereinafter referred to as 'Code') is applicable to all its Board Members and Senior Management Personnel of the Company. A Code of Conduct for the Directors and Senior Management Personnel has already been approved by the Board of Directors of the Company. All Board Members and Senior Management Personnel had affirmed compliance with the Code during the year and no violation of the same was reported. A declaration to the effect that all Board Members and Senior Management Personnel have complied with the Code during the financial year 2018-19, duly signed by Managing Director of the Company is herein below enclosed with Corporate Governance Report. The Code has also been posted on the Company's Web-site.

26. Particulars of employees (rule 5(2), and 5(3)) and managerial remuneration (rule 5(1)) of the companies (appointment and remuneration of managerial personnel) rules, 2014 , and under section 197(12) of the act

The total number of employees as on 31st March, 2019 stood at 567.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1), 5(2) and 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are provided as follows:

- (i) The percentage increase in remuneration of each director, Chief Financial Officer, Company Secretary during the financial year 2018-19 and ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2018-19 are as under;

Sr. No.	Name of the Director/ KMP and designation	Remuneration of Director/ KMP for the FY 2018-19 (₹ in Lacs)	% increase in remuneration in the FY 2018-2019	Ratio of remuneration of each Director/ to median remuneration of employees
1	Mr. Subash Agarwal, Chairman	Nil	Nil	Nil
2	Mr. Rajesh Agarwal, Managing Director	Nil	Nil	Nil
3	Mr. S. K. Pattnaik, Chief Financial Officer	30.00	Nil	Not Applicable
4	Mrs. Alka Khemka, Company Secretary	9.00	Nil	Not Applicable

- (ii) The median remuneration of employees of the company during the financial year was ₹ 1,50,000;
- (iii) In the Financial year, there was an increase 4.17% in the median remuneration of employees;
- (iv) There were 567 permanent employees on the rolls of Company as on March 31, 2019;
- (v) Average percentage increase in the salaries of employees other than the managerial personnel in the last financial year i.e. 2018-19 was 0.35 % whereas there were no increase in the managerial remuneration for the same financial year.; and
- (vi) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employee.

THE INFORMATION REQUIRED UNDER SECTION 197 OF THE ACT READ WITH RULE 5(2) & (3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 ARE GIVEN BELOW:

Sl. No.	Name	Age in Years	Qualification	Date of Commencement of Employment	Designation	Remuneration (Amount in ₹)	Total Experience (No. of yrs.)	Previous Employment (Designation)	Percentage of equity share held by employee in company
1	Mr. Sunil Agarwal	43	Commerce Graduate	01.11.2007	President & CEO	4200000	20	NA	1.23
2	Mr. Anil Agarwal	48	Commerce Graduate	01.11.2007	Sr. VP & COO	4200000	24	NA	1.49
3	Mr. S. K. Pattanaik	48	M.Com, LLB, PGDM	01.04.2015	CFO	3000000	19	ARSS I.P.L. DF	0.00005
4	Mr. Surendra Ku. Khare	53	BE-CIVIL	15.03.2012	VP-Contract & Arbitration	2400000	29	Niraj Cement Structure Limited - GM-Contract	-
5	Mr. Sanjay Peshion	51	B.TECH.-CIVIL	01.05.2016	VP	1800000	28	Harishchandra India Ltd. - Additional GM	-
6	Mr. Aari Kesavulu	41	BE-CIVIL	02.01.2017	Project Coordinator	1800000	18	ECI ECC Ltd. Construction Manager	-
7	Mr. K.P. Verma	51	BE-CIVIL	01.04.2016	Project Director	1560000	23	Aravali Infra Power Ltd. - Project Manager	-
8	Mr. Rashmi Ranjan Singh	46	CA	01.06.2007	AVP-Finance & Accounts	1560000	16	ARSS I.P.L. - Financial Advisor	-
9	Mr. Ratnakar Barik	43	B.TECH.-CIVIL	01.05.2017	Project Manager	1500000	21	Machine Tools AIDS (India) Infrastructure Division - Construction Manager	-
10	Mr. O. Balakrishna Rao	45	BSE	01.06.2000	Project In-Charge	1140000	26	ARSS I.P.L. Site In-Charge	-

27. Company's Policy On Directors' Appointment And Remuneration Including Criteria For Determining Qualifications, Positive Attributes, Independence Of A Director And Other Matters Provided Under Sub-Section (3) Of Section 178;

The same has been provided in detail in the Corporate Governance Report attached with the board report.

28. Declaration given by independent directors under sub-section (6) of section 149;

The Company has complied with the definition of Independence as per regulation SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and according to the Provisions of section 149(6) Companies Act, 2013. The company has also obtained declarations from all the Independent Directors pursuant to section 149 (7) of the Companies Act, 2013.

29. Industrial Relation:

Employee relations continued to be cordial throughout the year. The whole-hearted support of employees and a sense of belongingness with the organization and solidarity with the management of the Company have helped to cope with the present challenges of the Company during the year.

30. Adequacy of internal financial controls with reference to the Financial Statements. –

Management has put in place effective Internal Control Systems to provide reasonable assurance for:

- Safeguarding Assets and their usage.
- Maintenance of Proper Accounting Records and
- Adequacy and Reliability of the information used for carrying on Business Operations.

Key elements of the Internal Control Systems has been provided & explained in MDA report attached with Director's Report.

31. Annual Evaluation by the Board of Its Own Performance (Including Committees and Individual Directors)

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board who were evaluated on parameters such as level of engagement and contribution and independence of judgment thereby safeguarding the interest of the Company. The performance evaluation of the Independent Directors was carried out by the entire Board. The board also carried out annual performance evaluation of the working of its Audit, Nomination and Remuneration as well as stakeholder relationship committee. The Directors expressed their satisfaction with the evaluation process.

32. Segment wise performance:

The Company is engaged in only one segment viz. Construction Business and as such there is no separate reportable segments as per IND AS -108 "Operating Segment."

33. Independent Directors Meeting

During the year under review, the Independent Directors of the Company met on 13th February, 2019, inter-alia, to discuss:

- i) Evaluation of performance of Non-Independent Directors and the Board of Directors of the Company as a whole.
- ii) Evaluation of performance of the Chairman of the Company, taking into account the views of Executive and Non-Executive Directors.
- iii) Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

34. Familiarisation Programme of Independent Directors

In compliance with the requirements of SEBI Listing Regulations, the Company has put in place a familiarization program for Independent Directors to familiarize them with their role, rights and responsibility as Directors, the operations of the Company, business overview etc. The details of the familiarization program are explained in the Corporate Governance Report and the same is also available on the website of the Company.

35. Details of significant and material orders:

There are no significant and material order passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

36. Particulars of Loans, Guarantees or Investments under Section 186

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

37. Particulars of Contracts or Arrangements with Related Parties Referred To In Sub-Section (1) of Section 188 in the Prescribed Form AOC-2

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in its ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

The Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions as approved by the Board is put up on the Company's website and can be accessed at <http://arssgroup.in/pdf/ARSS%20POLICY%20ON%20RELATED%20PARTY%20TRANSACTIONS.pdf>

All related party transactions are in compliance with Ind-AS 24, Section 188 and / or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are placed before the Audit Committee as also before the Board for approval. Prior omnibus approval of the Audit Committee was also sought for transactions which are of a foreseen and repetitive nature.

There were no materially significant related party transactions which could have potential conflict with interest of the Company at large.

Members may refer Note 61 to the Standalone Financial Statement which sets out related party disclosures pursuant to Ind AS 24.

The particulars of contracts entered into with related parties during the year as per Form AOC-2 is enclosed as 'Annexure-E'.

38. Material changes and commitments, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report:

There have been no material changes and commitments affecting the financial position of the company between the end of the financial year and date of this report. There has been no change in the nature of business of the company.

39. Compounding status

The company has received show cause notices by the office of Regional Director, Eastern Region and Registrar of Companies of Odisha at Cuttack Pursuant to the inspection held under section 209(A) of The Companies Act, 1956 in the year 2016-17 for the non compliance of few section of the companies act. The company has already compounded 13 sections out of total thirty eight sections for which show cause notices were issued. Rest are under the process and will be compounded in due course.

40. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

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 sub - Section (3) (m) section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014. The Company has neither earned any income nor incurred any expenditure in foreign currency during the financial year ended 31st March, 2019.

41. Development and Implementation of Risk Management Policy:

The Company has established risk management framework. The Company has been addressing various risks impacting the Company. In accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company at its Meeting held on February, 2015 has constituted a Risk Management Committee and has approved the Risk Management Policy of the company. This Committee has been delegated the authority by the Board to review and monitor the implementation of the risk management policy of the Company.

42. Corporate Social Responsibility

i) Terms of reference:

The Committee formulates CSR Policy. The role of the Committee is as under:

- Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.
- Recommend the amount of expenditure to be incurred on the activities referred in the CSR policy.
- Monitor the CSR Policy of the Company and its implementation from time to time.
- Such other functions as the Board may deem fit from time to time.

ii) Composition, name of Members and attendance during the year:

The CSR Committee of the Company consists of 2 Non-Executive Independent Directors and 1 Executive Director.

Name of the member	Position	No. Of Meetings held during the FY 2018- 19	No. of meetings Attended during the FY 2018- 19
Mr. Rajesh Agarwal	Chairman	1	1
Mr. Swarup Chandra Parija	Member	1	1
Mr. Pareswar Panda	Member	1	0

iii) No. of Meetings held during the year:

During the year the committee has met once i.e. on 30th May, 2018

iv) Amount incurred on CSR activities during the year:

Section 135 of the Companies Act, 2013 & Companies (Corporate Social Responsibility Policy) Rules, 2014, (CSR Rules) makes it mandatory for certain companies who fulfill the criteria as mentioned under Sub Section 1 of Section 135 to comply with the provisions of Corporate Social Responsibility and accordingly company had constituted a CSR committee and has also adopted the CSR Policy for the company as approved by the committee.

Since the average of the last three years profit was in negative figures i.e. (₹ 135.31) crores loss , company need not to incur any amount towards CSR in the FY 2018-19.

A responsibility statement of the CSR Committee

The CSR Committee has confirmed that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

Sd/-
(Chairman CSR Committee)

43. Whistle Blower Policy of the Company

In accordance with requirement of Companies Act as well as listing agreement a vigil mechanism has been adopted by the board of directors and accordingly a whistle blower policy has been formulated with a view to provide a mechanism for employees of the company to approach Internal Auditor or Chairman of the Audit Committee of the Company to report any grievance. There were no complaints under the whistle blower during the year under review. A link to such policy is also provided in the website of the company.

44. Internal Complaint Committee

Company has a well formulated Policy on Prevention & Redress of Sexual Harassment. The objective of the policy is to prohibit, prevent and address issues of sexual harassment at the workplace. This policy has striven to prescribe a code of conduct for the employees and all employees have access to the Policy document and are required to strictly abide by it. The policy covers all employees, irrespective of their nature of employment and also applicable in respect of all allegations of sexual harassment made by an outsider against an employee. During the year 2018-19, no case of Sexual Harassment was reported.

45. Reporting of Frauds:

There have been no instances of fraud reported by the Statutory Auditors under Section 143(12) of the Act and Rules framed there under either to the Company or to the Central Government.

46. Acknowledgment:

Your Directors would like to acknowledge and place on record their sincere 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, employees at all levels.

For and on behalf of the Board of Directors

Sd/-
(Subash Agarwal)
Chairman

Place: Bhubaneswar
Dated: 12th August, 2019

REPORT ON MANAGEMENT DISCUSSION AND ANALYSIS

1. 1.1 India's Infrastructure Sector, Industry Structure and Developments:

The year 2018-19 saw the Indian economy yielding the benefits of structural reforms, viz Goods & Service Tax (GST), Demonetisation and Insolvency & Bankruptcy Code (IBC). The year witnessed a pick-up in project awards, improved clearances and fund allocation, resulting in a pick-up in execution momentum in the domestic market. The domestic economy continues to be driven by public sector investments, mainly in areas of water supply, irrigation, urban transportation, crude exploration and refining, roads allied infrastructure and rural electrification. The domestic investment momentum was healthy despite the multiple challenges on the economic front, with volatile crude oil prices, currency swings, pressure on fiscal and current account deficits, sharp temporary contraction in liquidity and the general elections held in Q1 of FY2019-20. The Government's 'Make in India' initiative for the Defence sector continues to progress slowly due to bureaucratic inertia and complex procurement procedures. Investment by private sector saw significant traction, with pick up in award of large value contracts in airport expansion and health sector. Also some momentum was seen in private sector capacity expansion. However, the overhang of bad debt, rising policy uncertainties and low-capacity utilization continue to impact the Indian industry capex. The power and manufacturing sectors remained the worst affected. Surplus inventory in the residential sector and limited pick-up in requirement of new construction led to lower investments. The general elections held in Q1 of FY 2019-20 could result in volatility in the domestic market and slowdown in Government machinery, although the effects will be transitory in nature.

1.2 Infrastructure and Construction Services

Infrastructure sector plays an important role in the growth and development of Indian economy. Nearly, 9% of India's GDP is spent on Infrastructure services. It comprises of construction of power, bridges, dams, roads and urban infrastructure development which also forms as base and supporting factor for other services sectors. As infrastructure is highly responsible for propelling growth of other sectors and India's overall development, Government of India is giving huge impetus for development of Infrastructure and construction services through focused policies such as open FDI norms, large budget allocation to Infrastructure sector, Smart cities mission, etc. India has become a large market for Infrastructure and Construction activities with the contribution of US \$ 738.5 Billion in the FY2017 and is expected to become 3rd largest market in the world by 2025 (KPMG Infrastructure Report).

Infrastructure and construction sector has the 2nd largest share in FDI inflows. Cumulative FDI inflows in the Construction Activities sector, which includes infrastructure, reached US\$ 13.11 billion between April 2000 to June 2018 and in the Construction Development sector reached US\$ 24.87 billion. Construction services exports has also increased from US \$ 1004 million in 2012 to 2256 million in 2018. Infrastructure related activities witnessed strong growth during 2017- 18.

- National highway construction recorded the highest increase of 20 %.
- Freight traffic handled by Indian Railways increased 5.89 % Year-on-year during April-July 2018(P) to 396.86 million tonnes.
- Cargo handled by major Indian ports increased by 5.13 % during April-August 2018.
- Electricity generation in the country increased by 3.84% during April-July 2018.

(Note - Exchange Rate Used: INR 1 = US\$ 0.0145 as of March 30, 2019)

Infrastructure sector is a key driver for the Indian economy. The sector is highly responsible for propelling India's overall development and enjoys intense focus from Government for initiating policies that would ensure time-bound creation of world class infrastructure in the country. Infrastructure sector includes power, bridges, dams, roads and urban infrastructure development. In 2018, India ranked 44th out of 167 countries in World Bank's Logistics Performance Index (LPI) 2018.

Foreign Direct Investment (FDI) received in Construction Development sector (townships, housing, built up infrastructure and construction development projects) from April 2000 to December 2018 stood at US\$ 24.91 billion, according to the Department of Industrial Policy and Promotion (DIPP). The logistics sector in India is growing at a CAGR of 10.5 per cent annually and is expected to reach US\$ 215 billion in 2020.

India has a requirement of investment worth ₹ 50 trillion (US\$ 777.73 billion) in infrastructure by 2022 to have sustainable development in the country. India is witnessing significant interest from international investors in the infrastructure space. Some key investments in the sector are listed below.

- In 2018, infrastructure sector in India witnessed private equity and venture capital investments worth US\$ 1.97 billion.
- In June 2018, the Asian Infrastructure Investment Bank (AIIB) has announced US\$ 200 million investment into the National Investment & Infrastructure Fund (NIIF).
- Indian infrastructure sector witnessed 91 M&A deals worth US\$ 5.4 billion in 2017

The Government of India is expected to invest highly in the infrastructure sector, mainly highways, renewable energy and urban transport. The Government of India is taking every possible initiative to boost the infrastructure sector. Announcements in Union Budget 2019-20:

- The Government of India has given a massive push to the infrastructure sector by allocating ₹ 4.56 lakh crore (US\$ 63.20 billion) for the sector.
- The Indian Railways received allocation under Union Budget 2019-20 at ₹ 66.77 billion (US\$ 9.25 billion). Out of this allocation, ₹ 64.587 billion (US\$ 8.95 billion) is capital expenditure.
- ₹ 83,015.97 crore (US\$11.51 billion) allocated towards road transport and highway.

1.3 Opportunities and Threats, Risks and concerns

Achievements

Following are the achievements of the government in the past four years:

- The total national highways length increased to 122,434 kms in FY18 from 92,851 kms in FY14.
- India's rank jumped to 24 in 2018 from 137 in 2014 on World Bank's Ease of doing business - "Getting Electricity" ranking.
- Energy deficit reduced to 0.7 per cent in FY18 from 4.2 per cent in FY14.
- Number of airports has increased to 102 in 2018.

Road Ahead

India's national highway network is expected to cover 50,000 kilometres by 2019. National highway construction in India has increased by 20 per cent year-on-year in 2018-19.

India and Japan have joined hands for infrastructure development in India's north-eastern states and are also setting up an India-Japan Coordination Forum for Development of North East to undertake strategic infrastructure projects in the northeast.

Risk and Concerns The liquidity crunch has been prevailing in the real estate market for over a year, and many owners / developers are financially stressed. The Regulatory compliance by developers to arrange loans for projects is becoming stringent and therefore there has been a delay in financial closures / tie-ups by developers. To avoid any liquidity risk, robust screening of customer profiles and their liquidity position is undertaken before bidding for any construction contract as well as during execution.

Outlook The Government's continued focus on affordable housing and infrastructure development is expected to drive growth. The Government has provided 'infrastructure status' to affordable housing. The relaxation in GST will help the sector to steadily improve in FY 2019-20.

- Airport traffic growth in the country will necessitate airport expansion within the country. The Government's plan of privatizing 6 major airports is in progress.
- The Healthcare sector has been accorded 'infrastructure status'. The Government is going to increase public health spending to 2.5% of GDP by 2025.
- The High-speed Railway projects – modernization of railway stations, the Ahmedabad – Mumbai High-speed rail and depots are expected to gain momentum in FY 2019-20.
- Government investment in educational institutions like IITs in various parts of India is likely to increase the prospect base.
- With 'Make in India' gaining pace, the automobile, pharma and electronics industries are coming up with expansion plans.

The business has been proving its mettle repeatedly, and it is set to execute challenging projects in hand. With a positive market scenario, a healthy order book, amicable customer relationship and strong focus on making project sites highly digitised and automated, the business will continue to retain its position in the industry. Overall, the environment is promising – yet challenging due to increased competition, long duration for procedural matters, slow fund allocation in government funded jobs and liquidity crunch and time taken to obtain statutory approvals in private jobs.

1.4 BUSINESS DEVELOPMENT AT ARSS

The Company (alongwith it's JVs) has secured the following contracts (work order) during the financial year 2018-19:

- a. At – Kenduapada “Supply & Delivery of 50mm size hard stone machine crushed ballast of approved quality and loading the same into any type of railway wagons at Kenduapada depot for unloading in different sections.” is awarded in favour of our Company i.e. ARSS Infrastructure Projects Limited by East Coast Railway, Khurda Road, on 16th April, 2018 with a contract value ₹ 6.78 crores .
- b. At Tangla: Manufacturing, supply and staking of 50/60mm size machine crushed stone ballast in machine in depot and loading the same into hopper in Rangiya Division is awarded in favour one of our Joint Venture (JV) named ARSS TECNOCOM-PRIYASHIAASI(JV), Kamrup Chamber Road Fancy Bazar Guwahati-781001 by the DRM (Works), Northeast Frontier Railway, Rangiya , Maligaon 28th August, 2018 with a contract value of ₹ 26.05 crores.
- c. At NAM/BOJ: Manufacturing, supply and staking (from Private Quarry) of 50mm machine crushed Stone ballast in Depot and Loading the ballast into hopper wagon in TSK Division is awarded in favour one of our Joint Venture (JV) named ARSS TECNOCOM-PRIYASHIAASI(JV), Kamrup Chamber Road Fancy Bazar Guwahati-781001 by DRM (Works), Northeast Frontier Railway, Rangiya , Maligaon on 28th Augst,2018 with Contract Value ₹ 51.73 Crores.
- d. At Raghunathpur - “Supply 50000 cum. of hard stone machine crushed ballast of 50mm size at Raghunathpur Depot & Loading the same into any type of railway wagon for Khurda Road Division is awarded in favor of our Company ARSS Infrastructure Projects Limited by DRM Engg., East Coast Railway, Khurda Road, on 17th December, 2018 with a contract value of ₹ 8.49 Crores.
- e. At Koraput-Singapur road Doubling project :- Supplying, transporting and stacking of 97,000 cum of contractor’s hard stone machine crushed Track Ballast as per Railway specifications between Laxmipur Road - Tikiri Stations(Including yard) From Km.61.17 to Km.83.06) on KR line of WAT Division of East Coast Railway is awarded in favour one of our Joint Venture (JV) named “ARSS-SCPL (JV)” by East Coast Railway on 26th December, 2018 with a contract value of ₹ 15.51 Crores.
- f. At Mizoram - Widening and upgradation to 2 Lane with paved shoulder configuration and geometric improvement from km 298.00 to km 339.00 on Aizawl-tuipang section of NH-54 in the state of Mizoram (Package-7) with JICA loan Assistance Project On EPC mode is awarded in favour one of our Joint Venture (JV) named “NPCC-ARSS-(JV)” by National Highway & Infrastructure Development Corporation Limited on 26th February, 2019 with a contract value of ₹ 429.00 Crores.

2. Internal control systems and their adequacy

Management has put in place effective Internal Control Systems to provide reasonable assurance for:

- Safeguarding Assets and their usage.
- Maintenance of Proper Accounting Records and
- Adequacy and Reliability of the information used for carrying on Business Operations.

Key elements of the Internal Control Systems are as follows:

- Existence of Authority Manuals and periodical updating of the same for all Functions.
- Existence of clearly defined organizational structure and authority.
- Existence of corporate policies for Financial Reporting and Accounting.
- Existence of Management information system updated from time to time as may be required.
- Existence of Long Term Business Plans.

- Existence of Internal Audit System.
- Periodical review of opportunities and risk factors depending on the Global / Domestic Scenario and to undertake measures as may be necessary.

The Company has appointed an Independent Auditor to ensure compliance and effectiveness of the Internal Control Systems in place. The Audit Committee is regularly reviewing the Internal Audit Reports for the auditing carried out in all the key areas of the operations. Additionally the Audit Committee approves all the audit plans and reports for significant issues raised by the Internal and External Auditors. Regular reports on the business development, future plans and projections are given to the Board of Directors. Audit Reports are regularly circulated for perusal of Senior Management for appropriate action as required. Normal foreseeable risks of the Company's assets are adequately covered by comprehensive insurance. Risk assessments, inspections and safety audits are carried out periodically.

3. Discussion on financial performance with respect to operational performance

The performance during the year ended 31st March, 2019 has been as under:

(₹ In Crores)

Particulars	Standalone		Consolidated	
	2018-19	2017-18	2018-19	2017-18
Sales	459.10	584.34	459.10	584.34
Profit before Depreciation, Interest and Tax	32.72	(17.59)	32.72	(17.58)
Less : Depreciation	22.02	23.94	22.02	23.94
Interest	27.53	37.24	27.53	37.25
Share of net profit or associates and joint ventures accounted using equity method	-	-	(0.60)	(3.66)
Profit Before Tax	(16.83)	(78.77)	(17.43)	(82.43)
Less : Tax Expenses				
a) Current Year	-	-	-	-
b) Earlier Year	-	5.95	-	5.95
c) Deferred Tax	(5.62)	(29.95)	(5.62)	(29.96)
Profit/Loss After Tax	(11.21)	(54.77)	(11.81)	(58.42)
Balance brought forward from previous year	(187.27)	(132.47)	(197.28)	(138.83)
Add :Re-measurement of defined employee benefit plans through OCI	0.05	(0.03)	0.05	(0.03)
Amount Available for Appropriation	(198.43)	(187.27)	(209.04)	(197.28)
Appropriations				
a) Dividend	-	-	-	-
b) Tax on Dividend	-	-	-	-
c) Transfer to General Reserve	-	-	-	-
Balance Carried to Balance Sheet	(198.43)	(187.27)	(209.04)	(197.28)
Earnings per Share (In ₹) (Weighted) Basic (Equity Shares of face value of ₹ 10/- each)	(4.93)	(27.52)	(5.20)	(29.35)
Earnings per Share (In ₹) (Weighted) Diluted (Equity Shares of face value of ₹ 10/- each)	(4.93)	(27.52)	(5.20)	(29.35)

4. Human Resources Development and Industrial Relations:

In 2018-2019, with ARSS growing its order book, resource mobilisation for new projects became a key HR imperative. With the growing number of projects, hiring was also done at the leadership levels in the areas of operations, engineering and design to strengthen the quality of project execution. New talent was also inducted at the middle and junior levels. While adequate number of people were hired for effective execution, there were strong budget controls imposed to effectively balance the twin objectives of growth and cost control.

New employee induction and training for the existing employees continued to remain focused on functional, technical and behavioral areas. Safety related training also remained an important area of intervention. With new projects getting awarded and many project managers being new to the ARSS system, an exhaustive induction program covering all functions and processes was developed and implemented. However, the objective of furthering operational efficiencies remained a common thread through these activities. The Company is actively working on developing a culture driven by the collective spirit of experience. Assignment, empowerment and accountability will be the cornerstone of the people led processes.

Since 2018-2019 was a year of consolidation, the remuneration and benefits mostly remained unaltered. However, ground work started on rationalising the compensation structure to make it more employees friendly and with a plan to implement the same in coming financial year. Safety related training also remained as one of the primary focus areas. In the area of Project Management, self and immediate superior's assessments were completed with an objective to roll out appropriate training programmes for the next financial year with special focus on project risk assessment and mitigation.

Labor 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.

5. Business Performance :

The turnover of the Company in the year is ₹ 459.10 crores as compared to ₹ 584.34 crores in the previous year. The company has reduced its losses before tax to ₹ (16.83) as compared to ₹ (78.77) crores for the previous year.

6. Key Financial Ratio : Pursuant to Schedule V(B) to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015], the details of changes in key financial ratio as compared to previous year are stated below:

	2018-19	2017-18	% change as compared to PY
Debtors Turnover	6.20	11.50	-46%
Inventory Turnover	6.85	9.46	-28%
Interest Coverage Ratio	0.39	-1.12	135%
Current ratio	0.21	0.31	-31%
Debt Equity Ratio	0.15	15.71	-99%
Operating profit Margin (%)	2.33%	-7.11%	133%
Net Profit Margin (%)	-2.43%	-9.38%	74%
Return on Net worth	-1116.01	-32641.00	97%

- Debtors turnover ratio** - decreased primarily account of increase in receivables due to revenue booking in the last month of the FY i.e. March 2019. Further there is decrease in turnover as compared to previous year.
- Inventory turnover ratio** - decreased primarily on account of increase in inventory. Further there is decrease in turnover as compared to previous year.
- Interest coverage ratio** - improved primarily on account of higher operating profits and lower interest.
- Current ratio** - decreased primarily on account of increase in short term borrowings.
- Debt equity ratio** - improved primarily on account of movement of long term borrowing to short term borrowing.
- Operating profit margin** – increased on account of higher operating profit and effective cost management.

7. **Net profit margin** - increased on account of higher operating profit and effective cost management
8. **Return on net worth** - improved primarily on account of adding less deficit to reserve as compared to previous year.

7. Strategic Initiative:

The Company is well on its course to meet its growth targets despite increase competition. Effective business strategies have allowed the Company executing projects in a timely manner and economies on critical resources through joint venture in large projects.

The foray into high potential business of railways, roads and bridges has been successful during the year and boosted the order in flow. The Company is strengthening its manpower for execution of high value projects and adding assets for development of infrastructures to complete all contracts in time.

8. Internal Controls and their Adequacy

ARSS has an adequate system of internal control to ensure that the resources of the Company are used efficiently and effectively, all assets are safeguarded and protected against loss from unauthorised use or disposition and the transactions are authorised, recorded and reported correctly, financial and other data are reliable for preparing financial information and other data and for maintaining accountability of assets. The internal control is supplemented by extensive programme of internal audits, review by management, documented policies, guidelines and procedures.

9. Cautionary Statement:

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include a downtrend in the infrastructure sector, significant changes in political and economic environment in India, exchange rate fluctuations, tax laws, litigation, labour relations and interest costs.

Place: Bhubaneswar
Dated: 12th August, 2019

Sd/-
(Subash Agarwal)
Chairman

Report on Corporate Governance

1. Company's Philosophy on code of Corporate Governance

ARSS Infrastructure Projects Limited ('the Company' or 'ARSS') has always been committed to maintain sound corporate governance standards and ethical business practices.

This involves institutionalizing the Company's philosophy on corporate governance across business activities, which is based on the principles of accountability, transparency, responsibility and fairness in all aspects of its operations.

The Company has an active and Independent Board of Directors that provides supervisory, strategic advice and direction. Your Company believes that all actions and plans should be supported by adequate systems and procedures in order to ensure that the decision making process across different levels of management is well-informed and conforms to the highest standards of corporate behaviour.

This Chapter reports the Company's compliance with the Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as SEBI Listing Regulations) as given below:

2. Board of Directors

The Board of Directors has an ideal combination of executive and non executive Directors and is in conformity with the provisions of Companies Act, 2013 and Regulation 17 of the SEBI Listing Regulations which inter alia stipulates that the Board should have an optimum combination of Executive and Non-executive Directors with at least one Woman Director and not less than fifty percent of the Board should consist of Independent Directors, if the Chairman of the Board is an Executive Director.

- (i) The Company had 6 Directors (as on 31.03.2019) of which 2 are Executive Directors, 1 is Nominee Director and 3 are Non-Executive & Independent Directors. Out of 3 Non-Executive & Independent Directors there is one Woman Independent Director.
- (ii) None of the Directors on the Board are Members of more than ten Committees or Chairman of more than five Committees (as specified in Regulation 26 (1) of SEBI (LODR) Regulations) across all the Companies in which they are Directors. Necessary disclosures regarding Committee positions in other public Companies as on March 31, 2019 have been made by the Directors. None of the directors of the Company holds office as a director, including as an alternate director, in more than twenty companies at the same time. None of them has directorships in more than ten public limited companies and none of the NEDs serve as IDs in more than Seven Listed Companies and none of the Executive or whole- time Directors serve as IDs on any listed company.
- (iii) The Company had no pecuniary relationship or transactions with the Non-Executive Directors during FY 2019. The Independent Directors are not related to promoters or persons occupying management positions at the Board level or any level below the Board; they were neither in employment for the last three years nor they are material suppliers, service providers, customers, a lessor, or a lessee of the Company, which may affect their independence. They do not hold substantial shares in the Company. All these directors are above 21 years of age.
- (iv) All Independent Directors are persons of eminence and bring a wide range of expertise and experience to the Board thereby ensuring the best interest of stakeholders and the Company. Independent directors are non executive directors as defined under Reg 16(1)(b) of SEBI (Listing Regulation), 2015. All Independent Directors meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR"). Maximum Tenure of Independent directors is in compliance with the Act.
- (v) The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and the number of Directorship and Committee Chairmanships/ Memberships held by them in other Companies are given herein below. Chairmanships/ Memberships of the Board Committees include only Audit committee and Stakeholders Relationship Committee.
- (vi) The Information stipulated under Part A of Schedule II of SEBI (LODR Regulations) is being made available to the Board.
- (vii) None of the present directors except Mr. Subash Agarwal & Mr. Rajesh Agarwal are "Relative" of each other as defined in Section 2 (77) of Companies Act, 2013 and Rule 4 of the companies (Specification of definitions details) Rule 2014.

Details Regarding Appointment and Re- appointment of all the Board of Directors has been detailed in the Director's Report.

Name	Category	Board Meetings		Attendance at Last AGM	No. of Directorship and other committee Membership/Chairmanship			No. of shares held in the company as on 31.03.2019
		Held During the tenure	Attended		Directorship*	Committee membership#	Chairmanship#	
Mr. Subash Agarwal (Chairman)	Executive Director	4	3	Yes	3	Nil	Nil	13,81,608
Mr. Rajesh Agarwal (Managing Director)	Executive Director	4	4	Yes	4	Nil	Nil	5,38,745
Mr. Swarup Chandra Parija	Independent Director	4	4	No	2	4	3	Nil
Mr. Krishna Chandra Raut	Nominee Director	4	4	No	2	2	Nil	Nil
Mr. Pareswar Panda	Independent Director	4	2	No	1	Nil	Nil	Nil
Mrs. Janhabi Deo	Independent Director	4	4	Yes	1	2	Nil	Nil

Notes:-

* Directorship includes only Indian Public Companies Whether Listed or not including ARSS Infrastructure Projects Limited has been considered and Excludes private limited companies, foreign companies and companies registered under Section 8 of the Companies Act, 2013 (i.e. associations not carrying on business for profit or which prohibits payment of dividend).

In accordance with Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Memberships/Chairmanships of only Audit Committee, Stakeholders Relationship Committee in all public limited companies Whether Listed or not, including ARSS Infrastructure Projects Limited have been considered.

(viii) None of the Directors hold the office of director in more than the permissible number of companies under the Companies Act, 2013 or Regulation 17A of the SEBI LODR Regulations.

The names of the listed entities (whose equities and debt securities are listed) wherein the Director holds directorships as on 31st March 2019 are as follows:

Name of Director	Names of Listed Entities where he holds Directorship	Category of Directorship
Mr. Subash Agarwal (Chairman)	ARSS Infrastructure Projects Limited	Chairman
Mr. Rajesh Agarwal (Managing Director)	ARSS Infrastructure Projects Limited	Managing Director
Mr. Swarup Chandra Parija	ARSS Infrastructure Projects Limited	Independent Director
	Filatex India Limited	Independent Director
Mr. Krishna Chandra Raut	ARSS Infrastructure Projects Limited	Nominee Director
	Balasore Alloys Limited	Nominee Director
Mr. Pareswar Panda	ARSS Infrastructure Projects Limited	Independent Director
Mrs. Janhabi Deo	ARSS Infrastructure Projects Limited	Independent Director

(ix) **Information to the Board:** The Board of Directors has complete access to the information within the Company, which inter alia includes -

- Annual revenue budgets and capital expenditure plans;
- Quarterly results and results of operations of the company ;
- Financing plans of the Company;
- Minutes of meeting of Board of Directors, Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee
- Details of any joint venture, acquisitions of companies or collaboration agreement or sale of investments, subsidiaries, assets Quarterly report on fatal or serious accidents or dangerous occurrences, any material effluent or pollution problems;
- Any materially relevant default, if any, in financial obligations to and by the Company or substantial non-payment for goods sold or services rendered, if any;

- Any issue, which involves possible public or product liability claims of substantial nature, including any Judgment or Order, if any, which may have strictures on the conduct of the Company;
- Developments in respect of human resources/industrial relations;
- Compliance or Non-compliance of any regulatory, statutory nature or listing requirements and investor service such as non-payment of dividend, delay in share transfer, etc., if any;
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material;
- Status and effectiveness of risk management plans;
- Succession to senior management (through the Nomination & Compensation Committee);
- Show cause / demand / prosecution / adjudication notices, if any, from revenue authorities which are considered materially important ;
- Significant court judgement or order passing strictures, if any, on the conduct of the Company or a subsidiary of the Company or any employee, which could negatively impact the Company's image. ;
- Write-offs / disposals (fixed assets, inventories, receivables, advances etc.) on a half-yearly basis;
- Significant development in Human Resources / Industrial Relations;
- Material non-compliance of any regulatory or listing requirements and in relation to shareholders' services;
- All other matters required to be placed before the Board for its review / information under the Listing Regulations 2015 and other statutes.

(x) No. of Board Meetings

Four Board Meetings were held during the year and the time gap between two meetings did not exceed 120 days. The dates on which the Board Meetings were held are as follows:

30th May, 2018, 10th August, 2018, 26th October, 2018, and 13th February, 2019.

Further, the Board Meetings for approval of quarterly and annual financial results were held on the following dates:

1 st Quarter Results	: 10 th August, 2018
2 nd Quarter Results	: 26 th October, 2018
3 rd Quarter Results	: 13 th February, 2019
4 th Quarter & Annual Results	: 30 th May, 2019

The tentative dates of the Board Meetings for consideration of financial results for the year ending 31st March, 2019 are as follows:

1 st Quarter Results	: Up to 14 th August, 2019
2 nd Quarter Results	: Up to 14 th November, 2019
3 rd Quarter Results	: Up to 14 th February, 2020
4 th Quarter & Annual Results	: Up to 30 th May, 2020

(xi) Board Procedure

The Board ensures that the Company's reporting and disclosure practices meet the highest standards of Corporate Governance and that the business practices followed by the Company are oriented towards meeting obligations towards various stakeholders and enhancing shareholders value. The Agenda of the meeting is circulated well in advance to the Board members backed by comprehensive background information to enable them to take appropriate decisions. During the year, information as information to be placed before board of directors under SEBI (Listing Obligations & Disclosure Requirements), Regulation, 2015, [Reg. 17(7)] has been placed before the Board for its consideration. The Board is also kept informed of major events / items and approvals taken wherever necessary. The Managing Director at the Board Meetings keep the Board apprised of the overall performance of the Company.

Further, the Board also reviews the Annual financial statements of the Unlisted Subsidiary Companies. Pursuant to Regulation 24 of the SEBI Listing Regulations, the Minutes of the Board Meetings and a statement of all significant transactions and arrangements entered into by the Company's Unlisted Subsidiary Companies are placed before the

Board. The Company has also formulated a Policy for determining “Material Subsidiaries” which is available on the website of the Company.

(xii) Code of Conduct for Board members and Senior Management

The Board of Directors has laid down the code of conduct for all the Board members and members of the Senior Management of the Company. Additionally all independent directors of the company shall be bound by duties of independent directors as set out in the Companies Act, 2013 read with the Schedules and Rules there-under. All the Board members and Senior Management personnel have affirmed compliance with the code of conduct.

The Code of Conduct is available on the website of the company.

(xiii) Formulation of Policy for Selection and Appointment of Directors and Their Remuneration

The Nomination and Remuneration Committee discussed and thereafter decided upon the policy for selection of appointment of directors and their remuneration. The highlights of this policy are as follows:

A. Criteria of selection of Non Executive Directors.

- a) The Non Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of manufacturing, marketing, finance, taxation, law, governance and general management.
- b) In case of appointment of Independent Directors, the Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.
- c) The Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.
- d) The Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director.
 - Qualification, expertise and experience of the Directors in their respective fields;
 - Personal, Professional or business standing;
 - Diversity of the Board.
 - In case of re-appointment of Non Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

B. Remuneration to Non Executive Directors

The Non Executive Directors shall be entitled to receive remuneration by way of sitting fees for participation in the Board / Committee meetings and commission as detailed hereunder:

- a) A Non Executive Director shall be entitled to receive sitting fees for each meeting of the Board or Committee meeting attended by him/her at his/her discretion of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014;
- b) The Committee may recommend to the Board, the payment of commission on uniform basis, to reinforce the principles of collective responsibility of the Board;
- c) The payment of such commission would be at the discretion of board only and shall not exceed 1% of the net profit of the Company;
- d) The Independent Directors of the Company shall not be entitled to participate in the Stock Option Scheme of the Company, if any, introduced by the Company.

C. Chairman/ Managing Director & Whole Time Director - Criteria for selection / appointment

For the purpose of selection of the Managing Director or Whole Time Director the Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board. The Committee will also

ensure that the incumbent fulfills such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

D. Remuneration for the Chairman/ Managing Director or Whole Time Director

- a) At the time of appointment or re-appointment, the Chairman, Managing Director or Whole Time Director may be paid such remuneration as may be mutually agreed between the Companies (which includes the nomination & Remuneration Committee and the Board of Directors) and the Chairman, Managing Director or Whole Time Director within the overall limits prescribed under the Companies Act, 2013.
- b) The remuneration shall be subject to the approval of the Members of the Company in General Meeting.
- c) The remuneration of the Chairman, Managing Director or Whole Time Director may be broadly divided into fixed and variable components. The fixed component shall comprise salary, allowances, perquisites, amenities and retrial benefits. The variable component shall comprise performance bonus.
- d) In determining the remuneration (including the fixed increment and performance bonus) the Committee shall ensure / consider the following:
 - the relationship of remuneration and performance benchmarks is clear;
 - balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals;
 - Responsibility required to be shouldered by the Managing Director or Whole Time Director, the industry benchmarks and the current trends.

(xiv) Remuneration Policy for the Senior Management Employees

In determining the remuneration of the Senior Management Employees (i.e. KMPs and senior officers just below the board level) the Committee shall ensure / consider the following:

- the relationship of remuneration and performance benchmark is clear;
- the balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals;
- the remuneration is divided into two components viz. fixed component comprising salaries, perquisites and retirement benefits and a variable component comprising performance bonus;
- The remuneration including annual increment and performance bonus is decided based on the criticality of the roles and responsibilities, the Company's performance vis-à-vis the annual budget achievement, individuals' performance and current compensation trends in the market.

The Chairman, Managing Director or Whole Time Director will carry out the individual performance review based on the standard appraisal matrix and shall take into account the appraisal score card and other factors and thereafter shall recommend the annual increment and performance incentive to the Committee for its review and approval.

(xv) Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, a separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board who were evaluated on parameters such as level of engagement and contribution and independence of judgment thereby safeguarding the interest of the Company. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The board also carried out annual performance evaluation of the working of its Audit, Nomination and Remuneration as well as stakeholder relationship committee. The Directors expressed their satisfaction with the evaluation process.

3. Independent Directors :

The Company has complied with the definition of Independence as per SEBI (LODR) Regulations, 2015 and according to the Provisions of section 149(6) Companies Act, 2013. The company has also obtained declarations from all the Independent Directors pursuant to section 149 (7) of the Companies Act, 2013.

The company issued formal letters of appointment to Independent Directors in the manner as provided in the Companies Act, 2013. The appointment letters of Independent Directors has been placed on the Company's website at www.arssgroup.in. Independent Directors letters link.

Recently, SEBI vide its notification dated 9th May, 2018 has amended Regulation 17 of SEBI (LODR), 2015 effective from 1st April, 2019. In view of the same Company is also complying the recent amendments in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018.

(i) Training & Induction of Independent Directors:

Whenever new Non-executive and Independent Directors are inducted in the Board they are introduced to our Company's culture through appropriate orientation session and they are also introduced to our organization structure, our business, constitution, board procedures, our major risks and management strategy.

(ii) Performance Evaluation of non-executive and Independent Directors

The Board evaluates the performance of Non-executive and Independent Directors every year. All the Non-executive and Independent Directors are eminent personalities having wide experience in the field of business, industry and administration. Their presence on the Board is advantageous and fruitful in taking business decisions.

(iii) Independent Directors Meeting

During the year under review, the Independent Directors of the Company met on 13th February, 2019 inter-alia, to discuss:

- i) Evaluation of performance of Non-Independent Directors and the Board of Directors of the Company as a whole.
- ii) Evaluation of performance of the Chairman of the Company, taking into account the views of Executive and Non-Executive Directors.
- iii) Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

(iv) Board Committees:

The terms of reference of Board Committees are determined by the Board from time to time. Presently the Company has four committees i.e Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee. All the decisions pertaining to the constitution of the Committees, appointment of members, and fixing of terms of reference for committee members are taken by the Board of Directors. Details on the role and composition of these committees, including the number of meetings held during the financial year and the related attendance, are provided below:

4. Audit Committee:

i) Terms of reference:

The terms of reference of the Audit Committee are in conformity with the requirements of Regulation 18 of SEBI (LODR) Regulations, 2015 and Section 177(4) of the Companies Act, 2013. Further, the Audit Committee has powers which are in line with the SEBI Listing Regulations. The Audit Committee reviews the audit reports submitted by the Auditors, financial results, effectiveness of internal audit processes and the Company's risk management strategy. It reviews the Company's established systems and governed by a Charter which is in line with the regulatory requirements mandated by the Companies Act, 2013 and SEBI Listing Regulations.

ii) Composition:

The Audit Committee of the Company consists of 3 Non- Executive Director. The Chairman of the Audit Committee (Independent Director) is financially literate and majority of them having accounting or related financial management experience. Company Secretary acts as Secretary to the Committee. CFO & AVP Finance are the permanent invitees in the Audit Committee meetings.

iii) No. of Meetings held during the year:

During the year the Committee had 4 Meetings i.e. on 30th May, 2018, 10th August, 2018, 26th October, 2018, and 13th February, 2019.

iv) Composition, name of Members and attendance during the year:

During the financial year 2018-19 the Audit Committee of the Board comprised of the following three Directors out of which two are Independent Directors one is Nominee of State Bank of India and their attendance are given below:

Name of the member	Position	No. of Meetings held during the FY 2018- 19	No. of meetings Attended during the FY 2018- 19
Mr. Swarup Chandra Parija	Chairman	4	4
Mr. Krishna Chandra Raut	Member	4	4
Mrs. Janhabi Deo	Member	4	4

Mrs. Janhabi Deo, then Chairman of the Audit Committee was present at the Annual General Meeting of the Company held on 27th September, 2018 to answer the Members' queries.

5. Nomination and Remuneration Committee Meeting:**i) Terms of reference:**

This Committee shall identify the persons, who are qualified to become Directors of the Company (including independent directors) / who may be appointed in Senior Management in accordance with the criteria lay down, recommend to the Board their appointment and removal and also shall carry out evaluation of every director's performance. Committee shall also formulate the criteria for determining qualifications, positive attributes, independent of the Directors and recommend to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees in line with the regulatory requirements mandated by the Companies Act, 2013 and Regulation 19 of SEBI (LODR) Regulations, 2015 and SEBI (LODR) Amendment Regulations, 2018. The Company Secretary is the Secretary to the Committee. The Minutes of the Nomination and Remuneration Committee Meetings are noted by the Board.

ii) Composition:

The Nomination and Remuneration Committee of the Company consists of 3 Non-Executive Independent Directors including Chairman.

iii) No. of Meetings held during the year:

During the year the Committee had 4 Meetings i.e. on 30th May, 2018, 10th August, 2018, 26th, October, 2018 and 13th February, 2019.

iv) Composition, name of Members and attendance during the year:

During the financial year the Remuneration Committee of the Board comprised of following three Directors out of which two Independent Directors and one is Nominee of State Bank of India in their attendance of each Director during the meetings held in financial year 2018-19 are given below:

Name of the member	Position	No. of Meetings held during the F.Y. 2018-19	No. of meetings Attended during the F.Y. 2018-19
Mr. Swarup Chandra Parija	Chairman	4	4
Mr. Krishna Chandra Raut	Member	4	4
Mrs. Janhabi Deo	Member	4	3

v) Remuneration to Directors

The remuneration provided to the Board Members, Key Managerial Personnel (KMPs) & Senior Management Personnel (SMPs) is in adherence with the provisions of the listing agreement, Section 197, 198, 178 and other applicable provisions of the Companies Act, 2013 and Rules made there under.

vi) Remuneration to Executive Directors: Remuneration policy / criteria of payment to Executive Directors:

The Company has a credible and transparent policy in determining and accounting for the remuneration of the Chairman/ Managing Director / Whole Time Directors (MD / WTDs). Their remuneration is governed by the external competitive environment; track record, potential, individual performance and performance of the company as well as

industry standards. The remuneration determined for Chairman/ MD / WTDs is subjected to the recommendation of the nomination & remuneration committee and approval of the Board of Directors, members in due compliance of the provisions of Companies Act, 2013 and other applicable rules made there under. As a policy, the Executive Directors are neither paid sitting fee nor any commission.

Details of remuneration paid to Chairman/ Managing Director / Whole Time Directors for the year ended 31st March, 2019:

Name of the Director	Position	Salary Per Annum (₹ In Lacs)
Mr. Subash Agarwal	Chairman	Nil
Mr. Rajesh Agarwal	Managing Director	Nil

vii) Remuneration to Non-Executive Directors:

The Non-Executive Directors of the company are paid remuneration by way of sitting fees only for attending the meetings of the Board of Directors and its Committees. The sitting fees paid to the Non-Executive Directors for attending meetings of Board of Directors is ₹ 40,000 per meeting and for Committee meetings is ₹ 20,000/- per meeting. Beside the sitting fees they are also entitled to reimbursement of expenses for attending the meeting. The Non-Executive Directors of the Company were not paid any other remuneration or commission.

viii) Sitting fee paid to the Non-Executive Directors, for 2018-19 are as detailed below:

Name of the Director	Amount (₹ In Lacs)
Mr. Swarup Chandra Parija	4.20
Mr. Krishna Chandra Raut	4.00
Mr. Pareswar Panda	0.80
Mrs. Janhabi Deo	3.60
Total	12.60

ix) Relationship of Non-Executive Directors with the Company and inter-se:

There is no pecuniary relationship or transactions of the Non-Executive Directors vis-a-vis the Company and inter-se themselves except for the sitting fees paid to them for attending the Board and Committee meetings.

x) Service Contracts, Severance Fee and Notice Period:

The appointment of the Executive Directors is governed by resolutions passed by the Board and the Shareholders of the Company, which cover the terms and conditions of such appointment read with the service rules of the Company. A separate Service Contract is not entered into by the Company with them. They can be terminated by either party by giving three months notice in writing as per the T&C of appointment letters. Letters of appointment have been issued by the Company to the Independent Directors, incorporating their roles, duties, responsibilities etc., which have been accepted by them. There is no separate provision for payment of severance fee under the resolutions governing the appointment of Executive Directors. The statutory provisions will however apply. With respect to notice period of Directors, the statutory provisions will also apply.

6. Corporate Social Responsibility Committee (CSR):

i) Terms of reference:

The Committee formulates CSR Policy. The role of the Committee is as under:

- Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.
- Recommend the amount of expenditure to be incurred on the activities referred in the CSR policy.
- Monitor the CSR Policy of the Company and its implementation from time to time.
- Such other functions as the Board may deem fit from time to time.

ii) Composition, name of Members and attendance during the year:

The CSR Committee of the Company consists of 2 Non-Executive Independent Directors and 1 Executive Director.

Name of the member	Position	No. of Meetings held during the FY 2018- 19	No. of meetings Attended during the FY 2018- 19
Mr. Rajesh Agarwal	Chairman	1	1
Mr. Swarup Chandra Parija	Member	1	1
Mr. Pareswar Panda	Member	1	0

iii) No. of Meetings held during the year:

During the year the committee had met once i.e. on 30th May, 2018

iv) Amount incurred on CSR activities during the year:

Section 135 of the Companies Act, 2013 & Companies (Corporate Social Responsibility Policy) Rules, 2014, (CSR Rules) makes it mandatory for certain companies who fulfill the criteria as mentioned under Sub Section 1 of Section 135 to comply with the provisions of Corporate Social Responsibility and accordingly company had constituted a CSR committee and has also adopted the CSR Policy for the company as approved by the committee.

Since the average of the last three years profit was in negative figures i.e. (₹ 135.31) crores loss , company need not to incur any amount towards CSR in the FY 2018-19.

A responsibility statement of the CSR Committee
The CSR Committee has confirmed that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.
Sd/- (Chairman CSR Committee)

7. Stakeholders Relationship Committee:**i) Terms of reference:**

The Committee focuses primarily on monitoring expeditious redressal of investors / stakeholders grievances and also functions in an efficient manner that all issues / concerns stakeholders are addressed / resolved promptly. It specifically look into the mechanism of redressal of grievances of shareholders, debenture holders and other security holders in line with the regulatory requirements mandated by the Companies Act, 2013 and Regulation 20 of SEBI (LODR) Regulations, 2015.

ii) Composition of the Committee:

The Committee consists of 3 Non-Executive Directors.

iii) No. of meetings held and attended during the year:

During the year the Committee had 4 Meetings i.e. on 30th May, 2018, 10th August, 2018, 26th, October, 2018 and 13th February, 2019.

(iv) Composition, name of Members and attendance during the year:

Name of the member	Position	No. of Meetings held	No. of meetings attend
Mr. Swarup Chandra Parija	Chairman	4	4
Mr. Krishna Chandra Raut	Member	4	4
Mrs. Janhabi Deo	Member	4	3

(v) Name and Designation of Compliance Officer:

During the year under review, Mrs. Alka Khemka, Company Secretary, was the Compliance Officer of the company. However she has resigned from the post of company secretary w.e.f. 30.03.2019 and Mr. Rajesh Agarwal, Managing Director has been appointed as compliance officer of the company till the appointment of new Company Secretary.

Mr. Prakash Chhajer has been appointed as company secretary in the board meeting held on 28.05.2019 and after his appointment as compliance officer, Mr. Rajesh Agarwal ceased to be compliance officer w.e.f. 28.05.2019

(vi) Shareholder's Services:

Sl. No.	Nature of Complaint	2018-19		2017-18	
		Received	Resolved	Received	Resolved
1	All kind of Shareholders Complaint	NIL	NIL	NIL	NIL

8. Risk Management Committee:

In accordance with the provisions of the Listing Agreement, the Board of Directors of the Company at its Meeting held on 12th February, 2015 has constituted a Risk Management Committee. This Committee comprises 3 Members i.e. Mr. Rajesh Agarwal- Managing Director (Chairman of the committee), Mr. S. K. Pattanaik- Director (CFO) (Member of the Committee) and Mr. Sunil Agarwal- Chief Executive Officer (Member of the Committee).

This Committee has been delegated the authority by the Board to review and monitor the implementation of the risk management policy of the Company. No meeting of this Committee was mandatorily required nor held during the financial year i.e. 2018-19.

9. Subsidiary Company:

The company has only one subsidiary company i.e. ARSS Damoh-Hirapur Tolls Pvt Ltd. which is also the material subsidiary company. It is managed by their respective Board of Directors in the best interest of the company and their shareholders. Pursuant to the Listing Regulations 2015, the minutes of Board meetings of the subsidiary company and details of significant transactions and arrangements entered into by them are placed before the Board of Directors of the Company.

The financial statements of the subsidiary company are reviewed by the Audit Committee of the Company. Performance review reports of subsidiary are also placed before the Board of Directors of the Company on a half-yearly basis.

The Company's Policy for determination of a material subsidiary, as approved by the Board, may be accessed on its corporate website at www.arssgroup.in

10. Other Committee:

The Company also has a Share Allotment Committee, Internal Complaint Committee (ICC) and Inspection Committee of the Board constituted by the Board of directors.

11. Annual General Meetings:**(i) Location and time for the last three AGM:**

Year	Date	Time	Location	Special Business-Ordinary/ Special Resolution
2015-16	28-09-2016	11.00 A.M.	Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar – 751 010.	Special Business & Ordinary Resolutions. i) 1.Ratification of Remuneration of Cost Auditor
2016-17	25-09-2017	11.00 A.M	Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar – 751 010.	Special Business & Ordinary Resolutions. i) Ratification of Remuneration to Cost Auditor for the financial year 2017-18 ii) Appointment of Mr. Pareswar Panda as Independent Director. iii) Re-appointment of Mr.Subash Agarwal, Executive Chairman. iv) Service of Documents. Special Business & Special Resolutions v) Re-appointment of Mrs. Rima Dhawan, Women/Independent Director.
2017-18	27-09-2018	11.00 A.M	Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar – 751 010	Special Business & Ordinary Resolutions: 1. Reappointment of Mrs. Janhabi Deo as Woman/Independent director 2. Approval of continuation of Mr. Swarup Chandra Parija as Independent director

ii) Extraordinary General Meeting

No EGM was conducted during the year under review.

ii) Postal Ballot

No Postal Ballot was conducted during the year under review.

12. DISCLOSURES**a) Disclosures on materially significant related party transactions that may have potential conflict with the interest of the company at large:-**

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 '61', forming Part of the Annual Report. (required under Ind AS 24)

All related party transactions are negotiated on arms length basis and are intended to further the interests of the Company. The Company has formulated a policy on Related Party Transactions and the said Policy is available on the website of the Company at <http://arssgroup.in/pdf/ARSS%20POLICY%20ON%20RELATED%20PARTY%20TRANSACTIONS.pdf>

The necessary approval of the audit committee and Board of directors were taken wherever required in accordance with the Policy. **Details of Related Party Transactions in form AOC 2 attached to Board Report may also be referred to.**

b) Details of non-compliance by the company, penalties and strictures imposed on the company by the stock exchange or SEBI or any other Statutory Authority, on any matter related to Capital Markets, during the last three years.

The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to capital markets during the last three years. No penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI or other statutory authorities relating to the above.

c) Whistle blower policy of the company

In accordance with requirement of Companies Act as well as SEBI (LODR) Regulation, 2015 a vigil mechanism has been adopted by the board of directors and accordingly a whistle blower policy has been formulated with a view to provide a mechanism for employees of the company to approach Internal Auditor or Chairman of the Audit Committee of the Company to report any grievance. During the year, no employee was denied access to the Audit Committee and The Vigil Mechanism and Whistle-blower policy is put up on the Company's website and can be accessed at <http://arssgroup.in/pdf/WHISTLE%20BLOWER%20POLICY.pdf>

d) Subsidiary Company

The company has one material unlisted subsidiary M/s. ARSS Damoh Hirapur Tolls Pvt. Ltd. and the company has also formulated the policy for determining the material subsidiaries which are put on the website of the company and can be access at <http://arssgroup.in/pdf/ARSS%20Policy%20for%20determining%20material%20subsidiaries.pdf>

e) Web link of the policy on dealing with related party transactions.

The company has formulated the poly for dealing with the related party transaction and put on the website of the company and can be accessed at <http://arssgroup.in/pdf/ARSS%20POLICY%20ON%20RELATED%20PARTY%20TRANSACTIONS.pdf>

f) Certificate from company secretary in practice on Disqualification of Directors

None of the Directors of the Company has been debarred or disqualified from being appointed or continuing as a Director by SEBI / Ministry of Corporate Affairs / Statutory Authorities, which has also been confirmed by Messrs. Sunita Mohanty & Associates, Practicing Company Secretaries.

g) Approval of the agenda items recommended by the committee of the board

there were no such instance during the year under review, where the recommendation of committees has not been accepted by the board.

h) Fees paid to the statutory auditors of the company

During the year under review, the company has paid a consolidated fees of ₹ 25,84,362.00 to CA Ajay B Garg, Statutory Auditors of the company.

i) Disclosures in relation to the Sexual Harassment of woman at workplace (Prevention, Prohibition, and Redressal) Act, 2013

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under.

Your Directors state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

j) Accounting treatment in preparation of financial statements

The financial statements of the Company have been prepared to comply in all material respects with the Indian Accounting Standards ("Ind AS") notified under the Companies (Accounting Standards) Rules, 2015.

k) Code for Prevention of Insider Trading Practices

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations to the SEBI (Prohibition of Insider Trading) Regulations, 2015 ('SEBI PIT Regulations'), the Company had suitably modified its Securities Dealing Code ('Code') for prevention of insider trading with effect from May 15, 2015. The objective of the Code is to prevent purchase and / or sale of shares of the Company by an Insider on the basis of unpublished price sensitive information. Under this Code, Designated Persons (Directors, Advisors, Officers and other concerned employees / persons) are prevented from dealing in the Company's shares during the closure of Trading Window. To deal in securities beyond specified limit, permission of Compliance Officer is also required. Directors and designated employees who buy and sell shares of the Company are prohibited from executing contra-trades during the next six months following the prior transactions. The Company has a policy for taking action against employees who violate the SEBI PIT Regulations / Code.

Pursuant to the enactment of the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, the Company has suitably modified the provisions of the Code and formulated requisite policies which are effective from 1st April 2019.

Mr. Prakash Chhajjer, Company Secretary has been designated as the Compliance Officer and Chief Investor Relations Officer. The Company also formulated Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information which is available on Company's Website www.arssgroup.in

I) Policy on preservation of documents and archival policy

In accordance with Regulation 9 of SEBI Regulations, 2015, the Company has framed a Policy on preservation of documents approved by the Board of Directors of the Company. The Policy is intended to define preservation of documents and to provide guidance to the executives and employees working in the Company to make decisions that may have an impact on the operations of the Company. It not only covers the various aspects on preservation of the Documents, but also the safe disposal/destruction of the Documents.

Further the Company has an Archival Policy in line with the requirements of SEBI Regulations to ensure that information relating to the Company is adequately disclosed on its web-site as required by law.

The Policies have been uploaded on the Company's website at <http://arssgroup.in/pdf/ARSS%20Policy-on-preservation-of-documents.pdf>

13. Means of Communication.

Quarterly, Half-yearly and Annual Financial Results of the Company are communicated to the Stock Exchanges immediately after the same are considered by the Board and are published in the all India editions of Business Standard and Odisha edition of Odisha Bhasker. The results, official detailed presentations made to media, analysts and institutional investors, etc. are displayed on the Company's website www.arssgroup.in.

14. SEBI Complaints Redressal System (SCORES):

SEBI has initiated SCORES for processing the investor complaints in a centralized web based redress system and online redressal of all the shareholders complaints. The company is in compliance with the SCORES and redressed the shareholders complaints well within the stipulated time.

15. Reconciliation of Share Capital Audit:

As stipulated by SEBI, a qualified Practicing Company Secretary carries out the Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and paid-up capital. This audit is carried out every quarter and the report thereon is submitted to the stock exchanges and is placed before the board of directors of the Company for their information. The audit, inter alia, confirms that the listed and paid up capital of the company is in agreement with the aggregate of the total number of shares in dematerialized form held with NSDL and CDSIL and the total number of shares in physical form.

16. Green Initiative in the Corporate Governance:

As part of the green initiative process, the company has taken an initiative of sending documents like notice calling Annual General meeting, Corporate Governance Report, Directors Report, audited Financial Statements, Auditors Report, Dividend intimations etc., by email. Physical copies are sent only to those shareholders whose email addresses are not registered with the company and for the bounced-mail cases. Shareholders are requested to register their email id with Registrar and Share Transfer Agent / concerned depository to enable the company to send the documents in electronic form or inform the company in case they wish to receive the above documents in paper mode.

17. Designated depository

SEBI, vide circular dated December 01, 2015, had introduced system-driven disclosures in securities market detailing the procedure to be adopted for its implementation with effect from January 01, 2016. The procedure was further streamlined vide SEBI circular dated December 21, 2016. As specified in SEBI circular dated December 01, 2015, the system is being implemented in phases and in the first phase, the disclosures of promoter/promoter group under SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and SEBI (Prohibition of Insider Trading) Regulations, 2015 have been implemented, company had given required details about the same to concern authorities.

As per SEBI circular dated May 28, 2018 for implementation of the next phase of systems driven disclosure, Company had already provided to both depositories the information about its directors and employees in the manner prescribed by the depositories.

Company has appointed National Securities Depository Limited (“NSDL”) as its Designated Depository in order to comply with the SEBI Circular No. IMD/FPIC/CIR/P/2018/61 dated April 5, 2018 regarding Monitoring of Foreign Investment limits in listed Indian companies.

18. Compliance:

i) Non compliance of any requirement of corporate governance

There is no Non-Compliance of any requirement of Corporate Governance Report of sub para (2) to (10) of the Part C of Schedule V of the SEBI Listing Regulations.

ii) Compliance with mandatory requirements

The Company has complied with all the mandatory items of the SEBI (LODR) Regulations, 2015.

iii) The disclosures on corporate governance as required under Regulation 17 to 27 (Except Reg. 24 as Company Does not have any Subsidiary Company) and clauses of sub-regulation (2) of 46 (Except Clause h, n, o- those are not Applicable to Company) have been adhered and complied with.

iv) Compliance with the Discretionary

Requirements under SEBI (LODR) Regulations, 2015, Adoption of discretionary requirements of SEBI (LODR) Regulations, 2015 is being reviewed by the Company from time to time.

v) Auditors' Certificate on Corporate Governance

The Company has obtained a Certificate from its Statutory Auditors regarding compliance of the conditions of Corporate governance, as stipulated in Regulation 34(3) and PART E of Schedule II of SEBI Listing Regulations, which together with this Report on Corporate Governance is annexed to the Directors' Report and shall be sent to all the members of the Company and the Stock Exchanges along with the Annual Report of the Company.

19. Investor safeguards and other information:

i) Dematerialization of shares

Members are requested to convert their physical holdings to demat/electronic form through any of the registered Depository Participants (DPs) to avoid the hassles involved in dealing in physical shares such as possibility of loss, mutilation, etc. and also to ensure safe and speedy transaction in respect of the shares held.

ii) Update address/ email address / bank details

To receive all communications/corporate actions promptly, members holding shares in dematerialized form are requested to please update their address/email address/bank details with the respective DPs and in case of physical shares, the updated details have to be intimated to the Registrar & Share Transfer Agents.

iii) Register Nomination(s)

Members holding shares in physical form, are requested to register the name of their nominee(s), who shall succeed the member as the beneficiary of their shares and in order to avail this nomination facility, they may obtain/submit the prescribed form from the Registrars & Share Transfer Agents. Members holding shares in dematerialized form are requested to register their nominations directly with their respective DPs.

iv) Dealing of Securities With Registered Intermediaries

In respect of dealings in securities, members must ensure that they deal only with SEBI registered intermediaries and must obtain a valid contract note/ confirmation memo from the broker/sub-broker within 24 hours of execution of the trade(s) and it should be ensured that the contract note/confirmation memo contains details about order no., trade no., trade time, quantity, price and brokerage.

v) E-voting facilities to members

In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members the facility to exercise their right to vote at the 19th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL).

vi) Consolidate multiple folios (in respect of physical shareholding)

Members are requested to consolidate their shareholdings under multiple folios to eliminate the receipt of multiple communications and this would ensure that future correspondence/corporate benefits could then be sent to the consolidated folio.

20. Skills, expertise and competencies of directors

ARSS believes that it is the collective effectiveness of the Board that impacts Company performance and therefore members of the Board amongst themselves should have a balance of skills, experience and diversity of perspectives appropriate to the Company.

Given the Company's size, scale and diversified nature of its businesses, the Directors should possess one or more of the following skills, expertise and competencies:

I. Organisational Purpose

Ability to comprehend the socio-economic, political, regulatory and competitive environment, in which the Company is operating and insight to identify opportunities and threats for the Company's businesses.

Ability to contribute towards creating an inspiring Vision for the Company with super ordinate societal goals and appreciate the Company's triple bottom line philosophy of building synergy between serving the society and creating economic value for the Company.

II. Strategic Insight

Ability to evaluate competitive corporate and business strategies and, based thereon, contribute towards progressive refinement of the Company's strategies for fulfilment of its goals.

Ability to comprehend strategy of organisation, in the context of its unique sources of competitive advantage and assess its strengths and weaknesses.

III. Organisational Capacity Building

Acumen to evaluate organisational capacity and readiness across relevant parameters and provide guidance on bridging gaps in capacity building.

Ability to understand the talent market and the Company's talent quotient so as to help fine tune strategies to attract, retain and nurture competitively superior talent.

Ability to appreciate and critique the need for in-depth specialization across business critical areas such as Servicing, marketing, legal, information technology, public advocacy etc., as well as the breadth of general management capabilities.

IV. Stakeholder Value Creation

Ability to understand processes for shareholder value creation and its contributory elements and critique interventions towards value creation for the other stakeholders.

V. Commercial Acumen

Commercial acumen to critique the Company's financial performance and evaluate the Company's strategies and action plans in the context of their financial outcomes.

VI. Risk Management and Compliance

Ability to appreciate key risks impacting the Company's businesses and contribute towards development of systems and controls for risk mitigation & compliance management and review and refine the same periodically.

VII. Policy Evaluation

Ability to comprehend the Company's governance philosophy and contribute towards its refinement periodically.

Ability to evaluate policies, systems and processes in the context of the Company's businesses, and review the same periodically.

VIII. Culture Building

Ability to contribute to the Board's role towards promoting an ethical organisational culture, eliminating conflict of interest, and setting & upholding the highest standards of ethics, integrity and organisational conduct.

IX. Board Cohesion

Ability to comprehend the statutory roles and responsibilities of a Director and of the Board as a whole. Ability to encourage and sustain a cohesive working environment and to listen to multiple views and thought processes and synergise a range of ideas for organisational benefit.

The above list of core skills/expertise/competencies identified by the Board of Directors as required in the context of its business(es) and sector(s) for it to function effectively, are available with the Board.

21. General Shareholder's Information:

GENERAL SHAREHOLDERS INFORMATION

Day, Date and Time of AGM	Wednesday, the 25 th Day of September, 2019 at 11.00 A.M.	
Venue of AGM	At Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar -751010 (Odisha)	
Book closure Date	Wednesday, the 18 th Day of September, 2019 to Wednesday, the 25 th Day of September, 2019 (both days inclusive)	
Dividend Payment Date Date of declaration Rate of dividend Book Closure Date Date of payment of dividend Amount of dividend paid	Not Applicable	
Company Registration Details	The Company is registered in the State of Odisha, India. The Corporate Identification Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L14103OR2000PLC006230	
Listing on Stock Exchange	The Bombay Stock Exchange Limited National Stock Exchange of India Limited	
Stock /Scrip Code	BSE : 533163 NSE : ARSSINFRA- EQ	
ISIN Numbers	INE267I01010 (NSDL & CDSL)	
Financial Calendar	1 st April, 2019 – 31 st March, 2020	
	First Quarter Results	Up to 14 th August , 2019
	Second Quarter Results	Up to 14 th November, 2019
	Third Quarter Results	Up to 14 th February, 2020
	Fourth Quarter Results	Up to 30 th May, 2020
E-Voting	Pursuant to the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as substituted by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, members have been provided the facility to exercise their right to vote at General Meetings by electronic means, through e-Voting Services provided by NSDL.	

Market Price Data : High, Low during each month in the Financial Year 2018-2019	Refer Table No. 1												
Performance in comparison to board indices BSE Sensex & Nifty 50	Refer Table No. 2												
Suspension from Trading	No Security of the Company has been suspended from trading on BSE and NSE.												
Registrar & Transfer Agents.	Bigshare Services Private Limited 1 st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai – 400059 Maharashtra Tel: + 91 22-62638261 Fax: + 91 22-62638299 e-mail ids: marketing@bigshareonline.com investor@bigshareonline.com Website:www.bigshareonline.com												
Share Transfer/ Transmission System	<p>Request for Transfers/Transmission of shares held in physical form can be lodged with Bigshare Services Private Limited at the above mentioned addresses. The transfers are normally processed within 15 days from the date of receipt if the documents are complete in all respects. SEBI has vide its circular dated 7 January, 2010 made it mandatory to furnish a copy of PAN Card in the following cases for transmission of shares in physical form:</p> <ol style="list-style-type: none"> Deletion of name of the deceased shareholder(s), where the shares are held in the name of two or more shareholders. Transmission of shares to the legal heir(s), where deceased shareholder was the sole holder. Transposition of shares in case of change in the order of names in which physical shares are held jointly in the names of two or more shareholders. <p>The Board has delegated the authority for approving transfers, transmissions etc. of the Company's securities to the committee. Such transactions are placed before next committee meeting and Board Meeting. The Company obtains from a Company Secretary in Practice, a half yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of the SEBI (LODR) Regulation, 2015 erstwhile Clause 47(c) of the Listing Agreement and files a copy of the certificate with the Stock Exchanges.</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>2018-19 (As on 31st March, 2019)</th> <th>2017-18 (As on 31st March, 2018)</th> </tr> </thead> <tbody> <tr> <td>Shares Transferred</td> <td>NIL</td> <td>NIL</td> </tr> <tr> <td>Total No. of shares</td> <td>2,27,37,966</td> <td>2,27,37,966</td> </tr> <tr> <td>% on Share Capital</td> <td>NIL</td> <td>NIL</td> </tr> </tbody> </table>	Particulars	2018-19 (As on 31 st March, 2019)	2017-18 (As on 31 st March, 2018)	Shares Transferred	NIL	NIL	Total No. of shares	2,27,37,966	2,27,37,966	% on Share Capital	NIL	NIL
Particulars	2018-19 (As on 31 st March, 2019)	2017-18 (As on 31 st March, 2018)											
Shares Transferred	NIL	NIL											
Total No. of shares	2,27,37,966	2,27,37,966											
% on Share Capital	NIL	NIL											

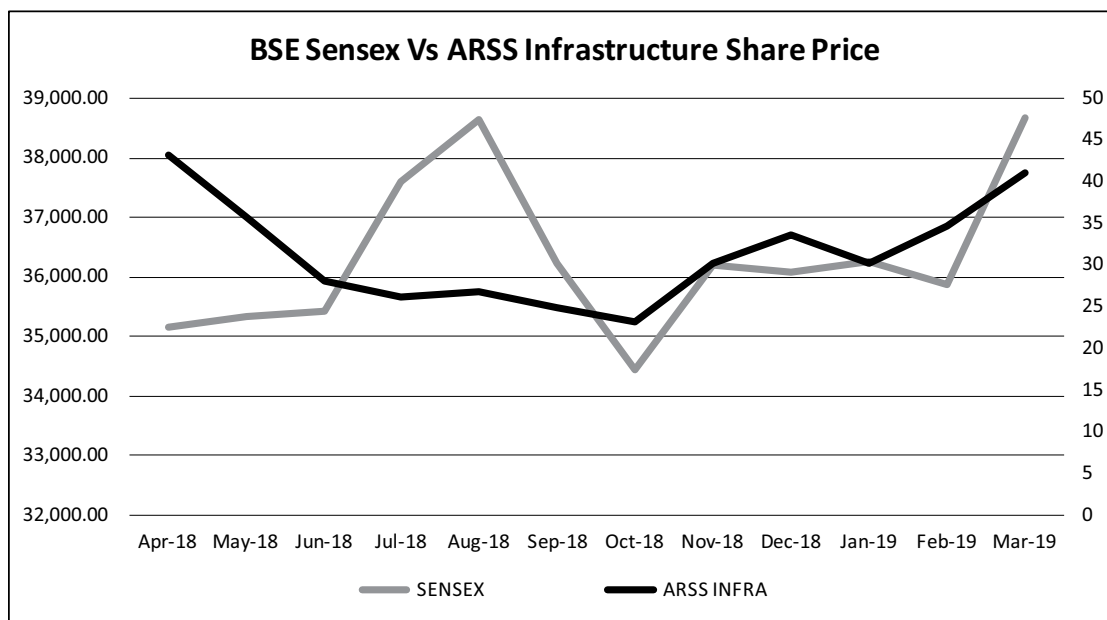
Distribution of Shareholding	Refer Table No. 3																				
Shareholding Pattern	Refer Table No. 4																				
Top Ten Shareholder of the company	Refer Table No. 5																				
Dematerialization of Securities and Liquidity	<p>The Company's Shares are available for trading in the Depository System both at the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Demat Status of the Company as on March 31, 2019 is as under:</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>No. of Shareholders</th> <th>No. of Shares</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>CDSL</td> <td>8219</td> <td>13262660</td> <td>58.32%</td> </tr> <tr> <td>NSDL</td> <td>9561</td> <td>9462579</td> <td>41.62%</td> </tr> <tr> <td>PHYSICAL</td> <td>8</td> <td>12727</td> <td>0.06%</td> </tr> <tr> <td>TOTAL</td> <td>17788</td> <td>22737966</td> <td>100.00%</td> </tr> </tbody> </table> <p>And on an average the dematerialization process is completed within a period of 15 days from receipt of a valid demat request along with all documents.</p>	Particulars	No. of Shareholders	No. of Shares	%	CDSL	8219	13262660	58.32%	NSDL	9561	9462579	41.62%	PHYSICAL	8	12727	0.06%	TOTAL	17788	22737966	100.00%
Particulars	No. of Shareholders	No. of Shares	%																		
CDSL	8219	13262660	58.32%																		
NSDL	9561	9462579	41.62%																		
PHYSICAL	8	12727	0.06%																		
TOTAL	17788	22737966	100.00%																		
Outstanding GDR/ADR or warrants or any convertible instruments, conversion date and likely impact on equity.	As on March 31 2019, The Company had No outstanding warrants to be converted in to shares. The company has not issued any GDR's/ ADR's.																				
Commodity Price risk / Foreign Exchange risk and hedging activities	Commodity Price Risk / Foreign Exchange Risk and Hedging Activities: The core business of storage infrastructure and renewable energy are not prone to commodity price risk/ foreign exchange risk. Accordingly, the Company adopts adhoc hedging tools on need basis for transactions involving foreign exchange.																				
Plant Locations	Refer Table No. 6																				
Address for Correspondence	The Company Secretary & Compliance Officer ARSS Infrastructure Projects Ltd. Sector-A, Zone-D, Plot No.-38, Mancheswar Industrial Estate, Bhubaneswar-751010 (Odisha) Tel: (0674) 2588552 / 2588554 / 2602763 FAX: (0674) 2585074 E-mail Address: cs@arssgroup.in																				
Payment of Listing Fees	Annual listing fee for the year 2019-2020 has been paid by the Company to BSE & NSE.																				
Payment of Depository Fees	Annual Custody/Issuer fee for the year 2019-2020 has been paid by the Company to NSDL and CDSL.																				

TABLE - 1: STOCK MARKET PRICE DATA

High Low and trade volumes each month & compared to closing respective index during the financial year 2018-19 of the company at BSE and NSE:

Sl. No.	Month & Year	Bombay Stock Exchange Ltd			National Stock Exchange of India Ltd		
		High Price (In ₹)	Low Price (In ₹)	No. of Share Traded	High Price (In ₹)	Low Price (In ₹)	No. of Share Traded
1	Apr-18	58.25	43.15	2,28,449	58.20	42.40	408549
2	May-18	44.95	27.50	2,45,838	44.00	26.15	589279
3	Jun-18	36.40	26.70	87,912	36.40	25.55	159569
4	Jul-18	29.30	17.80	89,845	29.05	17.30	204151
5	Aug-18	30.30	23.30	1,61,411	29.85	23.50	327461
6	Sep-18	29.95	24.50	69,576	29.85	24.40	255656
7	Oct-18	27.00	20.65	1,17,306	26.70	19.60	218696
8	Nov-18	31.00	21.50	75,683	30.70	21.75	325286
9	Dec-18	33.60	25.45	68,817	34.05	25.65	206491
10	Jan-19	37.45	30.10	1,03,853	37.40	30.20	358299
11	Feb-19	36.50	26.60	2,99,946	36.60	26.35	311788
12	Mar-19	46.30	35.05	1,79,385	46.40	35.10	555266

TABLE – 2: PERFORMANCE OF THE SHARE PRICE OF THE COMPANY IN COMPARISON TO BSE SENSEX AND NIFTY50 FOR THE PERIOD 1ST APRIL, 2018 TO 31ST MARCH, 2019 IS GIVEN BELOW:



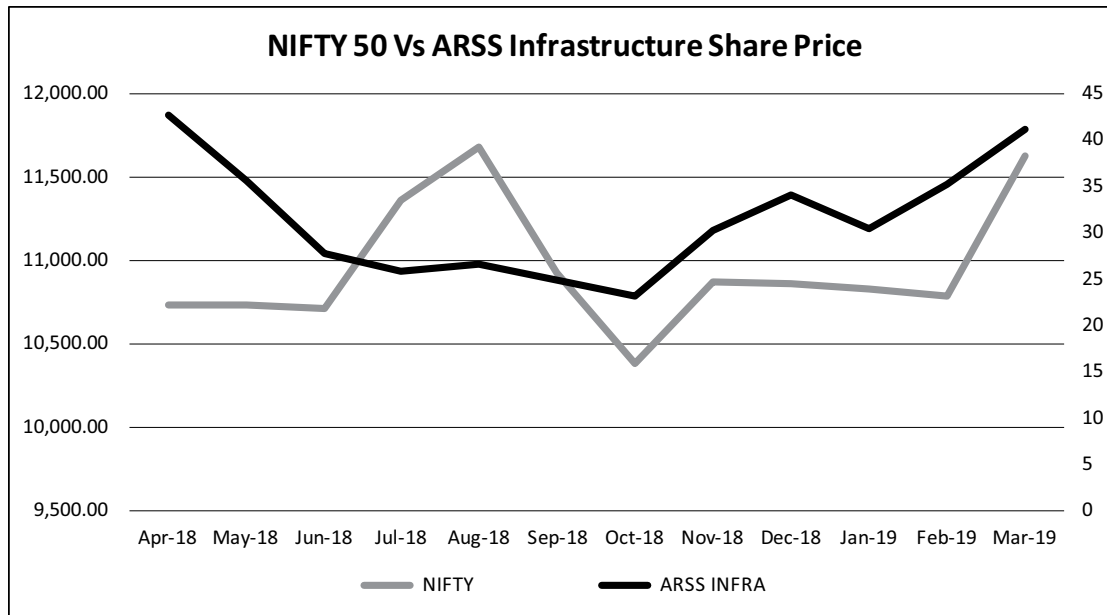


TABLE – 3: DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2019

Sl. No.	Range (In ₹)	As on 31 st March, 2019				As on 31 st March, 2018			
		Folios	%age	Shares Amount (In ₹)	%age	Folios	%age	Shares Amount (In ₹)	%age
1	Up to 5000	15,167	85.3%	18,175,720	7.99%	16,822	85.21%	20,355,100	8.95%
2	5001-10000	1,219	6.9%	9,894,730	4.35%	1,386	7.02%	11,271,300	4.96%
3	10001-20000	663	3.7%	10,065,820	4.43%	739	3.74%	11,328,920	4.98%
4	20001-30000	224	1.3%	5,794,700	2.55%	247	1.25%	6,343,090	2.79%
5	30001-40000	95	0.5%	3,386,570	1.49%	110	0.56%	3,886,990	1.71%
6	40001-50000	108	0.6%	5,064,480	2.23%	118	0.60%	5,518,610	2.43%
7	50001-100000	135	0.8%	9,653,740	4.25%	152	0.77%	11,087,650	4.88%
8	100001 and above	177	1.0%	165,343,900	72.72%	168	0.85%	157,588,000	69.31%
	TOTAL	17,788	100.00%	227,379,660	100.00%	19,742	100.00%	227,379,660	100.00%

TABLE – 4: SHAREHOLDING PATTERN AS ON 31ST MARCH, 2019

Sl. No.	CATEGORY	FOLIOS	%AGE	NO. OF SHARES	%AGE
1	Corporate Bodies	241	1.35%	2,125,539	9.36%
2	Corporate Bodies NBFC	1	0.01%	8,700	0.04%
3	Non Nationalised Banks	1	0.01%	93,000	0.41%
4	Non Resident Indians	137	0.77%	201,725	0.89%
5	Promoters	14	0.08%	10,619,468	46.70%
6	Public	17,335	97.45%	9,623,245	42.32%
7	Trust	1	0.01%	15	0.0001%
8	IEPF	1	0.01%	11,782	0.05%
9	Others	57	0.32%	54,492	0.24%
	TOTAL	17,788	100.00%	22,737,966	100.00%

Shareholding pattern of the Company in detail is presented in MGT – 9 enclosed to the Board's report as Annexure 'C'

TABLE – 5: Top Ten Shareholders of the Company as on 31st March, 2019

SR. NO	NAME OF SHAREHOLDERS	CATEGORY	NO. OF SHARES	%
1	Sidhant Financial Services Ltd	Promoter Group	3,393,031	14.92%
2	ARSS Developers Ltd.	Promoter Group	3,183,480	14.00%
3	Mr. Subash Agarwal	Promoters	1,381,608	6.08%
4	Mr. Mohanlal Agarwal	Promoters	761,750	3.35%
5	Mr. Rajesh Agarwal	Promoters	538,745	2.37%
6	Greshma Finvest Private Limited	Corporate Bodies	404,328	1.78%
7	Tao Builders And Developers Pvt. Ltd.	Corporate Bodies	343,000	1.51%
8	Mr. Anil Agarwal	Promoters	339,821	1.49%
9	Ms. Manisha Jitendra Bhadra	Public	300,000	1.32%
10	Mr. Sunil Agarwal	Promoters	278,647	1.22%
	TOTAL		10,924,410	48.04%

TABLE – 6: DETAILS OF PLANT & LOCATIONS :-

CRUSHER PLANT	HOT MIX PLANT	HOT-MIX AND WET MIX PLANT
1. At - Durgapur (Chatrama), PO - Bajapur, Dist - Khurda, Pin-752060, Odisha.	1. At - Nityanandapur, PO - Nihalprasad, Dist - Dhenkanal, Pin-759016, Odisha.	1. At - Durgapur (Chatrama), PO - Bajapur, Dist - Khurda, Pin-752060, Odisha.
2. At/P.o - Kharbhuin, PS - Harbhanga, Charichhak, Dist - Boudh. Pin-762020, Odisha.	2. At- Mundher, P.o-Jhankarpali, PS- Jujamura, Dist- Sambalpur Pin-768005, Odisha.	2. At/P.o - Kharbhuin, PS - Harbhanga, Charichhak, Dist – Boudh, Pin-762020, Odisha.
3. At - Nirmula, PO - Kursud, P.S. Sindhikela, Tahsil - Titlagarh, Dist - Bolangir Pin-767035, Odisha.	3. At-Dankari, Po- Chadhaidhara, Dist - Jajpur Pin-755023, Odisha.	3. At - Nirmula, PO - Kursud, P.S. Sindhikela, Tahsil - Titlagarh, Dist - Bolangir Pin-767035, Odisha.
4. At-Kelar, P.o-Kakirguma , Laxmipur Pin-765013, (Odisha) Dist – Koraput, Odisha.	4. At-Nuasahi, Po-Badimunda, Tahasil-Tikabali, Dist- Kandhamal(Phulbani) Pin-762010, Odisha.	4. At-Kelar, P.o-Kakirguma , Laxmipur, Dist – Koraput, Pin- 765013, Odisha.
5. At- Mundher, P.o-Jhankarpali, PS- Jujamura, Dist- Sambalpur, PIN-768005, Odisha.	5. At-Dankari, Po- Chadhaidhara, Dist - Jajpur Pin-755023, Odisha.	5. At/Po - Sainstal Station Yard, Saintala, Bolangir Pin-752060, Odisha.
6. At-Dankari, Po- Chadhaidhara, Dist - Jajpur Pin-755023, Odisha.		6. At-Dankari, Po- Chadhaidhara, Dist - Jajpur Pin-755023, Odisha.
7. At-Nuasahi, Po-Badimunda, Tahasil-Tikabali, Dist-Kandhamal(Phulbani) Pin-762010, Odisha.		



DECLARATION BY THE MANAGING DIRECTOR REGULATION 34(3) PART D OF THE SEBI LISTING REGULATIONS

To,
The Members,
ARSS Infrastructure Projects Limited,
Bhubaneswar.

I hereby declare that all the Directors and the designated employees in the senior management of the Company have affirmed compliance with their respective codes for the financial year ended March 31, 2019.

Place: Bhubaneswar
Date: 28.05.2019

Sd/-
(Rajesh Agarwal)
Managing Director

For and on behalf of the Board of Directors

Place: Bhubaneswar
Date: 28.05.2019

Sd/-
(Subash Agarwal)
Chairman

CEO/CFO CERTIFICATION

To,
The Board of Directors,
ARSS Infrastructure Projects Limited,
Mancheswar, Bhubaneswar,
Odisha, India.

**Sub: Compliance Certificate Under Regulation 17(8) of
SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015**

We, Rajesh Agarwal, Managing Director and S. K. Pattanaik, Chief Financial Officer of ARSS Infrastructure Projects Limited hereby declare, confirm and certify as under in respect of Annual Accounts for the year ended 31st March, 2019:

- A. We have reviewed financial statements and the cash flow statement of ARSS Infrastructure Projects Limited for the year ended on 31st March, 2019 and that to the best of their knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee:
- (1) Significant changes in internal control over financial reporting during the year;
 - (2) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and.
 - (3) 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 listed entity's internal control system over financial reporting.

For ARSS Infrastructure Projects Limited

For ARSS Infrastructure Projects Limited

Sd/-
(Rajesh Agarwal)
Managing Director

Sd/-
(S. K. Pattanaik)
Chief Financial Officer

Place: Bhubaneswar

Date: 28.05.2019

AUDITORS' CERTIFICATE ON COMPLIANCE WITH CONDITIONS OF CORPORATE GOVERNANCE

To,
The Members,
ARSS Infrastructure Projects Limited
Bhubaneswar, Odisha.

We have examined the compliance of conditions of Corporate Governance by ARSS Infrastructure Projects Limited ("the Company"), for the year ended on March 31, 2019, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations").

Managements' Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditors' Responsibility

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

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the "ICAI"), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

Best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2019.

We 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 Ajay B Garg
Chartered Accountants

(CA Ajay Garg)
Proprietor
Membership No: 32528

Place: Mumbai

Date: 07.08.2019

CERTIFICATE BY A COMPANY SECRETARY IN PRACTICE

[Pursuant to clause (i) of point 10 of para C of Schedule V of Securities and Exchange of Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

We have examined the following documents:

- I. Declaration of non-disqualification as required under Section 164 of Companies Act, 2013 ('the Act');
- II. Disclosure of concern or interests as required under Section 184 of the Act; (hereinafter referred to as 'relevant documents'),

As submitted by the Directors of **ARSS Infrastructure Projects Limited** ('the Company') bearing CIN: L14103OR2000PLC006230 and having its registered office at Plot No-38, Sector-A Zone-D, Mancheswar Industrial Estate Bhubaneswar-751 010, to the Board of Directors of the Company ('the Board') for the Financial Year 2019-20. We have considered non-disqualification to include non-debarment by Regulatory / Statutory Authorities.

It is the responsibility of Directors to submit relevant documents with complete and accurate information in accordance with the provisions of the Act.

Based on our examination of relevant documents made available to us by the Company and such other verifications carried out by us as deemed necessary and to the extent possible, in our opinion and to the best of our information and knowledge and according to the explanations provided by the Company, its officers and authorized representatives, we certify that as on date of this Certificate, none of the Directors on the Board of the Company, as listed hereunder, have been debarred or disqualified from being appointed or continuing as Directors of the Company by Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority.

Name	Category	DIN
Mr. Subash Agarwal (Chairman)	Executive Director	00218066
Mr. Rajesh Agarwal (Managing Director)	Executive Director	00217823
Mr. Swarup Chandra Parija	Independent Director	00363608
Mr. Krishna Chandra Raut	Nominee Director	03592433
Mr. Pareswar Panda	Independent Director	07902468
Mrs. Janhabi Deo	Independent Director	07257699

This Certificate has been issued at the request of the Company to make disclosure in its Corporate Governance Report of the Financial Year ended 31st March, 2019.

For Sunita Mohanty & Associates

Sd/-
Jyotirmoy Mishra, Partner
 Company Secretary in practice
 C.P. No.-6022

Place: Bhubaneswar

Date: 08.08.2019

Form No. MGT-9 EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31.03.2019

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

(i)	CIN	L14103OR2000PLC006230
(ii)	Registration Date	17/05/2000
(iii)	Name of the Company	ARSS Infrastructure Projects Limited
(iv)	Category / Sub-Category of the Company	Public Company Having Share Capital
(v)	Address of the Registered office and contact details	Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar-751 010, Odisha, India.
(vi)	Whether listed company	Yes
(vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Bigshare Services Private Limited 1 st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai-400059, Maharashtra.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Construction related	99532	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of The Company	CIN/GLN	Holding/ Subsidiary / Associate	% of Shares held	Applicable Section
1	ARSS Damoh-Hirapur Tolls Private limited Address: Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar-751010, Odisha	U45201OR2011PTC013524	Subsidiary Company	99.82%	2 (87)
2	ARSS Developers Limited Address: Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar-751010, Odisha	U45209OR2007PLC009201	Associate Company	38.41%	2 (6)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	2724732	1318225	4042957	17.78	4042957	0	4042957	17.78	0.00
b) Central Govt.	0	0	0	0	0	0	0	0.00	0.00
c) State Govt.(s)	0	0	0	0	0	0	0	0.00	0.00
d) Bodies Corp.	0	6576511	6576511	28.92	6576511	0	6576511	28.92	0.00
e) Banks / FI	0	0	0	0	0	0	0	0.00	0.00
f) Any other	0	0	0	0	0	0	0	0.00	0.00
Sub Total A (1)	2724732	7894736	10619468	46.70	10619468	0	10619468	46.70	0.00
(2) Foreign									
a) NRIs - Individuals	0	0	0	0.00	0	0	0	0	0.00
b) Other – Individuals	0	0	0	0.00	0	0	0	0	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0	0.00
e) Any Other	0	0	0	0.00	0	0	0	0	0.00
Sub Total A (2)	0	0	0	0.00	0	0	0	0	0.00
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	2724732	7894736	10619468	46.70	10619468	0	10619468	46.70	0.00
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0	0.00
b) Venture Capital Funds	0	0	0	0.00					0.00
c) Alternate Investment Funds	0	0	0	0.00	0	0	0	0	0.00
d) Banks / Financial Institutions	93000	0	93000	0.41	93000	0	93000	0.41	0.00
e) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
f) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
g) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
h) FIs	0	0	0	0.00	0	0	0	0.00	0.00
i) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
j) Others (specify)	0	0	0	0	0	0	0	0.00	0.00
Sub-total (B)(1):-	93000	0	93000	0.41	93000	0	93000	0.41	0.00
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	2090671	0	2090671	9.19	2125539	0	2125539	9.35	0.16
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 2 lakh	7196414	13227	7209641	31.71	6711500	12727	6724227	29.57	(2.14)
ii) Individual shareholders holding nominal share capital in excess of ₹ 2 lakh	2345771	0	2345771	10.32	2899018	0	2899018	12.75	2.43
NBFCs registered with RBI	8700	0	8700	0.04	8700	0	8700	0.04	0.00
c) Others (specify)									
i) Non Resident Indians	216677	0	216677	0.95	201725	0	201725	0.89	(0.06)
ii) Overseas Corporate Bodies	0	0	0	0.00	0	0	0	0	0.00
iii) Foreign Nationals	0	0	0	0.00	0	0	0	0	0.00
iv) Clearing Members	154023	0	154023	0.68	54492	0	54492	0.24	(0.44)
v) Trusts	15	0	15	0.0001	15	0	15	0.0001	0
vi) Foreign Bodies	0	0	0	0.0	0	0	0	0	0
vii) IEPF	0	0	0	0.00	11782	0	11782	0.05	0.05
Sub-total (B)(2):-	12012271	13227	12025498	52.89	12012771	12727	12025498	52.89	0
Total Public Shareholding (B)=(B)(1)+(B)(2)	12105271	13227	12118498	53.30	12105771	12727	12118498	53.30	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	14830003	7907963	22737966	100.00	22725239	12727	22737966	100.00	0

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (01.04.2018)			Share holding at the end of the year (31.03.2019)			% change in share holding during the year
		No. of Shares	% of totals shares of the Company	% shares pledged/ encumbered to total shares	No. of Shares	% of totals shares of the Company	% shares pledged/ encumbered to total shares	
1	Mr. Mohanlal agarwal	761,750	3.35	100.00	761,750	3.35	100.00	0.00
2	Mr. Subash Agarwal	1,381,608	6.08	84.94	1,381,608	6.08	84.94	0.00
3	Mr. Anil agarwal	339,821	1.49	85.34	339,821	1.49	85.34	0.00
4	Mr. Rajesh Agarwal	538,745	2.37	66.08	538,745	2.37	66.08	0.00
5	Mr. Sunil Agarwal	278,647	1.23	23.47	278,647	1.23	23.47	0.00
6	Mrs. Ramdulari Agarwal	184,483	0.81	-	184,483	0.81	-	0.00
7	Mrs. Sanju Agarwal	118,704	0.52	-	118,704	0.52	-	0.00
8	Mrs. Seema Agarwal	20,020	0.09	-	20,020	0.09	-	0.00
9	Mrs. Sangita agarwal	123,796	0.54	-	123,796	0.54	-	0.00
10	Mrs. Sabita Agarwal	217,383	0.96	-	217,383	0.96	-	0.00
11	Mr. Ramesh Prasad Agrawal	3,000	0.01	-	3,000	0.01	-	0.00
12	Mrs. Shilpa Agarwal	75,000	0.33	-	75,000	0.33	-	0.00
13	ARSS Developers Ltd	3,183,480	14.00	-	3,183,480	14.00	-	0.00
14	Sidhant Financial Services Ltd	3,393,031	14.92	-	3,393,031	14.92	-	0.00
TOTAL		10,619,468	46.70	24.92	10,619,468	46.70	24.92	0.00

(iii) Change in Promoters' Shareholding (Please specify, if there is no change)

Sr. No.		Shareholding at the beginning of the year (01.04.2018)		Cumulative Shareholding during the year (31.03.2019)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year (01.04.2018)	1,06,19,468	46.70	1,06,19,468	46.70
2	At the end of the year (31.03.2019)	1,06,19,468	46.70	1,06,19,468	46.70

(iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Name of Shareholders	Shareholding at the beginning of the year (01.04.2018)		Shareholding at the end of the year (31.03.2019)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Greshma Finvest Private Limited	177,070	0.78	404,328	1.78
2	Tao Builders And Developers Pvt Ltd.	343,000	1.51	343,000	1.51
3	Manisha Jitendra Bhadra	88,975	0.39	300,000	1.32
4	Upasana Resources Private Limited.	-	-	200,000	0.88
5	Nirmal Bang Securities Pvt Ltd	-	-	169,299	0.74
6	Jalan Tubes Limited	80,000	0.35	157,660	0.69
7	Viraf Dinshaw Mehta	152,481	0.67	152,481	0.67
8	Raooof Razak Dhanani	142,500	0.63	119,000	0.52
9	Swati Agarwal	0	0	113,794	0.50
10	Mentor Capital Limited	103,253	0.45	103,253	0.45
	TOTAL	1,087,279	4.78	2,062,815	9.06

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year (01.04.2018)		Shareholding at the end of the year (31.03.2019)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Directors				
1	Mr. Subash Agarwal	13,81,608	6.08	13,81,608	6.08
2	Mr. Rajesh Agarwal	5,38,745	2.37	5,38,745	2.37
3	Mr. Swarup Chandra Parija	0	0	0	0
4	Mr. Krishna Chandra Raut	0	0	0	0
5	Mr. Pareswar Panda	0	0	0	0
6	Mrs. Janhabi Deo	0	0	0	0
	Key Managerial Personnel				
1	Mr. Rajesh Agarwal	5,38,745	2.37	5,38,745	2.37
2	Mr. Soumendra Keshari Pattanaik	120	0.0005	120	0.0005
3	Mrs. Alka Khemka	300	0.0013	550	0.0024

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ In Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (01.04.2018)				
i) Principal Amount	166,189.16	1,941.94	-	168,131.10
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	166,189.16	1,941.94	-	168,131.10
Change in Indebtedness during the financial year				
* Addition	50,300.31	90.50		50,390.81
* Reduction	48,834.11	699.00		49,533.11
Net Change	1,466.20	(608.50)	-	857.70
Indebtedness at the end of the financial year (31.03.2019)				
i) Principal Amount	167,655.36	1,333.44	-	168,988.80
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	167,655.36	1,333.44	-	168,988.80

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A) Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹ In Lacs)

Sr. No.	Particulars of Remuneration	Name of MD, WTD OR MANAGER		Total Amount (₹ In Lacs)
		Mr. Subash Agarwal (Executive Chairman)	Mr. Rajesh Agarwal (Managing Director)	
1	Gross salary	0.00	0.00	0.00
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0.00	0.00	0.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL
4	Commission - as % of profit - others, specify...	NIL	NIL	NIL
5	Others, please specify	NIL	NIL	NIL
	Total (A)	0.00	0.00	0.00
	Ceiling as per the Act	₹ 60.00 lakhs	₹ 60.00 lakhs	₹ 120.00 lakhs
		For each Director (Managing Director / Whole Time Director) (being the maximum remuneration payable as per Part-A, Section-II of Schedule V to the Companies Act, 2013)		

B. Remuneration to other directors:

(₹ In Lacs)

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. S.C. Parija	Mr. Pareswar Panda	Mrs. Janhabi Deo	Mr. K.C. Raut	
1	Independent Directors					
	Fee for attending board committee meetings	4.20	0.80	3.60	-	8.60
	Commission	-	-	-	0	-
	Others, please specify (Incidental exp. For attending meetings)	0.20	0.10	0.20		0.50
	Total (1)	4.40	0.90	3.80		9.10
2	Other Non-Executive Directors (ND)					
	Fee for attending board committee meetings	-	-	-	4.00	4.00
	Commission	-	-	-	Nil	-
	Others, please specify (Incidental exp. for attending meetings)	-	-	-	0.20	0.20
	Total (2)	-	-	-	4.20	4.20
	Total (B)=(1+2)	4.40	0.90	3.80	4.20	13.30
	Total Managerial Remuneration	4.40	0.90	3.80	4.20	13.30

C. Remuneration to Key Managerial Personnel other than MD/Manager/W.T.D

Sr. No	Particular Remuneration	Key Managerial Personnel		
		Mr. S.K. Pattanaik (Chief Financial Officer)	Ms. Alka Khemka (Company Secretary)	Total (₹ In Lacs)
1	Gross Salary			
a	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	30.00	9.00	39.00
b	Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	
c	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	
2	Stock Option	-	-	
3	Sweat Equity	-	-	
4	Commission as % of profit - others, specify	-	-	
5	Others, please specify	-	-	
	TOTAL	30.00	9.00	39.00

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: During the year under review, there were no such penalty / punishment imposed over the company and their officials.

Type	Sections of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give details)
A. COMPANY: NIL					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTOR: NIL					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT: NIL					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
Sub-Total	-	-	-	-	-

Form No. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31.03.2019

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED ON 31.03.2019

To,
The Members,
ARSS Infrastructure Projects Limited,
Plot No. 38, Sector A, Zone D,
Mancheswar Industrial Estate,
Bhubaneswar, Odisha.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ARSS Infrastructure Projects Limited, (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms, and returns filed and other records maintained by the Company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2019 complied with the statutory provisions listed hereunder and also that the company has proper Board-processes listed and compliance –mechanism in place to the extent in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms, and returns filed and other records maintained by ARSS Infrastructure Projects Limited (“the company”) for the financial year ended on 31st March, 2019 according to the provisions of:

- (i) The Companies Act , 2013 (the Act) and the rules made thereunder :
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act , 1996 and the Regulations and Bye-laws framed thereunder :
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings :
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India , 1992 (‘SEBI Act’):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations 2011
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
 - (d) The Securities and Exchange Board of India (Issue of Capital (Employee Stock Option Scheme and Employee Stock purchase Scheme) Guidelines, 1999 ;
 - (e) The Securities and Exchange Board of India (Issue and listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 the Companies Act and dealing with Client ;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable during the period under review); and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not Applicable during the period under review);
- (vi) The Employees Provident Fund and Miscellaneous Provisions Act, 1952 and other applicable Labour Laws :

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India.
- (ii) The new Listing Agreement under SEBI (LODR) Regulations, 2015 entered into by the Company with Bombay Stock Exchange Limited on 2nd day of December, 2015 & National Stock Exchange of India Limited on 2nd day of December, 2015.

During the period under review the company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc., mentioned above.

We further report that, there are various pending legal cases by and against the Company, the impact & contingency of which are not reasonably ascertained in our Report.

We further report that Central Bank of India has filed a FIR with Central Bureau of Investigation - CBI against subsidiary company 'ARSS Damoh Hirapur Tolls Private Limited', its directors and guarantors including ARSS Infrastructure Projects Limited (being corporate guarantor) on 9th April, 2018 in connection with the loan provided to the subsidiary company 'ARSS Damoh Hirapur Tolls Private Limited' and as on the date of report, the loan amount has been settled through OTS and the amount is expected to be repaid as per schedule sanctioned in OTS.

We further report that after disapproval of application for payment of remuneration to Chairman and Managing Director by the Ministry of Corporate Affairs, the entire amount of remuneration received from 01/04/2016 till date has been refunded to the Company.

We further report that Bank of India, Financial Creditor of the Company has filed a petition before National Company Law Tribunal, Kolkata against the Company for initiation of Corporate Insolvency Resolution Process however which has not been admitted and is now under settlement process and it is expected that the amount will be settled through OTS.

We further report that Kotak Mahindra Bank Financial Creditor of the Company, Sutco Bearings India Private Limited and Gulf Oil Lubricants India Limited, Operational Creditors of the Company have filed separate petitions before National Company Law Tribunal, Kolkata against the Company for initiation of Corporate Insolvency Resolution Process. All the above cases have been transferred to NCLT, Cuttack Bench. As on the date of report, Kotak Mahindra Bank has come out with OTS settlement proposal and the amount is expected to be repaid as per schedule sanctioned in OTS. All above cases have been settled by the company and the withdrawal of application are under process.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The Company Secretary-cum-Compliance Officer resigned w.e.f close of business hours of 30/03/2019 and the Company appointed its Managing Director as Compliance Officer till a full time Company Secretary is appointed. The Company has taken necessary steps for selection of a full time Company Secretary.

The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, there being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board meetings are generally carried unanimously and dissenting members' views, if any are captured and duly recorded in the minutes Book.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines.

This report is to be read with our letter of even date which is annexed as Annexure A and form an integral part of this report.

Place : - Bhubaneswar
Date : - 02.08.2019

For Sunita Mohanty & Associates

Sd/-
CS Jyotirmoy Mishra
Company Secretary in practice
FCS No.: 6556
C P No: 6022

To,
The Members,
ARSS Infrastructure Projects Limited,
Plot No. 38, Sector A, Zone D,
Mancheswar Industrial Estate,
Bhubaneswar, Odisha.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place : - Bhubaneswar
Date : - 02.08.2019

For Sunita Mohanty & Associates

Sd/-
CS Jyotirmoy Mishra
Company Secretary in practice
FCS No.: 6556
C P No: 6022

Form No. MR-3**SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31.03.2019**

[Pursuant to Rule 24A of SEBI (LODR) (Amendment) Regulations 2018]

To,
**The Members,
ARSS Damoh – Hirapur Tolls Private Limited,
Plot No. 38, Sector A, Zone D,
Mancheswar Industrial Estate,
Bhubaneswar, Odisha.**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ARSS Damoh – Hirapur Tolls Private Limited, (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms, and returns filed and other records maintained by the Company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2019 complied with the statutory provisions listed hereunder and also that the company has proper Board-processes listed and compliance –mechanism in place to the extent in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms, and returns filed and other records maintained by ARSS Damoh – Hirapur Tolls Private Limited ("the company") for the financial year ended on 31st March, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder :
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder (not applicable to the Company);
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder (not applicable to the Company);
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings :
- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India, 1992 ('SEBI Act') (are not applicable to the Company as it is a Private Limited Company):-

We have also examined compliance with the applicable clauses of the following:

- (a) Secretarial Standards issued by the Institute of Company Secretaries of India.

During the period under review the company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc., mentioned above except the following :

- i. The company has not appointed a fulltime Company Secretary although it is mandatorily required to appoint pursuant to Section 203 of the Companies Act, 2013 read with Rule 8A of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. However the Company has taken necessary steps for appointing one CS and looking for a suitable candidate for the same.

We further report that, there are various pending legal cases by and against the Company, the impact & contingency of which are not reasonably ascertained in our Report.

We further report that, there has been no commercial activities in the Company since last few years and therefore there has been no regular employees working under it. Hence the company has not been depositing any amount in Provident Fund towards employer as well as employee contributions.

We further report that Central Bank of India has filed a FIR with Central Bureau of Investigation - CBI against the company, its directors and guarantors including ARSS Infrastructure Projects Limited (being corporate guarantor) on 9th April, 2018 in connection with the loan provided to the Company and as on the date of report, the loan amount has been settled through OTS and the amount is expected to be repaid as per schedule sanctioned in OTS.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, there being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board meetings are generally carried unanimously and dissenting members' views, if any are captured and duly recorded in the minutes Book.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines.

This report is to be read with our letter of even date which is annexed as Annexure A and form an integral part of this report.

Place :- Bhubaneswar
Date :- 02.08.2019

For Sunita Mohanty & Associates

Sd/-
CS Jyotirmoy Mishra
Company Secretary in practice
FCS No.: 6556
C P No: 6022

To,
The Members,
ARSS Damoh – Hirapur Tolls Private Limited,
Plot No. 38, Sector A, Zone D,
Mancheswar Industrial Estate,
Bhubaneswar, Odisha

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place : - Bhubaneswar
Date : - 02.08.2019

For Sunita Mohanty & Associates

Sd/-
CS Jyotirmoy Mishra
Company Secretary in practice
FCS No.: 6556
C P No: 6022

FORM AOC-2

(Pursuant to clause (h) of Sub-Section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso for the FY 2018-19 is given below:

1. Details of contracts or arrangements or transactions not at Arm's length basis:

Sl. No.	Particulars	Details
(a)	Name(s) of the related party & nature of relationship	NIL
(b)	Nature of contracts/arrangements/transaction	NIL
(c)	Duration of the contracts/arrangements /transaction	NIL
(d)	Salient terms of the contracts or arrangements or transaction including the value, if any	NIL
(e)	Justification for entering into such contracts or arrangements or transactions	NIL
(f)	Date of approval by the Board	NIL
(g)	Amount paid as advances, if any	NIL
(h)	Date on which the special resolution was passed in General meeting as required Nil under first proviso to section 188	NIL

2. (a). Details of contracts or arrangements or transactions at Arm's length basis with Group Companies.

(₹ In Crores)

Sl. No.	Particulars	Details				
		Shivam Condev Pvt. Ltd. (Director's Relative)	Shivam Condev Pvt. Ltd. (Director's Relative)	Shivam Condev Pvt. Ltd. (Director's Relative)	Shivam Condev Pvt. Ltd. (Director's Relative)	Shivam Condev Pvt. Ltd. (Director's Relative)
(a)	Name(s) of the related party & nature of relationship	Shivam Condev Pvt. Ltd. (Director's Relative)	Shivam Condev Pvt. Ltd. (Director's Relative)	Shivam Condev Pvt. Ltd. (Director's Relative)	Shivam Condev Pvt. Ltd. (Director's Relative)	Shivam Condev Pvt. Ltd. (Director's Relative)
(b)	Nature of contracts/arrangements/ transaction	Material Sold	House Rent	Consultancy	Sale of Asset	Crusher Rent
(c)	Duration of the contracts/arrangements /transaction	Ongoing	Ongoing	Ongoing	One time	Ongoing
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	0	0.12	0.23	0	0.10
(e)	Date of approval by the Members /board	11 th February, 2017	11 th February, 2017	11 th February, 2017	11 th February, 2017	11 th February, 2017
(f)	Amount paid as advance, if any (₹ In Crores)	Nil	Nil	Nil	Nil	Nil

(b). Details of contracts or arrangements or transactions at Arm's length basis with Joint Ventures.**(₹ In Crores)**

Sl. No.	Particulars	Details				
		(a)	Name (s) of the related party & nature of relationship	Atlanta-ARSS JV	ARSS- BMS JV	ARSS- LGPPL JV
(b)	Nature of contracts/ arrangements/transaction	Sub contract received	Sub contract received	Sub contract received	Sub contract received	Sub contract received
(c)	Duration of the contracts/ arrangements/transaction	Ongoing	Ongoing	Ongoing	Ongoing	Ongoing
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	22.76	0.30	1.00	0.07	0.10
(e)	Date of approval by the Members / board)	11 th February, 2017	11 th February, 2017	16 th May, 2016	7 th November, 2018	16 th December, 2005
(f)	Amount paid as advance, if any (₹ In Crores)	Nil	Nil	Nil	Nil	Nil

(c). Details of Remuneration to Directors / their relatives (at place of profit)**(₹ in Crores)**

Sl. No.	Particulars	Details	
		(a)	Name (s) of the related party & nature of relationship
(b)	Nature of contracts/ arrangements/transaction	Remuneration	Remuneration
(c)	Duration of the contracts/ arrangements/transaction	Ongoing	Ongoing
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	0.42	0.42
(e)	Date of approval by the Members (ratified by the board)	29 th September, 2015	29 th September, 2015
(f)	Amount paid as advance, if any (₹ In Lacs)	Nil	Nil

Independent Auditor's Report

To the Members of

ARSS Infrastructure Projects Limited

CIN : L14103OR2000PLC006230

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

Mancheswar Industrial Estate

Bhubaneswar-751 010, Odisha

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the accompanying standalone financial statements of ARSS Infrastructure Projects Limited ("the Company"), which comprise the Balance Sheet as at March 31st, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31st, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

- a) In absence of relevant records, Contract-wise surplus/loss has neither been ascertained nor recognized in compliance with Ind AS-115 'Revenue from contract with customers'.
- b) The company has overdue accumulated secured debts amounting to ₹1629.46 Crores out of which ₹123.53 Crores subject to interest reconciliation from 01.10.2018 and ₹1505.93 Crores subject to reconciliation of interest thereon from 01.04.2016. Banks have classified the accounts as NPA. No interest has been charged on these secured debts to the Profit & Loss account resulting in understatement of loss to that extent and understatement of liability. Secured lenders have served notices on various dates under section 13(2) of Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 for recovery of their dues.
- c) Bank statement from State Bank of India and Export Import Bank of India (now Edelweiss ARC Ltd) is not available. We are unable to ascertain balances and transaction with these banks.

We conducted our audit in accordance with Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Qualified Opinion section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter:	How our audit addressed the key audit matter:
<p>1. Claim receivable amounting to ₹133034Lakhs is under dispute/ arbitration. Same are subject to the outcome of arbitration and/or reconciliation proceedings arising out of various contractual obligations. Recognition and measurement of the same is based on management evaluation. [Refer note to Note 9: Other Financial Assets]</p>	<ul style="list-style-type: none"> • Evaluate the reasonableness of management's assessment and judgment considering the relevant sector and industry specific phenomenon. • Assessed the individual project wise and case wise outstanding claim receivables. • Discussed the status of significant arbitration claims with the Company's in-house Legal Counsel and other senior management personnel and assessing their responses. • Verified documentation of claim receivable under arbitration. • Checked the arithmetical accuracy of the essential calculations of the management estimate and judgment. • Reviewed the adequacy of disclosures made in the financial statements with this regards. • Based on the above procedures performed by us, we considered the management's assessment of recoverability of claim receivable to be reasonable.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Company's Annual Report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for explaining our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure-A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained, except for the matter described in the sub para 'b' of the 'Basis for Qualified Opinion' paragraph above, all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) Except for the possible effect of the matter described in the 'Basis for Qualified Opinion' paragraph above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

- (d) Except for the possible effect of the matter described in the 'Basis for Qualified Opinion' paragraph above, in our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure-B".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 9 and Note 57 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
3. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act; in our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act.

For **Ajay B Garg**
Chartered Accountants

A Garg
Proprietor
Membership No.: 032538

Place: Mumbai

Date: 28th May 2019

‘Annexure – A’ to the Independent Auditors’ Report

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the standalone financial statements of the Company for the year ended March 31, 2019, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the company.
- (ii) (a) As explained to us, the inventories have been physically verified during the year by the management. In our opinion, having regard to the nature and location of stocks, the frequency of the physical verification is reasonable.
- (b) In our opinion, the discrepancies noticed on physical verification of the inventory were not material in relation to the operations of the Company and the same have been properly dealt with in the books of account.
- (iii) The Company has granted loans amounting to ₹400Lakhs to one bodies corporate covered in the register maintained under section 189 of the Companies Act, 2013 (‘the Act’).
- (a) In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the bodies corporate listed in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interest of the Company.
- (b) In the case of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of the interest, if any applicable; and repayment of principal on demand. The terms of arrangements do not stipulate any repayment schedule and the loans are repayable on demand.
- (c) There are no overdue amount for more than 90days in respects of the loan granted to body corporate listed in the register maintained under section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- (v) The Company has not accepted any deposits from the public and hence the paragraph 3(v) of the Order relating to directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 or any rules framed there under with regard to the deposits accepted from the public are not applicable to the company. Accordingly we have not commented upon the paragraph 3(v) of the Order.
- (vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the Companies (Cost records and audit) Rules 2014 and as prescribed by the Central Government under section 148(1) of the Act and are of the opinion that prima-facie, the prescribed accounts and cost records have been made and maintained by the Company. We have not however made a detailed examination of the cost records with a view to determining whether they are accurate or complete.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, duty of excise, service tax, duty of customs, employees’ state insurance , value added tax, goods and service tax, cess and other material statutory dues have been regularly deposited with few delay in some cases during the year by the Company with the appropriate authorities.

- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of excise, duty of customs, value added tax, goods and service tax, cess and other material statutory dues were in arrears as at 31 March 2019 for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, there are no material dues of wealth tax, duty of customs and cess which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of income tax, sales tax, service tax and value added tax have not been deposited by the Company on account of disputes:

Name of the statute	Nature of dues	Amount (in Lakhs.)	Forum where dispute is pending
Orissa sales Tax Act	Sales Tax	71.89	Commissioner of Commercial Tax
Orissa Entry Tax Act	Entry Tax	144.00	Commissioner of Commercial Tax
Central Sales Tax Act	Sales Tax	791.10	Commissioner of Commercial Tax
Income Tax Act	Income Tax	5469.84	ITAT (Cuttack)
Income Tax Act	Income Tax	2845.35	CIT(A), Bhubaneswar

- (viii) Based on our Audit procedures and according to information and explanation given to us, the Company has defaulted in payment of bank dues over the year. The Company have overdue outstanding dues to financial institutions, banks as at 31st March 2019 as follows:

Bank Name	₹ In Crores
State Bank of India	931.73
Punjab National Bank	326.91
IDBI Bank Ltd.	123.53
Bank of India	59.84
EXIM Bank(Edelweiss ARC Ltd.)	187.44
Kotak Mahindra Bank	18.50

- (ix) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments. The term loans have been applied for the purpose for which they were obtained.
- (x) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- (xi) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- (xiii) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the standalone Financial Statements as required by the applicable accounting standards.

- (xiv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- (xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- (xvi) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For **Ajay B Garg**
Chartered Accountant

A Garg
Proprietor
Membership No: 032538

Place : Mumbai

Dated : 28th May 2019.

‘Annexure – B’ to the Independent Auditor’s Report

[Referred to in paragraph 2(f) under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the standalone financial statements of the Company for the year ended March 31, 2019.]

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

We have audited the internal financial controls over financial reporting of **M/s. ARSS Infrastructure Projects Limited** (‘the Company’), as of 31 March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also,

projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Ajay B Garg**
Chartered Accountant

A Garg
Proprietor
Membership No: 032538

Place : Mumbai
Dated : 28th May 2019.

Balance Sheet as at

Particulars	Note No.	(Rupees in INR' Lakhs)	
		As at 31 st -Mar-19	As at 31 st -Mar-18
I. ASSETS			
1. Non-current Assets			
(a) Property, Plant and Equipment	5	6,307	8,652
(b) Capital Work-in-progress	5	-	-
(c) Intangible Assets	5	-	-
(d) Financial Assets			
(i) Investments	6	4,518	4,238
(ii) Trade Receivables	7	-	-
(iii) Loans	8	193	195
(iv) Other Financial Assets	9	1,33,044	1,33,044
(e) Deferred Tax Assets (net)	11	1,659	1,097
(f) Other Non-Current Assets	10	29	30
2. Current Assets			
a. Inventories	12	6,698	6,175
b. Financial Assets			
(i) Investments	6	-	-
(ii) Trade Receivables	7	7,406	5,080
(iii) Cash & Bank Balance	13	7,813	6,480
(iv) Bank Balances Other Than Three Above	13	2,320	3,363
(v) Loans	8	4,855	4,964
(vi) Other Financial Assets	9	2,281	1,073
c. Current Tax Assets (Net)	21	5,338	5,018
d. Other Current Assets	10	1,001	1,457
TOTAL ASSETS		1,83,462	1,80,866
II. EQUITY AND LIABILITIES			
1. Equity			
a. Equity Share Capital	14	2,274	2,274
b. Other Equity	15	831	1,947
2. Liabilities			
(i) Non-current Liabilities			
a. Financial Liabilities			
(i) Borrowings	16	479	66,306
(ii) Trade Payables	17	-	-
Total Outstanding Dues of MSME			
Total Outstanding Dues other than MSME			
(iii) Other Financial Liabilities	18	-	-
b. Provisions	19	85	61
c. Deferred Tax Liabilities (net)	11	-	-
d. Other Non-current Liabilities	20	-	108
(ii) Current Liabilities			
a. Financial Liabilities			
(i) Borrowings	16	1,68,509	1,01,825
(ii) Trade Payables	17	-	-
Total Outstanding Dues of MSME			
Total Outstanding Dues other than MSME		5,375	4,982
(iii) Other Financial Liabilities	18	1,989	1,786
b. Provisions	19	31	27
c. Other Current Liabilities	20	3,889	1,550
d. Current Tax Liability (Net)	21	-	-
TOTAL EQUITY AND LIABILITIES		1,83,462	1,80,866

Significant Accounting Policies and Notes to Accounts

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached.

For Ajay B Garg

For and on behalf of the Board

Chartered Accountants

CA. Ajay B Garg

Subash Agarwal

Rajesh Agarwal

S.K. Pattanaik

Prakash Chhajer

(Proprietor)

(Chairman)

(Managing Director)

(Chief Financial Officer)

(Company Secretary)

M.No.- 032538

DIN: 00218066

DIN : 00217823

Place : Bhubaneswar

Date : The 28th day of May,2019

Statement of Profit and Loss

Particulars	Note No.	(Rupees in INR' Lakhs)	
		For the year ended 31 st -Mar-19	For the year ended 31 st -Mar-18
Income			
I. Revenue From Operations	22	45,910	58,434
II. Other Income	23	2,296	1,404
III. Other Gains/(Losses)	24	321	502
Total Income		48,527	60,340
IV. Expenses			
(a) Cost of Materials Consumed	25	15,495	12,805
(b) Cost Of Services Sold	27	18,246	22,380
(c) Change in Inventories (Increase) / Decrease	26	(1,333)	1,193
(d) Depreciation and Amortization expenses	30	2,202	2,394
(e) Employee Benefit Expenses	28	2,647	2,950
(f) Finance cost	29	2,753	3,724
(g) Other Expenses	31	10,200	22,771
Total Expenses		50,210	68,217
V. Profit Before Exceptional Items and Tax		(1683)	(7877)
Exceptional Items		-	-
VI. Profit Before Taxes		(1683)	(7877)
VII. Tax Expenses			
(a) Current Tax			
(b) Tax of Earlier Years			(595)
(c) Deferred Tax	11	562	2995
VIII. Profit (Loss) for the Period		(1121)	(5477)
IX. Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss :			
(a) Changes in investments in equity shares carried at Fair Value through OCI			
(b) Re-measurement of defined employee benefit plans		8	(5)
(ii) Income tax relating to items that will not be reclassified to profit or loss :			
- on Revaluation Surplus on Property, Plant & Equipment			
- on Re-measurement of defined employee benefit plans		(3)	2
B (i) Items that will be reclassified to profit or loss :			
(a) Changes in investments other than equity shares carried at Fair Value through OCI (FVOCI)		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss :			
X. Total Other comprehensive Income after tax		5	(3)
XI. Total comprehensive income for the period		(1,116)	(5,480)
XII. Earnings per equity share:			
(1) Basic	55	(4.93)	(27.52)
(2) Diluted	55	(4.93)	(27.52)

Significant Accounting Policies and Notes to Accounts

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached.

For Ajay B Garg

For and on behalf of the Board

Chartered Accountants

CA. Ajay B Garg

Subash Agarwal

Rajesh Agarwal

S.K. Pattanaik

Prakash Chhajjer

(Proprietor)

(Chairman)

(Managing Director)

(Chief Financial Officer)

(Company Secretary)

M.No.- 032538

DIN: 00218066

DIN : 00217823

Place : Bhubaneswar

Date : The 28th day of May,2019

Statement of Changes in Equity

(Rupees in INR' Lakhs)

A. Equity Share Capital

Particulars	Amount
As at 31 March 2018	2,274
Changes in equity share capital	-
As at 31 March 2019	2,274

B. Other Equity

	Share Application Money	Reserves & Surplus			Total other equity
		General Reserves	Securities premium reserve	Retained earnings	
Balance at 31 March 2018	-	727	19,947	(18,727)	1,947
Profit for the year	-	-	-	(1,121)	(1,121)
Other comprehensive income	-	-	-	5	5
Total comprehensive income for the year	-	-	-	(1,116)	(1,116)
Issue of equity shares	-	-	-	-	-
Balance at 31 March 2019	-	727	19,947	(19,843)	831

As per our report of even date attached

For Ajay B Garg**Chartered Accountants****CA. Ajay B Garg**

(Proprietor)

M.No.- 032538

Subash Agarwal

(Chairman)

DIN: 00218066

Rajesh Agarwal

(Managing Director)

DIN : 00217823

For and on behalf of the Board**S.K. Pattanaik**

(Chief Financial Officer)

Prakash Chhajer

(Company Secretary)

Place : Bhubaneswar

Date : The 28th day of May,2019

Statement of Cash Flows

Particulars	(Rupees in INR' Lakhs)	
	Year Ended	Year Ended
	31 st March'2019	31 st March'2018
Operating Activities		
Profit before tax from continuing operations	(1,683)	(7,877)
Profit/(loss) before tax from discontinuing operations	-	-
Profit before tax	(1,683)	(7,877)
Adjustments for		
Depreciation on Property, plant and equipment	2,201	2,394
Loss/Gain on Sale of Property, plant and equipment	111	9,284
Re-measurement of Defined Benefits Plan	5	(5)
Interest Income	(956)	(1,261)
Interest Expense	2,753	3,724
Assets held for disposal	-	-
Dividend Income	-	-
Operating profit / (loss) before working capital changes	2,431	6,259
Working capital adjustments:		
Increase/(decrease) in short-term Borrowings	66,684	226
Increase/(decrease) in Trade payables	393	86
Increase/(decrease) in other current liabilities	2,339	33
Increase/(decrease) in other long-term liabilities	-	1
Decrease/(increase) in trade receivables	(2,326)	3,134
Decrease/(increase) in inventories	(523)	(306)
Decrease/(increase) in provisions	28	1
Decrease/(increase) in other current assets	456	419
Decrease/(increase) in bank balances with maturity greater than 3 months	1,043	2,444
Decrease/(increase) in other non-current assets	1	(45,019)
Decrease/(increase) in other non-current financial assets	-	36,419
Decrease/(increase) in other current financial assets	(1,208)	2
Decrease/(increase) in assets held for disposal	-	-
Increase/(decrease) in other non-current liabilities	(108)	(1,594)
Increase/(decrease) in other non-current financial liabilities	-	(858)
Increase/(decrease) in other current financial liabilities	203	-
Decrease/(increase) in short-term loans and advances	109	-
Decrease/(increase) in Long-term loans and advances	2	138
	69,524	1,385
Income taxes paid	(320)	712
NET CASH INFLOW FROM OPERATING ACTIVITIES (A)	69,204	2,097
Investing Activities		
Purchase of property, plant and equipment	(59)	(53)
Purchase of Intangible Assets	-	-
Proceeds from Sale of Property, Plant and equipment	92	351
Purchase/(Sale) of Investments	(280)	(48)
Interest received (finance income)	956	1,261
NET CASH OUTFLOW FROM INVESTING ACTIVITIES (B)	709	1,511
Financing Activities		
Proceeds from issue of equity shares	-	789
Proceeds from securities premium	-	5,210
Interest paid	(2,753)	(3,724)
Proceeds/(Repayment) from borrowings	(65,827)	(1,030)
Dividends paid including Dividend Distribution Tax	-	-
NET CASH INFLOW (OUTFLOW) FROM FINANCING ACTIVITIES	(68,580)	1,245
Net increase (decrease) in cash and cash equivalents (A+B+C)	1,333	4,853
Cash and cash equivalents at the beginning of the year	6,480	1,627
Cash and cash equivalents at year end	7,813	6,480

As per our report of even date attached

For Ajay B Garg
Chartered Accountants

For and on behalf of the Board

CA. Ajay B Garg

Subash Agarwal

Rajesh Agarwal

S.K. Pattanaik

Prakash Chhajer

(Proprietor)

(Chairman)

(Managing Director)

(Chief Financial Officer)

(Company Secretary)

M.No.- 032538

DIN: 00218066

DIN : 00217823

Place : Bhubaneswar
Date : The 28th day of May, 2019

Notes to the Financial Statements for the year ended 31st March, 2019

1) Company Overview

ARSS infrastructure Projects Limited (the company) is a public limited company incorporated and domiciled in India. The company has its primary listings on the BSE Limited and National Stock Exchange of India Limited, in India. The company is engaged in execution of contracts of various infrastructure projects including road work, bridge work, railway tracking and irrigation projects.

2) SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

(i) Compliance with Ind AS :

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

(ii) Historical cost convention :

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

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

(iii) Current And Non -Current Classification

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

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

i) Recognition and Measurement

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

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

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

iii) Depreciation methods, estimated useful lives and residual value

- a) Depreciation is calculated using the Straight Line Method (SLM) to allocate their cost, net of their residual values over their estimated useful life. The useful life has been determined based on the technical evaluation done by the independent experts.
- b) Any asset whose aggregate actual cost does not exceed five thousand rupees has been fully charged off in the year of addition.
- c) The residual values are not more than 3% (in case of vehicles) and 5% (in fixed assets other than vehicles) of the original cost of the assets. The assets's residual values and useful life are reviewed and adjusted at the end of each reporting period.

- d) Depreciation on assets purchased/acquired during the year is charged from the date of purchase of the assets. Assets that are acquired during the year are depreciated on pro rata basis from the date of such addition or, as the case may be, upto the date on which such assets has been derecognized.
- e) An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.
- f) Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).
- g) Leasehold land has been amortized over corresponding lease period.

2.3 Revenue recognition :

The company account for revenue from a contract with a customer only when all of the following criteria are met:

- (a) the parties to the contract have approved the contract (in writing, orally or in accordance with other customary business practices) and are committed to perform their respective obligations;
- (b) the company can identify each party's rights regarding the goods or services to be transferred;
- (c) the company can identify the payment terms for the goods or services to be transferred;
- (d) the contract has commercial substance (ie the risk, timing or amount of the entity's future cash flows is expected to change as a result of the contract); and
- (e) it is probable that the entity will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer.

3 Other Incomes

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

4 Inventories :

Raw materials, Stores and spares, Semi-finished goods, traded and finished goods

Inventories are valued as under –

- a) Raw materials, Stores spares, loose tools and Erection materials are valued at cost or net realisable value;
- b) Finished goods are stated at lower of Cost or Net Realisable Value; and
- c) Saleable scraps, whose cost is not identifiable, are valued at estimated realisable value.

Cost of raw materials and stores comprises cost of purchase. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business after deduction of the estimated cost of completion and the estimated costs necessary to make the sale.

5 Financial Instruments

Financial assets and liabilities are recognized when the company becomes a party to the contractual provisions of the instrument.

Financial Assets**(i) Trade Receivables**

Trade Receivables are recognized initially at fair value and subsequently measured at amortized costs less provisions for impairment.

(ii) Other Financial Assets**a) Classifications**

The company classifies its financial assets into the following categories:

- (i) Those to be measured subsequently at fair value (either through other comprehensive income or through profit and loss)
- (ii) Those measured at amortized costs

The classification depends upon the business model for managing the financial assets and contractual characteristics of the cash flows.

b) Measurements**Initial Recognition:**

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial assets. The transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are immediately recognized in profit or loss.

Subsequent Measurement:

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

- (i) measured at amortized cost

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

- (ii) measured at fair value through other comprehensive income

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

- (iii) measured at fair value through profit or loss

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

Equity instruments :

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

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

c) Impairment of Financial Assets :

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

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

d) Derecognition of Financial Assets :

A financial asset is derecognized only when :

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

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

Financial Liabilities

a) Borrowings :

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

b) Trade and other payables :

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

c) Other Financial Liabilities

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

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

d) Offsetting of Financial Instruments:

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

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

6 Employee benefits :

(i) Short-term employee benefit obligations

Liabilities for wages and salaries, including non-monetary benefits, that are expected to be settled wholly within 12 months, after the end of the period, in which the employees render the related service, are recognised in respect of

employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

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

(ii) Post-employment obligations

The entity operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity, Super annuation and
- (b) defined contribution plans such as provident fund.

Provident fund obligations

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

Gratuity obligations

The liability or assets recognized in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligations denominated in INR is determined by discounting the estimated future cash flows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the term of related obligations.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expenses in statement of profit and loss.

Re-measurements gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

7 Foreign currency translation :

(i) Functional and presentation currency

Each items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions i.e. Revenue, expense and cash-flow items denominated in foreign currencies are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Non monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. Translation differences on assets and liabilities carried at fair value are reported as part of fair value gain or loss.

8 Income tax :

- i. The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

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

9 Cash and cash equivalents :

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

10 Borrowing costs :

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

11 Provisions & Contingent Liabilities:

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

12 Contributed equity :**a) Equity:**

Equity shares are classified as equity.

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

b) Dividends :

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

13 Earning Per Share**a) Basic Earning Per Share**

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

b) Diluted Earning Per Share

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

14 Segment Reporting

Ind AS 108 establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. The Company's operations predominantly relate to providing end-to-end business solutions to enable clients to enhance business performance. Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments. Accordingly, information has been presented both along business segments and geographic segments. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the significant accounting policies.

Revenue and identifiable operating expenses in relation to segments are categorized based on items that are individually identifiable to that segment. Revenue for "all other segments" represents revenue generated from customers located in India. Allocated expenses of segments include expenses incurred for rendering services. Certain expenses such as depreciation, which form a significant component of total expenses, are not specifically allocable to specific segments as the underlying assets are used interchangeably. Management believes that it is not practical to provide segment disclosures relating to those costs and expenses, and accordingly these expenses are separately disclosed as "unallocated" and adjusted against the total income of the Company.

Assets and liabilities used in the Company's business are not identified to any of the reportable segments, as these are used interchangeably between segments. Management believes that it is currently not practicable to provide segment disclosures relating to total assets and liabilities since a meaningful segregation of the available data is onerous.

Geographical information on revenue and business segment revenue information is collected based on individual customers invoiced or in relation to which the revenue is otherwise recognized.

15 Rounding of amounts :

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

3) Recent Accounting Pronouncement :

Accounting Pronouncement Issued but not effective :

a) Ind AS 116 Leases :

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019.

On completion of evaluation of the effect of adoption of Ind AS 116, the Company is proposing to use the 'Modified Retrospective Approach' for transitioning to Ind AS 116, and take the cumulative adjustment to retained earnings, on the date of initial application (April 1, 2019). Accordingly, comparatives for the year ended March 31, 2019 will not be retrospectively adjusted. The Company has elected certain available practical expedients on transition.

b) Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments:

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives.

The effect on adoption of Ind AS 12 Appendix C would be insignificant in the standalone financial statements.

c) Amendment to Ind AS 12 – Income taxes

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

d) Amendment to Ind AS 19 – plan amendment, curtailment or settlement-

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and

- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

4) Critical Estimates and Judgements:

a) Use of Estimates :

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

b) Critical Accounting Estimates :

i) Property, plant and equipment

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

ii) Income Taxes :

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

iii) Defined benefit obligation

The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

iv) Impairment of trade receivables

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

Note-5: Property, Plant and Equipment

Particulars	Freehold Land	Freehold Buildings	Furniture, Fittings and Equipment	Plant and Equipment	Office Equipment	Vehicles	TOTAL	Capital Work-in-Progress	Intangible Assets
Gross Carrying Amount									
At 1st April,2017	737	367	169	36,038	305	1,535	39,151	-	-
Additions/Adjustments during the year	-	-	1	17	3	-	21	-	-
Disposals/Adjustment during the year	-	-	-	10,003	-	53	10,056	-	-
At 31st March,2018	737	367	170	26,052	308	1,482	29,116	-	-
Additions/Adjustments during the year	-	-	3	45	10	1	59	-	-
Disposals/Adjustment during the year	-	20	-	631	-	11	662	-	-
At 31st March,2019	737	347	173	25,466	318.00	1,472	28,513	-	-
Accumulated Depreciation and Impairment									
At 1st April,2017	-	46	96	16,769	300	1,297	18,508	-	-
Depreciation charge for the year	-	6	16	2,183	3	185	2,393	-	-
Disposals/Adjustment during the year	-	-	-	391	-	46	437	-	-
At 31st March,2018	-	52	112	18,561	303	1,436	20,464	-	-
Depreciation charge for the year	-	6	16	2,173	5	1	2,201	-	-
Disposals/Adjustment during the year	-	3	-	445	-	11	459	-	-
At 31st March,2019	-	55	128	20,289	308	1,426	22,206	-	-
Net Book Value At 31st March,2019	737	292	45	5,177	10	46	6,307	-	-
Net Book Value At 31st March,2018	737	315	58	7,491	5	46	8,652	-	-

Net Book-Value	As at	As at
	31 st March'2019	31 st March'2018
	INR Lakhs	INR Lakhs
Property, Plant and Equipment	6,307	8,652
Capital Work-in-progress	-	-
Intangible Assets	-	-

(i) Details of property plant & equipment pledged as security - Refer Note No. 63

(ii) Refer Note No. 67 for estimated useful life of different class of Property ,Plant & Equipment.

(iii) The amount of intangible asset is below rounding off norms of the company.

(vi) The details of retired asset as at end of each period is as below :-

Net Book Value	As at	As at
	31 st March'2019	31 st March'2018
	INR Lakhs	INR Lakhs
Property, Plant and Equipment	-	445
Capital Work-in-progress		
Intangible Assets		

(vii) Assets Held For Disposal

Carrying Amount /At Deemed Cost

	As at	As at
	31 st March'2019	31 st March'2018
	INR Lakhs	INR Lakhs
(i) Plant and Equipment		
Opening Balance/Deemed Cost	-	-
Additions	-	-
Deletions	-	-
Carrying Amount/Deemed Cost	-	-
(ii) Vehicles		
Opening Balance/Deemed Cost	-	2
Additions		
Deletions	-	(2)
Carrying Amount/Deemed Cost	-	-
Total	<u>-</u>	<u>-</u>

Note 6: Investments

Particulars	As at 31 st March'2019	As at 31 st March'2018
Investment in Equity Instruments		
Unquoted at Cost		
Investment in Subsidiary Entities		
2,20,83,730 (31, March 2018:2,20,83,730) Equity Shares of ₹ 10/- each fully paid up in ARSS Damoh-Hirapur Tolls Private Limited	2,208	2,208
Investments in Company under same management		
4,999 (31, March 2018:4,999) Equity Shares of ₹ 10/- each fully paid up in ARSS E to E Rail Private Limited	1	1
Investment in Associate Entities		
25,00,000 (31, March 2018:25,00,000) Equity Shares of ₹ 10/- issued at ₹ 30/- each fully paid up in ARSS Developers Ltd	1,000	1,000
Investment in Joint Ventures	1,309	1,029
Other Investments :		
Investment in Mutual Funds	-	-
Total	4,518	4,238
(i) Non-current	4,518	4,238
(ii) Current	-	-
Category wise Investments:		
At Amortized Cost	4,518	4,238
At Fair value through Profit & Loss (FVPL)	-	-
At Fair value through Other Comprehensive Income (FVOCI)	-	-

Note 7: Trade receivables

Particulars	As at 31 st March'2019	As at 31 st March'2018
Secured, considered good		
(i) Non-Current	-	-
Sub-Total	-	-
(ii) Current		
Gross Trade Receivables	7,854	5,123
Less: Trade Receivable Written off	(448)	(43)
Sub-Total	7,406	5,080
Total	7,406	5,080

Trade receivables are non-interest bearing and are generally on terms of 90 to 180 days. Refer Note No 61 for detailed disclosure of trade receivables from related parties.

Note 8: Loans

Particulars	As at 31 st March'2019	As at 31 st March'2018
Secured, considered good		
(i) Non-Current		
Security Deposit - Government authorities (Non Current)	15	15
Security Deposit - Others	178	180
Sub-Total	193	195
(ii) Current		
Security Deposit - Government authorities. (Current)	16	-
Security Deposit - Others (Current)*	4,314	4,624
Earnest Money Deposits	823	586
Less; Impact of finance component of deferred revenue	(298)	(246)
Less: Amounts written off		
Sub-Total	4,855	4,964
Total	5,048	5,159

*Others Includes Security Deposit & Withheld money receivable.

Note 9: Other Financial Assets

Particulars	As at 31 st March'2019	As at 31 st March'2018
(i) Non-Current		
Application Money Paid towards securities Pending Allotment	-	-
Claims Receivable	1,33,044	1,33,044
Other Advances *	-	-
Sub-Total	1,33,044	1,33,044
(ii) Current		
Claims Receivable	-	-
Other Advances	2,281	1,073
Sub-Total	2,281	1,073
Total	1,35,325	1,34,117

*Total Claim receivable amounting to ₹ 1,48,545 Lakhs is under dispute/arbitration. Same are subject to the outcome of arbitration and/or reconciliation proceedings arising out of various contractual obligations. The element of realizable profit and actual expenditure incurred has been considered an amount of ₹ 1,33,034 Lakhs is accounted based on reasonable certainty of realization of the same and are considered good and realizable by the management.

Note 10: Other Assets

Particulars	As at 31 st March'2019	As at 31 st March'2018
(i) Non-Current		
Capital Advance	-	-
Lease Prepayments (Refer Below Note)	29	30
Sub-Total	29	30
(ii) Current		
Prepaid Expenses	195	295
Employee Advances	7	5
Vendor Advances	798	1,156
Lease Prepayments (Refer Below Note)	1	1
Sub-Total	1,001	1,457
Total	1,030	1,487

- (i) The leasehold land pertains to land under lease agreement with Orissa Industrial Infrastructure Development Corporation to be amortized over the lease tenure of Sixty-Four Years.

(ii) Operating Leasehold Land

As per Ind-AS 17 "a finance lease is a lease that transfers substantially all the risks and rewards incidental to ownership of an asset and all other lease are treated as operating lease". Since land normally has an indefinite economic life, leasehold land is classified as operating lease. Accordingly, the entity has classified all its lease hold lands as operating lease. Lease payments made under these operating lease arrangements are recognized as an expense on a straight-line basis over the lease term. The operating lease payment movement is presented as below:-

Particulars	As at 31 st March'2019	As at 31 st March'2018
Opening Lease Prepayments	34	34
Addition during the period	-	-
Deletion during the period	-	-
Closing Lease Prepayments (A)	34	34
Opening value of Amortized lease Prepayments	3	2
Amortization during the period	1	1
Deletion during the period	-	-
Closing value of Amortized lease Prepayments (B)	4	3
Net amount of Lease Prepayments (A- B)	30	31

Note 11: Deffered tax assets/(liabilities)(net)

Particulars	As at 31 st March'2019	As at 31 st March'2018
Property, plant and equipment	1,503	770
Lease Prepayments	(10)	(10)
Employee Benefit Obligation	39	27
Impairment loss/(gain) on financial assets	-	183
Minimum Alternate Tax(MAT)	127	127
Remeasurement of Defined Benefit Obligation	-	-
Brought forward losses	-	-
Total	1,659	1,097

Note 12: Inventories

Particulars	As at 31 st March'2019	As at 31 st March'2018
a. Materials at Site	1,044	1,805
b. Stores, Spares & Loose Tools	257	306
c. Work In Progress	2,993	1,032
d. Finished Goods	2,404	3,032
Total	6,698	6,175

Note 13: Cash and Bank Balance

Particulars	As at 31 st March'2019	As at 31 st March'2018
Balances with banks		
Cash at bank	7,794	6,396
Cash on hand	19	84
Less: Bank overdraft	-	-
Total	7,813	6,480
Balances In Bank Other Than Above*	2,320	3,363
Total	2,320	3,363
Details of Cash at Bank :		
In Current Account	7,794	6,396
In Fixed Deposits	2,320	3,363

*Fixed deposit with carrying amount of INR 2320 lakhs including interest accrued on the same (31st March,2018: INR 3,363) are pledged against bank guarantees as security deposit ,EMD and Margin account.

Note 14: Share Capital

Particulars	As at 31 st March'2019	As at 31 st March'2018
(A) Authorised Shares Capital		
Equity Shares :		
4,00,00,000 (As on 31 st March 2018, 4,00,00,000) Equity Shares of ₹ 10/- Each	4,000	4,000
Preference Shares :		
1,50,00,00(As on 31 st March 2018, 1,50,00,00) Preference Shares of ₹ 10/- Each	1,500	1,500
(B) Issued, Subscribed and Paid Up		
Equity Shares:		
2,27,37,966 (As on 31 st March 2018, 2,27,37,966) equity shares of ₹ 10 each fully paid up	2,274	2,274
Total	2,274	2,274
(C) Reconciliation of Number of Shares		
i) Reconciliation of number of Equity shares are set out below:		
a) Shares outstanding at the beginning of the financial year.	2,27,37,966	1,48,43,230
b) Issued during the year	-	78,94,736
c) Shares forfeited/brought back/cancelled during the year	-	-
d) Shares outstanding at the end of the financial year	2,27,37,966	2,27,37,966
ii) Reconciliation of number of Preference shares are set out below:		
a) Shares outstanding at the beginning of the financial year.	-	1,50,00,000
b) Issued during the year	-	-
c) Shares forfeited/brought back/cancelled during the year	-	(1,50,00,000)
d) Shares outstanding at the end of the financial year	-	-

(D) Details of shareholders holding more than 5% of shares	As at 31 st March'2019		As at 31 st March'2018	
	Name of the Shareholders	% Held	No. of Shares	% Held
Equity Shares:				
Subash Agarwal	6.08%	13,81,608	6.08%	13,81,608
ARSS Developers Ltd	14.00%	31,83,480	14.00%	31,83,480
Sidhant Financial Services Limited	14.92%	33,93,031	14.92%	33,93,031
<p>(i) The company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian Rupees.</p> <p>(ii) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.</p>				
(E) There are no shares reserved for issue under options and contracts or commitments for the sale of shares or disinvestment.				
(F) For the period of five years immediately preceding the date at which the balance sheet prepared the company has not :				
<p>(i) Allotted any shares as fully paid up pursuant to contract without payment being received.</p> <p>(ii) Allotted any shares as fully paid up by way of bonus, and</p> <p>(iii) Bought back any shares</p>				

Note 15: Other Equity

Particulars	As at 31 st March'2019	As at 31 st March'2018
a. Securities Premium		
Opening Balance	19,947	14,736
Add:-Additions during the year	-	5,211
Sub Total	19,947	19,947
b. General Reserves		
Opening Balance	727	727
Add:-Addition during the Year	-	-
Less: Transferred to Retained Earnings	-	-
Sub Total	727	727
c. Retained Earnings		
Opening Balance / As on Transition Date	(18,727)	(13,247)
Add: Profit/(Loss) during the year	(1,121)	(5,477)
Add: Re-measurement of defined employee benefit plans through OCI	5	(3)
Sub Total	(19,843)	(18,727)
Grand Totals	831	1,947

Note 16: Borrowings

Particulars	As at 31 st March'2019	As at 31 st March'2018
(i) Non-Current Borrowings		
Secured Loan		
Term Loan From Banks	479	66,306
Financial Lease Obligations	-	-
Unsecured Loan		
Loans from Bank	-	-
Loan from Others	-	-
Less : - Current Maturity of Long term debt		
Term Loan From Banks	-	-
Financial Lease Obligations	-	-
Total non-current borrowings	479	66,306
(ii) Current Borrowings		
Cash Credit	1,03,121	99,884
Term Loan From Banks	64,055	
Financial Lease Obligations	-	-
From Others (Refer Point- VII below)	1,333	1,941
Total current borrowings	1,68,509	1,01,825

Notes :-

- (i) Rupee loan from bank carries interest @ 10 % to 10.5% p.a. The loans are repayable in quarterly installments from 01.10.2013. The above loans are secured by way of mortgage of land and building, assets acquired out of such loan and also backed by personal guarantee of Promoters. However as at date, the accounts have turned NPA.
- (ii) Term Loan (TL) under CDR and governed by Master Restructuring Agreement (MRA) dated 6th September 2012, with State Bank of India, Punjab National Bank, ICICI Bank Ltd., IDBI Bank Ltd., State Bank of Bikaner & Jaipur & Bank of India. The amount repayable is over a period from FY 2016-17 to 2020-21. However as at date, the same stands cancelled.
- (iii) This loan is secured by equitable mortgage of immovable property of the Company and promoters, pari-passu charge on plant & machinery of the company (excluding leasehold land & office flat & office equipments on which other lenders are having first charge) and irrevocable and unconditional personal guarantees of the Directors and pledge of shares held by promoters in the Company.
- (iv) Interest rate for all term loan are subject to periodic review.
- (v) Continuing installment repayment default to banks is ₹ 165463 Lacs.
- (vi) The Company is currently in the process of undergoing compromise settlement with the consortium lenders and other Banks for settlement of dues in the Books of Accounts. Whereas some lenders have entered into the settlement with unacknowledged terms and conditions and some settlements are still pending.
- (vii) Current Borrowings includes amounts borrowed from related party. Refer note - 61 for detailed disclosure of the same.

Note-17: Trade Payables

Particulars	As at 31 st March'2019	As at 31 st March'2018
Non Current Trade Payables	-	-
Sub-Total	-	-
Current Trade Payables	5,375	4,982
Sub-Total	5,375	4,982
Grand Total	5,375	4,982

The company has not received any Information from suppliers regarding their status under micro, small and medium enterprise Development Act, 2006 and hence disclosures if any relating to amount unpaid as at the year end together with interest paid / payable as required under the paid Act have not been given. Refer Note No 66 for detailed disclosure on the same.

Note-18: Other financial liabilities

Particulars	As at 31 st March'2019	As at 31 st March'2018
i. Non-Current		
Retention Money	-	-
Capital Creditors	-	-
Sub-Total	-	-
ii. Current		
Current Maturity of Long term Debt		
Term Loan From Banks	-	-
Financial Lease Obligations	-	-
Retention Money	546	836
Outstanding Employee Benefit Cost	616	437
Liability For Expenses	400	513
Excess Drawings From JV	427	-
Sub-Total	1,989	1,786
Total	1,989	1,786

Note-19: Provisions

Particulars	As at 31 st March'2019	As at 31 st March'2018
Provision for Employee Benefits	116	88
Provision for Others	-	-
Total	116	88
Current	31	27
Non Current	85	61

Note-20: Other Liabilities

Particulars	As at 31 st March'2019	As at 31 st March'2018
Non- Current Liabilities		
Mobilization advance Received	-	108
	-	108
Current Liabilities		
Payable to Statutory Authorities	548	296
Mobilization advance Received	-	925
Advance From Customers	3,341	329
Total	3,889	1,550

Note-21: Current Tax Liability / (Assets) In Net

Particulars	As at 31 st March'2019	As at 31 st March'2018
Income tax payable	-	-
TDS receivable	(5,338)	(5,018)
Total	(5,338)	(5,018)

Note-22: Revenue from operations

Particulars	31st March'2019	31st March'2018
Revenue from Operation :		
Sale of Services	46,257	53,774
Sale of Products	8	4,838
Less: Impact of finance component of deferred revenue	(355)	(178)
Total	45,910	58,434

Note-23: Other income

Particulars	31st March'2019	31st March'2018
Interest Income From Financial Assets measured at Amortized Cost	938	1,016
Interest On Arbitration Cases	18	245
Liability Written-off	1,137	-
Miscellaneous Income	203	143
Total	2,296	1,404

Note-24: Other Gains/(Losses)

Particulars	31st March'2019	31st March'2018
Net gain/(losses) on disposal of Property, Plant & Equipment	18	227
Interest On Income Tax refund	-	111
Unwinding of finance component of deferred consideration	303	164
Total	321	502

Note-25: Cost of material consumed

Particulars	31st March'2019	31st March'2018
Material and components consumed		
Opening Stock	2,111	617
Add: Material Purchased during the year	14,686	14,299
Less: Closing Stock	1,302	2,111
Total	15,495	12,805

Note-26: Change in Inventories

Particulars	31st March'2019	31st March'2018
Opening Stock		
Work In Progress	1,032	2,116
Finished Goods	3,032	3,141
Sub-Total	4,064	5,257
Less:- Closing Stock		
Work In Progress	2,993	1,032
Finished Goods	2,404	3,032
Sub-Total	5,397	4,064
INCREASE(-) / DECREASE(+)	(1,333)	1,193

Note-27: Cost Of Goods/Services Sold

Particulars	31st March'2019	31st March'2018
Sub-Contract Expenses	8,296	8,384
Transportation	753	-
Wages & Salary	2,678	2,091
Hire Charges	197	161
Fuel Expenses	5,797	11,067
Rents, Rates and related Taxes	526	677
Total	18,246	22,380

Note-28: Employee Benefit Expenses

Particulars	31st March'2019	31st March'2018
Salary & Allowances	2,431	2455
Managerial Remuneration	84	147
Contribution to PF & Other Funds	61	60
Staff Welfare	70	288
Total	2,647	2,950

Note-29: Finance Cost

Particulars	31st March'2019	31st March'2018
Interest On Borrowings	2,748	3,664
Interest on Deferred Payment Terms	5	60
Total	2,753	3,724

Note-30: Depreciation and Amortization expenses

Particulars	31st March'2019	31st March'2018
Depreciation Expenses	2,201	2,393
Amortization Expenses	1	1
Total	2,202	2,394

Note-31: Other expenses

Particulars	31st March'2019	31st March'2018
Repairs & maintenance:		
Repairs & maintenance-Plant & Machinery	2,685	2,744
Repairs & maintenance-Others	133	173
Bad Debt	1,175	43
De-Recognition of Investments in JV	12	-
Provision for Bank Guarantee Invoked	3,620	5,556
Legal & Professional Charges	447	531
Royalty	362	659
Travelling & Conveyance	414	1,669
Auditors Remuneration (Note 32)	24	24
Directors' Sitting fees	13	15
Bank Charges	191	366
Insurance Charges	294	295
Electricity Charges	38	39
Loss on Sale of Property, Plant & Equipment	129	9,511
Miscellaneous Expenses	664	1,146
	10,200	22,771

Note 32 : Details of Payment to Auditors

As Auditors	31st March'2019	31st March'2018
Audit Fees	19	19
Tax Audit Fee	5	5
In other Capacity		
Taxation Matters	-	-
Company Law Matters	-	-
Certification Fees	-	-
Re-imburement of Expenses	-	-
	24	24

Note 33: Corporate Social Responsibility Expenses :

	31st March'2019	31st March'2018
Contribution to Charity Foundation	-	-
Outlay on Others CSR Projects	-	-
Total	-	-
Amount required to be spent as per Section 135 of the Act	-	-
Amount spent during the year On :		
(1) Construction or Acquisition of Assets	-	-
(2) On purposes other than (1) above	-	-
Total	-	-
Excess/(Short) Amount Spend	-	-

Note 34 : Income Tax Expenses

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

(Rupees in INR' Lakhs)

Particulars	31 st March, 2019	31 st March, 2018
(a) Income Tax Expenses		
Current Tax :		
Current Tax on profits for the year	-	-
Adjustments for current tax of prior periods	-	595
Total Current Tax Expenses	-	595
Deferred Tax :		
Decrease/(Increase) in deferred tax assets	(562)	(2,995)
(Decrease)/Increase in deferred tax liabilities	-	-
Adjustments for deferred tax of prior periods	-	-
Total Deferred tax expenses/(benefits)	(562)	(2,995)
Total Income Tax Expenses	(562)	(2,400)
Income Tax Expenses is attributable to :		
Current Tax	-	595
Deferred Tax	(562)	(2,995)
Total Tax Expenses Charged to SPL	(562)	(2,400)
Total Tax Expenses Charged against OCI	3	(2)
Total Tax Expenses	(559)	(2,402)

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

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

(c) Amount recognized directly in equity

Particulars	31 st March, 2019	31 st March, 2018
Aggregate current and deferred tax arising in the reporting period and not recognized in net profit or loss or other comprehensive income but directly debited/ (credited) to equity:		
Current tax: share issue transaction cost	-	-
Deferred tax: Convertible bonds	-	-
	-	-

(d) Tax losses

Particulars	31 st March, 2019	31 st March, 2018
Unused tax losses for which no deferred tax has been recognized	-	-
Potential tax benefits @ 33.38%	-	-

(e) Unrecognized temporary differences

Particulars	31 st March, 2019	31 st March, 2018
Temporary difference relating to investment in subsidiaries for which deferred tax liabilities have not been recognized:		
Undistributed earnings	-	-
Unrecognized deferred tax liabilities relating to the above temporary differences	-	-

Note No. 35 : Movement in Deferred Tax (Asset-Incomes) / (Liability-Expenses)

Particulars	As at 31.03.2019		As at 31.03.2018	
	Through PL	Through OCI	Through PL	Through OCI
Property, plant and equipment	1,503	-	770	-
Lease Prepayments	(10)	-	(10)	-
Employee Benefit Obligation	39	-	27	-
Impairment loss/(gain) on financial assets	-	-	183	-
Minimum Alternate Tax(MAT)	127	-	127	-
Other Financial Liability	-	-	-	-
Brought forward losses	-	-	-	-
Impact /As on Transition Date	1,659	-	1,097	-

NOTE 36 : Employee benefit obligations**(All amounts in INR lakhs, unless otherwise stated)**

Particulars	Year Ending 31-03-2019	Year Ending 31-03-2018
Change in Defined Benefit Obligation :		
Defined Benefit Obligation at the beginning	205	0
Current Service Cost	28	27
Past Service Cost	0	178
(Gain) / Loss on settlements	-	0
Interest Expense	16	0
Benefit Payments from Plan Assets	-5	-5
Remeasurements - Due to Experience Adjustments	-11	5
Defined Benefit Obligation at the end	234	205
Change in Fair Value of Plan Assets :		
Fair Value of Plan Assets at the beginning	117	113
Interest Income	9	9
Benefit Payments from Plan Assets	-5	-5
Remeasurements - Return on Assets	-2	0
Fair Value of Plan Assets at the end	118	117

Weighted Average Asset Allocations at the end of current period

Particulars	Year Ending 31-03-2019	Year Ending 31-03-2018
Equities	-	-
Bonds	-	-
Insurance Policies	100%	100%

Note 37 :Components of Defined Benefit Cost

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Year Ending 31-03-2019	Year Ending 31-03-2018
Current Service Cost	28	27
Past Service Cost	-	178
Total Service Cost	28	205
Total Net Interest Cost	7	-9
Defined Benefit Cost included in P & L	35	196
Remeasurements - Due to Experience Adjustments	-11	5
(Return) on Plan Assets (Excluding Interest Income)	2	0
Total Remeasurements in OCI	-8	5

NOTE 38 : Employee benefit obligations Funded /Unfunded balance

The net liability disclosed above relates to funded and unfunded plans are as follows :

(All amounts in INR lakhs, unless otherwise stated)

Particulars	31 st March, 2019	31 st March, 2018
Defined Benefit Obligation	234	205
Fair value of plan assets	118	117
Deficit of funded plans	116	88
Unfunded plans	-	-
Deficit of Un funded plans	-	-

NOTE 39: Expected Cash flows From Defined Benefits Obligations

Maturity Profile of Defined Benefit Obligations :

(All amounts in INR lakhs, unless otherwise stated)

Years	Cash flow
1	31
2	29
3	30
4	28
5	26
6	25
7	23
8	23
9	20
10	21

NOTE 40 :Significant estimates: actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

Particulars	31st March, 2019	31st March, 2018
Discount rate	8%	8%
Withdrawal Rate	15%	15%
Salary growth rate	10%	10%
Disability Rate	5%	0%

Sensitivity Analysis :

Discount Rate, Salary Escalation Rate and Withdrawal Rate are significant actuarial assumptions. The change in the Present Value of Defined Benefit Obligation for a change of 100 Basis Points from the assumed assumption is given below:

(All amounts in INR lakhs, unless otherwise stated)

Scenario	PV DBO	Percentage Change
Under Base Scenario	234	0%
Salary Escalation - Up by 1%	249	7%
Salary Escalation - Down by 1%	220	-6%
Withdrawal Rates - Up by 1%	233	-1%
Withdrawal Rates - Down by 1%	236	1%
Discount Rates - Up by 1%	221	-6%
Discount Rates - Down by 1%	249	6%

NOTE 41 : Risk exposure of Defined Benefits Obligations

Through its defined benefit plans, the company is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility :

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Most of the plan asset investments is maintained with LIC India. These are subject to interest rate risk and the fund manages interest rate risk to minimize risk to an acceptable level.

Changes in Bond yields :

A decrease in bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plan funds maintained with the SBI Life.

Inflation risks :

In the gratuity plans, the payment are not linked to inflation, so there is less material risk.

NOTE 42 : Bifurcation of PV of Obligations as per Schedule III of Companies Act 2013

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	31st March, 2019	31st March, 2018
Current Liabilities	31	27
Non-Current Liabilities	203	178

NOTE 43 : Amounts recognised in the Statement of Financial Position

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	31st March, 2019	31st March, 2018
Defined Benefit Obligation	234	205
Fair value of plan assets	118	117
Funded Status	116	88
Effect of Asset Ceiling/Onerous Liability	-	-
Net Defined Benefit Liability/(Asset)	116	88
Of which, Short term Liability	31	27

NOTE 44 : Net Defined Benefit Liability/(Asset) reconciliation

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	31st March, 2019	31st March, 2018
Net Defined Benefit Liability/(Asset) at the beginning	88	-113
Defined Benefit Cost included in P & L	35	196
Total Remeasurements in OCI	-8	5
Net Transfer In / (Out) (Including the effect of any business combination/ divesture)	-	-
Amount recognised due to Plan Combinations	-	-
Employer Contributions	-	-
Employer Direct Benefit Payments	-	-
Employer Direct Settlement Payments	-	-
Credit to Reimbursements	-	-
Net Defined Benefit Liability / (Asset) at the end	116	88

NOTE 45 : Experience Adjustments on Present Value of DBO and Plan Assets

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	31st March, 2019	31st March, 2018
(Gain) / Loss on Plan Liabilities	-11	-5
% of Opening Plan Liabilities	5.18%	-
Gain / (Loss) on Plan Assets	2	0
% of Opening Plan Assets	2.07%	0.21%

NOTE 46 : Best Estimate of Contribution during the next year

The Best Estimate Contribution for the Company during the next year would be INR 58 Lakhs

NOTE 47 : Discontinuance Liability

Amount payable upon discontinuance of all employment is INR 201 Lakhs

NOTE 48 : Summary of Membership Status

Particulars	31st March, 2019	31st March, 2018
Number of Employees	468	549
Total Monthly Salary (₹)	45,04,891	46,46,769
Average Monthly Salary (₹)	9,626	8,464
Average Past Service	7.57	6.35
Average Age	37.6	36
Average Future Service	22.41	24
Adjusted Average Future Service	6.07	NA

*Adjusted future service takes into account the effect of mortality and attrition.

NOTE 49 : Age Analysis

Age	Count	Percentage
18 to 25	23	5%
25 to 30	68	15%
30 to 35	116	25%
35 to 40	93	20%
40 to 45	74	16%
45 to 50	50	11%
50 to 55	31	7%
> 55	13	3%
Total	468	100%

NOTE 50 : There were no Changes in Reimbursement Rights.

NOTE 51 : There were no Changes in Asset Ceiling / Onerous Liability.

Note No. 52 Fair value measurements

(All Amounts in INR Lakhs, unless otherwise stated)

(i) Financial instruments by category:

Particulars	31-Mar-19			31-Mar-18		
	FVPL	FVOCI	Amortized cost	FVPL	FVOCI	Amortized cost
Financial assets						
Investments:						
Equity instruments	-	-	4,518	-	-	4,238
Trade receivables	-	-	7,406	-	-	5,080
Cash & Bank Balance	-	-	7,813	-	-	6,480
Bank Balance Other than above			2,320			3,363
Loans	-	-	5,048	-	-	5,159
Derivative financial assets	-	-	-	-	-	-
Others	-	-	1,35,325	-	-	1,34,117
Total financial assets	-	-	1,62,430	-	-	1,58,437
Financial liabilities						
Borrowings	-	-	1,68,988	-	-	1,68,131
Derivative financial liabilities	-	-	-	-	-	-
Trade payables	-	-	5,375	-	-	4,982
Other financial liabilities	-	-	1,989	-	-	1,786
Total financial liabilities	-	-	1,76,352	-	-	1,74,899

(ii) Fair value hierarchy:

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

- recognized and measured at fair value, and
- measured at amortized cost and for which fair values are disclosed in the financial statements.

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

Financial assets and liabilities measured at fair value - recurring fair value measurements At March 31, 2019

	Level 1	Level 2	Level 3	Total
Financial assets				
Financial investments at FVPL				
Equity instruments	-	-	-	-
Mutual funds	-	-	-	-
Financial investments at FVOCI				
Quoted equity investments	-	-	-	-
Unquoted equity investments	-	-	-	-
Derivatives				
Foreign exchange forward contracts	-	-	-	-
Foreign currency options	-	-	-	-
Interest rate swaps	-	-	-	-
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Financial assets and liabilities measured at fair value - recurring fair value measurements At March 31, 2019

	Level 1	Level 2	Level 3	Total
Financial assets :				
Financial investments at FVPL				
Equity instruments	-	-	-	-
Mutual funds	-	-	-	-
Financial investments at FVOCI				
Quoted equity investments	-	-	-	-
Unquoted equity investments	-	-	-	-
Derivatives				
Foreign exchange forward contracts	-	-	-	-
Foreign currency options	-	-	-	-
Interest rate swaps	-	-	-	-
Total	-	-	-	-

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

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

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

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

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

Note No. 53 : Financial risk management

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

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

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

(A) Credit risk

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

Credit risk management

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

(B) Liquidity Risk

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

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

Note No. 54: Capital management

(a) Risk management

The company's objectives when managing capital are to;

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

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

Particulars	March 31, 2019	March 31, 2018
Net Debt	1,61,175	1,61,651
Total Equity	3,105	4,221
Net debt to Equity Ratio	51.91	38.30

(b) Dividends

Particulars	March 31, 2019	March 31, 2018
(i) Equity shares		
Final dividend for the year ended 31.03.2019 of ₹ NIL (31.03.2018 ₹ NIL) per fully paid share	-	-
Interim dividend for the year ended 31.03.2019 of ₹ NIL (31.03.2018 ₹ Nil) per fully paid share	-	-
(ii) Dividends not recognized at the end of the reporting period	-	-
In addition to the above dividends, since year end the directors have recommended the payment of final dividend of ₹ NIL per fully paid equity share (31.03.2018 ₹ NIL). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	-	-

Note 55 :

(All amount in INR lakhs, Unless otherwise stated)

EARNINGS PER SHARE (EPS)	31 st March 2019	31 st March 2018
i) Net Profit after tax as per statement of Profit & Loss attributable to Equity Shareholders (₹ Lakhs)	(1,121)	(5,477)
ii) Weighted Average number of equity shares used as denominator for calculating EPS	2,27,37,966	1,99,04,513
iii) Face Value per Equity Share (₹)	10.00	10.00
iv) Basic and Diluted Earnings per share (₹)	(4.93)	(27.52)

Note 56 :

EARNINGS IN FOREIGN EXCHANGE	31 st March 2019	31 st March 2018
FOB Value of Exports	-	-
Billing Adjustment	-	-
Total	-	-
EXPENDITURE IN FOREIGN CURRENCY	31 st March 2019	31 st March 2018
Interest and finance charges	-	-
Commission on Sales	-	-
Legal and Professional fees	-	-
Others	-	-

NOTE - 57
CONTINGENT LIABILITIES

	31st March 2019	31st March 2018
i. Guarantees given by Company's Bankers on behalf of the Company.	9,330	13,457
ii. Claims against the Company not acknowledged as debts:		
a) Central Sales Tax	791	791
b) VAT	72	165
c) Orissa Entry tax	144	144
d) Orissa Electricity Act	47	47
e) ITAT	5,470	5,470
f) CIT (A)	2,845	598
g) Recompense amount	18,974	15,086
iii. Corporate Guarantees given by Company *	8,700	8,700

However as per management perception, the above liabilities will not devolve upon the company in future.

* The Company has given a Corporate Guarantee of INR 87 crores to Central Bank for obtaining a loan in its subsidiary Company i.e. ARSS Damoh Hirapur Tolls Private Limited.

NOTE - 58
CAPITAL COMMITMENTS

	31st March 2019	31st March 2018
Estimated value of contracts in capital account remaining to be executed	-	-

NOTE - 59
Segment Reporting As per Ind AS 108 "Operating Segments"

Based on the policy set out under Significant Accounting Policy, the company follows "management Approach" for the purpose of deciding operating segments. The operating results of each major project locations are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to that location and assess its performance. Accordingly, the company has decided not to treat each project location as its operating segments considering huge number of project locations and its permanency.

Note 60
Additional Disclosures As per Ind AS 108 "Operating Segments"
(i) Revenue From Customers Exceeding 10% of Total revenue

As per Para 34 of Ind AS 108, if revenues from transactions with a single external customer amount to 10 per cent or more of an entity's revenues, the company is required to disclose that fact, the total amount of revenues from each such customer, and the identity of the segment or segments reporting the revenues. The details of such disclosure is as below :

Customer Name	% of Total Revenues	
	2018-19	2017-18
Executive Engineer NH Division-Sambalpur	15.62%	16.75%

(ii) Extent of Reliance on Major Customers

Extent of Reliance on Major Customers of the company can be depicted by assessing their sales chunk compared to total revenue of the operation. The percentage of group of major customer to its total revenue is as below :

Customer Name	% of Total Revenues	
	2018-19	2017-18
Top 10 Customers	87.28%	58.99%
Top 25 Customers	100.00%	69.39%

Note -61 RELATED PARTY DISCLOSURE AS PER Ind AS 24**(I) List of Related parties****a. Associate :**

ARSS Developers Limited

b. Subsidiary

ARSS Damoh-Hirapur Tolls Private Limited

c. Joint Venture (AOP)

Niraj-ARSS JV

ARSS-Atlanta JV

Atlanta-ARSS JV

ARSS-HCIL Consortium JV

ARSS-Triveni JV

Patel-ARSS JV

Backbone-ARSS JV

Somdatt Builders-ARSS JV

ARSS-ANPR JV

HCIL Adhikarya-ARSS JV

ARSS GVR JV

HCIL-ARSSSPL-Triveni JV

HCIL-Kalindee ARSS JV

ARSS-LGPPL JV

ARSS-Technocom Priyashi Aashi JV

ARSS-SIPS JV

ARSS-SCPL JV

ARSS-BMS JV

d. Key Managerial Personnel

Name	Designation
Subash Agarwal	Chairman cum Director
Rajesh Agarwal	Managing Director
Sunil Agarwal	Chief Executive Officer
Anil Agarwal	Chief Operating Officer
S.K. Pattanaik	Chief Financial Officer

The Company Secretary has not been considered as related party as she is not having the authority and responsibility for planning, directing and controlling the executive decision making activities of the entity, directly or indirectly. This is in line with Ind AS 24, "Related party transactions."

e. Enterprises in which Key Management personnel has significant influence

Shivam Condev Private Limited
 ARSS Engineering & Technology Private Limited
 ARSS Cements Limited
 ARSS Steel & Power Limited
 ARSS Holdings Limited
 Anil Contractors Private Limited
 ARSS ETOE Rail Private Limited
 Sidhant Financials Services Limited
 Faster Infracon Private Limited
 Holy Vanijya Private Limited
 Balbhadra Developers Limited
 Balbhadra Crusher Private Limited
 North West Sales and Marketing Limited
 Gypsum Commerce India Private Limited

f. Close Family members of Key Managerial Personnel

None of the close members of all Key managerial Personnel's are considered as Related Party In accordance with Ind AS 24 considering the fact that they are neither participating nor influencing executive decision making of the company.

(II) Balances and Transactions with Related parties

a. Statement Of Profit And Loss Items

Net Transaction During the Period

Name	Particulars	2018-19	2017-18
ARSS BMS JV	Consultancy Charges	30	16
ARSS GVR JV	Sale Of Services	-	95
Atlanta ARSS JV	Sale Of Services	2,276	1,984
ARSS LGPPL JV	Sale Of Services	100	-
ARSS Technocom Priyashi Aashi JV	Sale Of Services	7	-
HCIL Adhikarya ARSS JV	Sale Of Services	10	-
ARSS Damoh Hirapur Tolls Private Limited	Guarantee Commission	783	783
Shivam Condev Pvt Ltd (Material Sale)	Sale Of Services	-	4,797
Shivam Condev Pvt Ltd(Consultancy)	Sale Of Services	23	4
Shivam Condev Pvt Ltd(Crusher Rent)	Sale Of Services	10	-
Shivam Condev Pvt Ltd(Rent)	Sale Of Services	12	14
Shivam Condev Pvt Ltd(Asset Sold)	Sale Of Services	-	215
Shivam Condev Pvt Ltd	Sale Of Services	-	1,516

b. Balance Sheet Items*

Name	Particulars	2018-19	2017-18
Som Dutt Builders ARSS JV	Advance From Customer	1,698	1,685
Backbone-ARSS JV	Advance From Customer	140	124
Patel-ARSS JV	Advance From Customer	1,490	1,442
Sidhant Financial Services Ltd	Finance received	202	-
Shivam Condev Private Limited	Receivables	5,251	4,922
ARSS Damoh-Hirapur Tolls Pvt Ltd	Finance provided	400	-
ARSS Damoh-Hirapur Tolls Pvt Ltd	Guarantee Commission	1,593	783
Sunil Agarwal	Remuneration Payable	2	-
Rajesh Agarwal	Loan Received	-	616

* Balance sheet items do not include Investments in Subsidiary, Associate and Joint Ventures. The same is separately shown in Note No 6. Further, these do not include the amounts receivable from Joint ventures on behalf of claims as the same is under dispute.

(III) Remuneration to key managerial personnel

Name	2018-19	2017-18
Anil Agarwal	42	42
Sunil Agarwal	42	42
Rajesh Agarwal	-	30
Subash Agarwal	-	33
Director Sitting Fees	13	15

NOTE 62**FINANCIAL HEDGING INSTRUMENTS****i) For hedging Currency Related Risks :**

Forward Contracts - Outstanding Nominal Value

	As at 31-Mar-19	As at 31-Mar-18
Forward Contracts - Outstanding Nominal Value	Nil	Nil

NOTE - 63**ASSETS PROVIDED AS SECURITY****Particulars****Current Assets****Financial Assets**

Trade Receivables

7,406 5,080

Other Financial Assets

7,175 8,328

Total Current assets provided as security

14,581 13,408

Non Financial Assets**Non Current assets****Property, Plant and Equipment :**

i Tangible Assets

6,252 8,537

ii Intangible Assets

- -

Inventories

6,698 6,175

Other Financial Assets

1,33,059 1,33,238

Total Non - Current assets provided as security

1,46,009 1,47,950

Total Assets provided as Security

1,60,590 1,61,358

NOTE - 64

The obligations on long term , non-cancellable finance leases payable as per the respective agreements are as follows :-

Particulars	As at 31-Mar-19	As at 31-Mar-18
Future minimum lease payable	-	-
Not Later than 1 year	-	-
Later than 1 year and not later than 5 years	-	-
Later than 5 year	-	-
	-	-
	-	-

NOTE - 65
Recognition of Corporate Guarantee as Financial Liability

Financial guarantee is a contractual right of the lender to receive cash from the guarantor, and a corresponding contractual obligation of the guarantor to pay the lender, if the borrower defaults. The contractual right and obligation exist because of a past transaction or event (assumption of the guarantee), even though the lender's ability to exercise its right and the requirement for the guarantor to perform under its obligation are both contingent on a future act of default by the borrower. A contingent right and obligation meet the definition of a financial asset and a financial liability, even though such assets and liabilities are not always recognized in the financial statements. Based on the measurement principles laid down under Ind AS 109 "Financial Instrument :Recognition and Measurement," the fair value of all those financial guarantee contracts reasonable below to the materiality threshold limit set by the company. Accordingly the entity has made appropriate disclosure in Note 54 without additionally recognizing any financial assets or liability.

NOTE - 66
Micro, Small and Medium Enterprises (MSME) Dues Disclosure

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

NOTE - 67
Estimated Useful Lives of Property Plant & Equipment (PPE)

Financial Classification	Nature	Useful Lives	
		As per Management Estimate	As per SCH-II of Companies Act 2013
Freehold Building	Building (Factory)	30 Years	30 Years
	Building (Non Factory)	60 Years	60 Years
Furniture, Fittings and Equipment	Furniture Fixtures	10 Years	10 Years
Office Equipment	Computer	3 Years	3 Years
Plant & Equipment	Plant & Machinery(Non-Earth Moving)	15 Years	12 Years
	Plant & Machinery(Earth Moving)	9 Years	12 Years
Vehicles	Motor car	8 years	8 years

The useful life has remained constant for transition, comparative and reporting period.

NOTE -68

Due to accounts turning NPA, statements of SBI and Export Import Bank of India (now Edelweiss) are not available from Banks. Therefore the differences if any is difficult to be ascertained.

NOTE -69

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

NOTE - 70**Nature and Purpose of Reserves Disclosed under Other Equity**

Particulars	Purpose
General Reserve	General Reserve has been created to comply with requirements of erstwhile Company's Act 1956 with regard to Payment of dividend.
Retained Earnings	Retained Earnings contains the balance of retained earnings to carry forward. It is fully distributable and shown as part of shareholders' reserves on the balance sheet.
Securities Premium Reserve	Securities Premium Reserve has been created for issue of equity shares at a premium.

As per our report of even date attached.

For Ajay B Garg
Chartered Accountants

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

Subash Agarwal
(Chairman)
DIN: 00218066

Rajesh Agarwal
(Managing Director)
DIN : 00217823

S.K. Pattanaik
(Chief Financial Officer)

Prakash Chhajer
(Company Secretary)

For and on behalf of the Board

Place : Bhubaneswar

Date : The 28th day of May,2019

Annexure I

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

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2019 [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications) (Amount in Lakhs)	Adjusted Figures (audited figures after adjusting for qualifications) (Amount in Lakhs)
	1.	Turnover / Total income	48,527	48,527
	2.	Total Expenditure	50,210	50,210
	3.	Net Profit/(Loss)	(1,683)	(1,683)
	4.	Earnings Per Share	(4.93)	(4.93)
	5.	Total Assets	183,462	183,462
	6.	Total Liabilities	180,357	180,357
	7.	Net Worth	3,105	3,105
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-
II. Audit Qualification (each audit qualification separately):				
	a. Details of Audit Qualification:			
	a) In absence of relevant records, Contract-wise surplus/loss has neither been ascertained nor recognized in compliance with Ind AS-115 'Revenue from contract with customers'. In absence of relevant records, Contract-wise surplus/loss has neither been ascertained nor recognized in compliance with Ind AS-115 'Revenue from contract with customers'.			
	b) The company has overdue accumulated secured debts amounting to ₹ 1629.46 Crores out of which ₹ 123.53 Crores subject to interest reconciliation from 01.10.2018 and ₹ 1505.93 Crores subject to reconciliation of interest thereon from 01.04.2016. Banks has classified it as NPA. No interest has been charged on these secured debts to the Profit & Loss account resulting in understatement of loss to that extent and understatement of liability. Secured lenders have served notices on various dates under section 13(2) of Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 for recovery of their dues.			
	c) Bank statements from State bank of India and Export Import Bank of India is not available. We are unable to ascertain balances and transaction with these banks.			
	b. Type of Audit Qualification : Qualified Opinion			
	c. Frequency of qualification:			
	Qualification No. a) since Financial Year 2013-14			
	Qualification No. b) since Financial Year 2016-17			
	Qualification No. c) since Financial Year 2018-19			
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Nil			

	<p>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</p> <p>(i) Management's estimation on the impact of audit qualification: Nil</p> <p>(ii) If management is unable to estimate the impact, reasons for the same:</p> <p>For Qualification No -(a): During the work execution period there is escalation claim, revision of contract value, extension of completion period, etc due to which unpredictable variation in reliable estimation of revenue and cost. Also the allocation of combine Operating overhead, Head office overhead and Financial Cost is not possible due to combine use or high swapping of resources, size of the Contracts. Hence financial implication of the qualification is not quantifiable.</p> <p>For Qualification No- (b): The Company has not provided interest on NPA accounts, Since the outstanding amount is not quantifiable and the company is in the process for one time settlement with the banks.</p> <p>For Qualification No- (c): The account became NPA for both the cases therefore bank statements are not provided by the banks. The company is in the process for one time settlement with the banks.</p>
	<p>(iii) Auditors' Comments on (i) or (ii) above:</p> <p>As per our qualifications.</p>

III.		Signatories:
	● Managing Director	Rajesh Agarwal (DIN: 00217823)
	● CFO	S. K. Pattanaik
	● Audit Committee Chairman	S. C. Parija (DIN: 00363608)
	● Statutory Auditor	Ajay B Garg
	Place: Bhubaneswar Date: 28.05.2019	

Independent Auditor's Report

To

**The Members of
M/s. ARSS Infrastructure Projects Limited**

CIN : L14103OR2000PLC006230

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

Mancheswar Industrial Estate

Bhubaneswar-751 010, Odisha.

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

We have audited the accompanying consolidated financial statements of M/s. ARSS Infrastructure Projects Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and jointly controlled entities, which comprise the consolidated balance sheet as at March 31, 2019, and the consolidated statement of Profit and Loss, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and jointly controlled entities, as at March 31, 2019, consolidated loss, consolidated changes in equity, and consolidated cash flows for the year then ended.

Basis for Qualified Opinion

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

- h) In case of HCIL -ADHIKARYA- ARSS JV, wherein, status of rights, title and recoverability of the Work-In-Progress valued at ₹165.38 Crores has neither been verified and ascertained nor the effect of the same has been accounted for in the financial statement.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, its associates and jointly controlled entities in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 2013, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Qualified Opinion section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter:	How our audit addressed the key audit matter:
<p>1. In case of Holding company, claim receivable amounting to ₹ 133034 Lakhs is under dispute/ arbitration. Same are subject to the outcome of arbitration and/or reconciliation proceedings arising out of various contractual obligations. Recognition and measurement of the same is based on management evaluation. [Refer note to Note 9: Other Financial Assets]</p>	<ul style="list-style-type: none"> • Evaluate the reasonableness of management's assessment and judgment considering the relevant sector and industry specific phenomenon. • Assessed the individual project wise and case wise outstanding claim receivables. • Discussed the status of significant arbitration claims with the Company's in-house Legal Counsel and other senior management personnel and assessing their responses. • Verified documentation of claim receivable under arbitration. • Checked the arithmetical accuracy of the essential calculations of the management estimate and judgment. • Reviewed the adequacy of disclosures made in the financial statements with this regards. • Based on the above procedures performed by us, we considered the management's assessment of recoverability of claim receivable to be reasonable.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India . The respective Board of Directors of the companies included in the Group are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also :

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary companies which are companies incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained, except for the matter described in the 'Basis for Qualified Opinion' paragraph above, all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) Except for the possible effect of the matter described in the 'Basis for Qualified Opinion' paragraph above, in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) Except for the possible effect of the matter described in the 'Basis for Qualified Opinion' paragraph above, in our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors of the Company and its subsidiaries incorporated in India and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of Group companies incorporated in India is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure-A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.

- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements has disclosed the impact of pending litigations on its financial position.– Refer Note 9 and Note 57 to the consolidated financial statements;
 - ii. The Company and its subsidiary companies incorporated in India did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company and its subsidiary companies incorporated in India.
2. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act; in our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act.

For **Ajay B Garg**
Chartered Accountant

A Garg
Proprietor
Membership No.: 032538

Place : Mumbai
Dated : 28th May 2019

‘Annexure – A’ to the Independent Auditor’s Report

[Referred to in paragraph 1(f) under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the consolidated financial statements of the Company for the year ended March 31, 2019.]

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of **M/s. ARSS Infrastructure Projects Limited** (‘the Company’), and its subsidiary companies, which are companies incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Ajay B Garg
Chartered Accountant

A Garg
Proprietor
Membership No: 032538

Place : Mumbai
Dated : 28th May 2019

Consolidated Balance Sheet

(Rupees in INR' Lakhs)

Particulars	Note No.	As at 31 st -Mar-19	As at 31 st -Mar-18
I. ASSETS			
1. Non-current Assets			
(a) Property, Plant and Equipment	5	6,307	8,652
(b) Capital Work-in-progress	5	10,436	10,689
(c) Intangible Assets	5	-	-
(d) Financial Assets			
(i) Investments	6	1,247	1,024
(ii) Trade Receivables	7	-	-
(iii) Loans	8	193	195
(iv) Other Financial Assets	9	1,33,044	1,33,045
(e) Deferred Tax Assets (net)	11	1,659	1,097
(f) Other Non-Current Assets	10	45	46
2. Current Assets			
a. Inventories	12	6,698	6,175
b. Financial Assets			
(i) Investments	6	-	-
(ii) Trade Receivables	7	7,406	5,080
(iii) Cash & Bank Balance	13	7,819	6,510
(iv) Bank Balances Other Than Three Above	13	2,320	3,363
(v) Loans	8	4,855	4,965
(vi) Other Financial Assets	9	660	290
c. Current Tax Assets (Net)	21	5,338	5,018
d. Other Current Assets	10	1,000	1,456
TOTAL ASSETS		1,89,027	1,87,605
II. EQUITY AND LIABILITIES			
1. Equity			
a. Equity Share Capital	14	2,274	2,274
b. Other Equity	15	(230)	946
Non-Controlling Interest		4	4
2. Liabilities			
(i) Non-current Liabilities			
a. Financial Liabilities			
(i) Borrowings	16	479	66,306
(ii) Trade Payables	17	-	-
Total Outstanding Dues of MSME			
Total Outstanding Dues other than MSME			
(iii) Other Financial Liabilities	18	-	-
b. Provisions	19	85	61
c. Deferred Tax Liabilities (net)	11	-	-
d. Other Non-current Liabilities	20	-	108
(ii) Current Liabilities			
a. Financial Liabilities			
(i) Borrowings	16	1,75,051	1,02,152
(ii) Trade Payables	17	-	-
Total Outstanding Dues of MSME			
Total Outstanding Dues other than MSME		5,374	4,982
(iii) Other Financial Liabilities	18	1,992	9,090
b. Provisions	19	31	27
c. Other Current Liabilities	20	3,967	1,655
d. Current Tax Liability (Net)	21	-	-
TOTAL EQUITY AND LIABILITIES		1,89,027	1,87,605

Significant Accounting Policies and Notes to Accounts

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached.

For Ajay B Garg
Chartered Accountants

For and on behalf of the Board

CA. Ajay B Garg

(Proprietor)

M.No.- 032538

Subash Agarwal

(Chairman)

DIN: 00218066

Rajesh Agarwal

(Managing Director)

DIN : 00217823

S. K. Pattanaik

(Chief Financial Officer)

Prakash Chhajer

(Company Secretary)

Place : Bhubaneswar

Date : The 28th day of May, 2019



Consolidated Statement of Profit and Loss

(Rupees in INR' Lakhs)

Particulars	Note No.	For the year ended 31 st -Mar-19	For the year ended 31 st -Mar-18
Income			
I. Revenue From Operations	22	45,910	58,434
II. Other Income	23	2,296	1,404
III. Other Gains/(Losses)	24	321	502
Total Income		48,527	60,340
IV. Expenses			
(a) Cost of Materials Consumed	25	15,495	12,805
(b) Cost of Services Sold	27	18,246	22,380
(c) Change in Inventories (Increase) /Decrease	26	(1,333)	1,193
(d) Depreciation and Amortization expenses	30	2,202	2,394
(e) Employee Benefit Expenses	28	2,647	2,950
(f) Finance cost	29	2,753	3,725
(g) Other Expenses	31	10,200	22,771
Total Expenses		50,210	68,217
V. Profit Before Exceptional Items and Tax		(1,683)	(7,877)
Share of net profit or associates and joint ventures accounted using equity method		(60)	(366)
Exceptional Items		-	-
VI. Profit Before Taxes		(1,743)	(8,243)
VII. Tax Expenses			
(a) Current Tax		-	-
(b) Tax of Earlier Years		-	(595)
(c) Deferred Tax	11	562	2,996
VIII. Profit (Loss) for the Period		(1,181)	(5,842)
IX. Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss :			
(a) Changes in investments in equity shares carried at Fair Value through OCI			
(b) Re-measurement of defined employee benefit plans		8	(5)
(ii) Income tax relating to items that will not be reclassified to profit or loss :			
- on Revaluation Surplus on Property, Plant & Equipment			
- on Re-measurement of defined employee benefit plans		(3)	2
B (i) Items that will be reclassified to profit or loss :			
(a) Changes in investments other than equity shares carried at Fair Value through OCI (FVOCI)		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss:			
X. Total Other comprehensive Income after tax		5	(3)
XI. Total comprehensive income for the period		(1,176)	(5,845)
XII. Earnings per equity share:			
(1) Basic	55	(5.20)	(29.35)
(2) Diluted	55	(5.20)	(29.35)

Significant Accounting Policies and Notes to Accounts

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached.

For Ajay B Garg
Chartered Accountants

For and on behalf of the Board

CA. Ajay B Garg

(Proprietor)

M.No.- 032538

Subash Agarwal

(Chairman)

DIN: 00218066

Rajesh Agarwal

(Managing Director)

DIN : 00217823

S. K. Pattanaik

(Chief Financial Officer)

Prakash Chhajer

(Company Secretary)

Place : Bhubaneswar

Date : The 28th day of May, 2019

Consolidated Statement of Changes in Equity

(Rupees in INR' Lakhs)

A. Equity Share Capital

Particulars	Amount
As at 31 March 2018	2,274
Changes in equity share capital	-
As at 31 March 2019	2,274

B. Other Equity

Particulars	Share Application Money	Reserves & Surplus			Total other equity
		General Reserves	Securities premium reserve	Retained earnings	
Balance at 31 March 2018	-	727	19,947	(19,728)	946
Profit for the year	-	-	-	(1,181)	(1,181)
Other comprehensive income	-	-	-	5	5
Total comprehensive income for the year	-	-	-	(1,176)	(1,176)
Issue of equity shares	-	-	-	-	-
Balance at 31 March 2019	-	727	19,947	(20,904)	(230)

As per our report of even date attached.

For Ajay B Garg
Chartered Accountants

For and on behalf of the Board

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

Subash Agarwal
(Chairman)
DIN: 00218066

Rajesh Agarwal
(Managing Director)
DIN : 00217823

S. K. Pattanaik
(Chief Financial Officer)

Prakash Chhajer
(Company Secretary)

Place : Bhubaneswar

Date : The 28th day of May, 2019



Consolidated Statement of Cash Flows

Particulars	(Rupees in INR Lakhs)	
	Year Ended 31 st March'2019	Year Ended 31 st March'2018
Operating Activities		
Profit before tax from continuing operations	(1,743)	(8,243)
Profit/(loss) before tax from discontinuing operations	-	-
Profit before tax	(1,743)	(8,243)
Adjustments for		
Depreciation on Property, plant and equipment	2,202	2,394
Loss/Gain on Sale of Property, plant and equipment	111	9,284
Re-measurement of Defined Benefits Plan	5	(5)
Interest Income	(956)	(1,261)
Interest Expense	2,753	3,725
Assets held for disposal	-	-
Dividend Income	-	-
Operating profit / (loss) before working capital changes	2,372	5,894
Working capital adjustments:		
Increase/(decrease) in short-term Borrowings	72,899	186
Increase/(decrease) in Trade payables	392	86
Increase/(decrease) in other current liabilities	2,312	32
Increase/(decrease) in other long-term liabilities	-	-
Decrease/(increase) in trade receivables	(2,326)	3,134
Decrease/(increase) in inventories	(523)	(306)
Increase/(decrease) in provisions	28	-
Decrease/(increase) in other current assets	456	419
Decrease/(increase) in bank balances with maturity greater than 3 months	1,043	2,444
Decrease/(increase) in other non-current assets	1	-
Decrease/(increase) in other non-current financial assets	1	(45,020)
Decrease/(increase) in other current financial assets	(370)	37,202
Decrease/(increase) in assets held for disposal	-	2
Increase/(decrease) in other non-current financial liabilities	(108)	-
Increase/(decrease) in other current financial liabilities	(7,098)	4,319
Decrease/(increase) in short-term loans and advances	110	(858)
Decrease/(increase) in Long-term loans and advances	2	138
	69,191	7,671
Income taxes paid	(320)	712
NET CASH INFLOW FROM OPERATING ACTIVITIES (A)	68,871	8,383
Investing Activities		
Purchase of property, plant and equipment	(59)	(53)
Purchase of Intangible Assets	-	-
Proceeds (Purchase) of Capital Work In Progress	253	(783)
Proceeds from Sale of property, plant and equipment	92	352
(Purchase)/Sale of Investments	(283)	318
Interest received (finance income)	956	1,261
Dividend received (finance income)	-	-
NET CASH OUTFLOW FROM INVESTING ACTIVITIES (B)	1,018	1,096
Financing Activities		
Proceeds from issue of equity shares	-	790
Proceeds from securities premium	-	5,211
Interest paid	(2,753)	(3,725)
Proceeds/(Repayment) from borrowings	(65,827)	(6,943)
Dividends paid including Dividend Distribution Tax	-	-
NET CASH INFLOW (OUTFLOW) FROM FINANCING ACTIVITIES	(68,580)	(4,667)
Net increase (decrease) in cash and cash equivalents (A+B+C)	1,309	4,812
Cash and cash equivalents at the beginning of the year	6,510	1,698
Cash and cash equivalents at year end	7,819	6,510

As per our report of even date attached.

For Ajay B Garg
Chartered Accountants

For and on behalf of the Board

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

Subash Agarwal
(Chairman)
DIN: 00218066

Rajesh Agarwal
(Managing Director)
DIN : 00217823

S. K. Pattanaik
(Chief Financial Officer)

Prakash Chhajera
(Company Secretary)

Place : Bhubaneswar

Date : The 28th day of May, 2019

Notes to the Financial Statements for the year ended 31st March, 2019

1) Company Overview

ARSS infrastructure Projects Limited (the company) is a public limited company incorporated and domiciled in India. The company has its primary listings on the BSE Limited and National Stock Exchange of India Limited, in India. The company is engaged in execution of contracts of various infrastructure projects including road work, bridge work, railway tracking and irrigation projects.

2) SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

(i) Compliance with Ind AS :

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

(ii) Historical cost convention :

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

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

(iii) Current And Non -Current Classification

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

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

i) Recognition and Measurement

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

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

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

iii) Depreciation methods, estimated useful lives and residual value

- a) Depreciation is calculated using the Straight Line Method (SLM) to allocate their cost, net of their residual values over their estimated useful life. The useful life has been determined based on the technical evaluation done by the independent experts.
- b) Any asset whose aggregate actual cost does not exceed five thousand rupees has been fully charged off in the year of addition.
- c) The residual values are not more than 3% (in case of vehicles) and 5% (in fixed assets other than vehicles) of the original cost of the assets. The assets's residual values and useful life are reviewed and adjusted at the end of each reporting period.

- d) Depreciation on assets purchased/acquired during the year is charged from the date of purchase of the assets. Assets that are acquired during the year are depreciated on pro rata basis from the date of such addition or, as the case may be, upto the date on which such assets has been derecognized.
- e) An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.
- f) Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).
- g) Leasehold land has been amortized over corresponding lease period.

2.3 Revenue recognition :

The company account for revenue from a contract with a customer only when all of the following criteria are met:

- (a) the parties to the contract have approved the contract (in writing, orally or in accordance with other customary business practices) and are committed to perform their respective obligations;
- (b) the company can identify each party's rights regarding the goods or services to be transferred;
- (c) the company can identify the payment terms for the goods or services to be transferred;
- (d) the contract has commercial substance (ie the risk, timing or amount of the entity's future cash flows is expected to change as a result of the contract); and
- (e) it is probable that the entity will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer.

3 Other Incomes

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

4 Inventories :

Raw materials,Stores and spares,Semi-finished goods, traded and finished goods

Inventories are valued as under –

- a) Raw materials, Stores spares, loose tools and Erection materials are valued at cost or net realisable value;
- b) Finished goods are stated at lower of Cost or Net Realisable Value; and
- c) Saleable scraps, whose cost is not identifiable, are valued at estimated realisable value.

Cost of raw materials and stores comprises cost of purchase. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business after deduction of the estimated cost of completion and the estimated costs necessary to make the sale.

5 Financial Instruments

Financial assets and liabilities are recognized when the company becomes a party to the contractual provisions of the instrument.

Financial Assets**(i) Trade Receivables**

Trade Receivables are recognized initially at fair value and subsequently measured at amortized costs less provisions for impairment.

(ii) Other Financial Assets**a) Classifications**

The company classifies its financial assets into the following categories:

- i. Those to be measured subsequently at fair value (either through other comprehensive income or through profit and loss)
- ii. Those measured at amortized costs

The classification depends upon the business model for managing the financial assets and contractual characteristics of the cash flows.

b) Measurements**Initial Recognition:**

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial assets. The transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are immediately recognized in profit or loss.

Subsequent Measurement:

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

- i. measured at amortized cost

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

- ii. measured at fair value through other comprehensive income

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

- iii. measured at fair value through profit or loss

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

Equity instruments :

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

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

c) Impairment of Financial Assets :

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

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

d) Derecognition of Financial Assets :

A financial asset is derecognized only when :

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

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

Financial Liabilities

a) Borrowings :

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

b) Trade and other payables :

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

c) Other Financial Liabilities

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

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

d) Offsetting of Financial Instruments:

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

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

6 Employee benefits :

(i) Short-term employee benefit obligations

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

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

(ii) Post-employment obligations

The entity operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity, Super annuation and
- (b) defined contribution plans such as provident fund.

Provident fund obligations

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

Gratuity obligations

The liability or assets recognized in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligations denominated in INR is determined by discounting the estimated future cash flows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the term of related obligations.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expenses in statement of profit and loss.

Re-measurements gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

7 Foreign currency translation :

(i) Functional and presentation currency

Each items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions i.e. Revenue, expense and cash-flow items denominated in foreign currencies are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Non monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. Translation differences on assets and liabilities carried at fair value are reported as part of fair value gain or loss.

8 Income tax :

- i. The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.
- ii. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

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

9 Cash and cash equivalents :

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

10 Borrowing costs :

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

11 Provisions & Contingent Liabilities:

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

12 Contributed equity :

a) Equity:

Equity shares are classified as equity.

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

b) Dividends :

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

13 Earning Per Share**a) Basic Earning Per Share**

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

b) Diluted Earning Per Share

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

14 Segment Reporting

Ind AS 108 establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. The Company's operations predominantly relate to providing end-to-end business solutions to enable clients to enhance business performance. Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments. Accordingly, information has been presented both along business segments and geographic segments. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the significant accounting policies.

Revenue and identifiable operating expenses in relation to segments are categorized based on items that are individually identifiable to that segment. Revenue for "all other segments" represents revenue generated from customers located in India. Allocated expenses of segments include expenses incurred for rendering services. Certain expenses such as depreciation, which form a significant component of total expenses, are not specifically allocable to specific segments as the underlying assets are used interchangeably. Management believes that it is not practical to provide segment disclosures relating to those costs and expenses, and accordingly these expenses are separately disclosed as "unallocated" and adjusted against the total income of the Company.

Assets and liabilities used in the Company's business are not identified to any of the reportable segments, as these are used interchangeably between segments. Management believes that it is currently not practicable to provide segment disclosures relating to total assets and liabilities since a meaningful segregation of the available data is onerous.

Geographical information on revenue and business segment revenue information is collected based on individual customers invoiced or in relation to which the revenue is otherwise recognized.

15 Principles of Consolidation:

The Consolidated Financial Statements consist of ARSS Infrastructure Projects Limited ,its subsidiary, its associate and joint ventures (collectively referred to as "the Group"). The Consolidated Financial Statements have been prepared on the following basis:

(i) Subsidiary:

A subsidiary is an entity over which group has control. The group controls an entity when the group is exposed to or has rights to variable returns from continuous involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date on which control ceases.

The group consolidates the financial statements of the parent and its subsidiaries by adding line by line together like items of assets, liabilities, equity, income and expenses, intergroup balances, transactions and unrealized gains or losses on transactions between the group companies are eliminated. Accounting policies of subsidiaries have been changed and realigned wherever necessary to ensure consistency with policies adopted by the group.

Non-controlling interest in the results and equity subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interest to reflect their relative interests in the subsidiary is recognised within entity.

(ii) Joint Ventures and Associates:

The group has accounted investments in joint venture and associates under equity method. Under the equity method, on initial recognition the investment in an associate or a joint venture is recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The investor share of the investee's profit or loss is recognised in the investor's profit or loss. Distributions received from an investee reduce the carrying amount of the investment. Adjustments to the carrying amount may also be necessary for changes in the investor's proportionate interest in the investee arising from changes in the investee's other comprehensive income.

16 Rounding of amounts :

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

3) Recent Accounting Pronouncement :

Accounting Pronouncement Issued but not effective :

a) Ind AS 116 Leases :

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019.

On completion of evaluation of the effect of adoption of Ind AS 116, the Company is proposing to use the 'Modified Retrospective Approach' for transitioning to Ind AS 116, and take the cumulative adjustment to retained earnings, on the date of initial application (April 1, 2019). Accordingly, comparatives for the year ended March 31, 2019 will not be retrospectively adjusted. The Company has elected certain available practical expedients on transition.

b) Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments:

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives.

The effect on adoption of Ind AS 12 Appendix C would be insignificant in the standalone financial statements.

c) Amendment to Ind AS 12 – Income taxes

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognise the

income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

d) Amendment to Ind AS 19 – plan amendment, curtailment or settlement-

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

4) Critical Estimates and Judgements:

a) Use of Estimates :

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

b) Critical Accounting Estimates :

i) Property, plant and equipment

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

ii) Income Taxes :

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

iii) Defined benefit obligation

The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

iv) Impairment of trade receivables

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

Note-5: Property, Plant and Equipment

Particulars	Freehold Land	Freehold Buildings	Furniture, Fittings and Equipment	Plant and Equipment	Office Equipment	Vehicles	Total	Capital Work-in-Progress	Intangible Assets
Gross Carrying Amount									
At 1st April, 2017	737	367	169	36,038	305	1,535	39,151	9,906	-
Additions/Adjustments during the year	-	-	1	17	3	-	21	783	-
Disposals/Adjustment during the year	-	-	-	10,003	-	53	10,056	-	-
At 31st March, 2018	737	367	170	26,052	308	1,482	29,116	10,689	-
Additions/Adjustments during the year	-	-	3	45	10	1	59	-	-
Disposals/Adjustment during the year	-	20	-	631	-	11	662	-	-
At 31st March, 2019	737	347	173	25,466	318.00	1,472	28,513	10,689	-
Accumulated Depreciation and Impairment									
At 1st April, 2017	-	46	96	16,769	300	1,297	18,508	-	-
Depreciation charge for the year	-	6	16	2,183	3	185	2,393	-	-
Disposals/Adjustment during the year	-	-	-	391	-	46	437	253	-
At 31st March, 2018	-	52	112	18,561	303	1,436	20,464	253	-
Depreciation charge for the year	-	6	16	2,173	5	1	2,201	-	-
Disposals/Adjustment during the year	-	3	-	445	-	11	459	-	-
At 31st March, 2019	-	55	128	20,289	308	1,426	22,206	253	-
Net Book Value At 31st March, 2019	737	292	45	5,177	10	46	6,307	-	-
Net Book Value At 31st March, 2018	737	315	58	7,491	5	46	8,652	10,436	-

(i) Details of property plant & equipment pledged as security - Refer Note No. 63

(ii) Refer Note No. 67 for estimated useful life of different class of Property ,Plant & Equipment.

(iii) The amount of intangible asset is below rounding off norms of the company.

Net Book Value

	As at	
	31 st March, 2019	31 st March, 2018
	INR Lakhs	INR Lakhs
Property, Plant and Equipment	6,307	8,652
Capital Work-in-progress	10,436	10,689
Intangible Assets	-	-

(vi) The details of retired asset as at end of each period is as below :-

Net Book Value

	As at 31st March, 2019	As at 31st March, 2018
	INR Lakhs	INR Lakhs
Property, Plant and Equipment	-	445
Capital Work-in-progress		
Intangible Assets		

(vii) **Assets Held For Disposal**

Carrying Amount /At Deemed Cost

	As at 31st March'2019	As at 31st March'2018
	INR Lakhs	INR Lakhs
(i) Plant and Equipment		
Opening Balance/Deemed Cost	-	-
Additions		-
Deletions		-
Carrying Amount/Deemed Cost	-	-
(ii) Vehicles		
Opening Balance/Deemed Cost	-	2
Additions		
Deletions	-	(2)
Carrying Amount/Deemed Cost	-	-
Total	<u>-</u>	<u>-</u>

Note 6: Investments

Particulars	As at 31 st March'2019	As at 31 st March'2018
Investment in Equity Instruments		
Unquoted at Cost		
Investment in Subsidiary Entities		
2,20,83,730 (31, March 2018:2,20,83,730) Equity Shares of ₹ 10/- each fully paid up in ARSS Damoh-Hirapur Tolls Private Limited	-	-
1,12,139 (31, March 2018:1,12,139) Equity Shares of ₹ 10/- each fully paid up in ARSS E to E Rail Private Limited)	-	-
Investment in Associate Entities		
2,50,000 (31, March 2017:2,50,000) Equity Shares of ₹ 10/- issued at ₹ 30/- each fully paid up in ARSS Developers Ltd	-	40
Investment in Joint Ventures	1,247	984
Other Investments :		
Investment in Mutual Funds	-	-
Total	1,247	1,024
(i) Non-current	1,247	1,024
(ii) Current	-	-
Category wise Investments:		
At Amortized Cost	1,247	1,024
At Fairvalue through Profit & Loss (FVPL)	-	-
At Fairvalue through Other Comprehensive Income (FVOCI)	-	-

Note 7: Trade receivables

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
Secured, considered good		
(i) Non-Current	-	-
Sub-Total	-	-
(ii) Current		
Gross Trade Receivables	7,854	5,123
Less: Trade Receivable Written off	(448)	(43)
Sub-Total	7,406	5,080
Total	7,406	5,080

Trade receivables are non-interest bearing and are generally on terms of 90 to 180 days. Refer Note No 61 for detailed disclosure of trade receivables from related parties.

Note 8: Loans

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
Secured, considered good		
(i) Non-Current		
Security Deposit-'Government authorities(Non Current)	15	15
Security Deposit-'Others	178	180
Sub-Total	193	195
(ii) Current		
Security Deposit-'Government authorities.(Current)	16	-
Security Deposit-'Others(Current)*	4,314	4,624
Less; Impact of finance component of deferred revenue	(298)	(245)
Earnest Money Deposits	823	586
Sub-Total	4,855	4,965
Total	5,048	5,160

*Others Includes Security Deposit & Withheld money receivable.

Note 9: Other Financial Assets

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
(i) Non-Current		
Application Money Paid towards securities Pending Allotment	-	-
Claims Receivable	1,33,044	1,33,045
Other Advances *	-	-
Sub-Total	1,33,044	1,33,045
(ii) Current		
Claims Receivable	-	-
Other Advances **	660	290
Sub-Total	660	290
Total	1,33,704	1,33,335

**Other Current Advances include mainly Bank Guarantees Invoked.

*Total Claim receivable amounting to ₹ 148545 Lakhs is under dispute/arbitration. Same are subject to the outcome of arbitration and/or reconciliation proceedings arising out of various contractual obligations. The element of reliable profit and actual expenditure incurred has been considered an amount of ₹ 133034 Lakhs is accounted based on reasonable certainty of realisation of the same and are considered good and reliable by the management.

Note 10: Other Assets

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
(i) Non-Current		
Preliminary Expenses not Written off	15	15
Lease Prepayments (Refer Below Note)	30	31
Sub-Total	<u>45</u>	<u>46</u>
(ii) Current		
Prepaid Expenses	195	295
Employee Advances	7	5
Vendor Advances	798	1,156
Sub-Total	<u>1,000</u>	<u>1,456</u>
Total	<u>1,045</u>	<u>1,502</u>

(i) Operating Leasehold Land

As per Ind-AS 17 “a finance lease is a lease that transfers substantially all the risks and rewards incidental to ownership of an asset and all other lease are treated as operating lease”. Since land normally has an indefinite economic life, leasehold land is classified as operating lease. Accordingly, the entity has classified all its lease hold lands as operating lease. Lease payments made under these operating lease arrangements are recognised as an expense on a straight-line basis over the lease term. The operating lease payment movement is presented as below:-

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
Opening Lease Prepayments	34	34
Addition during the period	-	-
Deletion during the period	-	-
Closing Lease Prepayments (A)	<u>34</u>	<u>34</u>
Opening value of Amortized lease Prepayments	3	2
Amortization during the period	1	1
Deletion during the period	-	-
Closing value of Amortized lease Prepayments (B)	<u>4</u>	<u>3</u>
Net amount of Lease Prepayments (A- B)	<u>30</u>	<u>31</u>

Note 11: Deferred tax assets/(liabilities)(net)

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
Property, plant and equipment	1,503	770
Lease Prepayments	(10)	(10)
Employee Benefit Obligation	39	27
Impairment loss/(gain) on financial assets	-	183
Minimum Alternate Tax(MAT)	127	127
Remeasurement of Defined Benefit Obligation	-	-
Brought forward losses	-	-
Total	<u>1,659</u>	<u>1,097</u>

Note 12: Inventories

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
a. Materials at Site	1,044	1,805
b. Stores, Spares & Loose Tools	257	306
c. Work In Progress	2,993	1,032
d. Finished Goods	2,404	3,032
Total	6,698	6,175

Note 13: Cash and Bank Balance

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
Balances with banks		
Cash at bank	7,798	6,424
Cash on hand	21	86
Less: Bank overdraft	-	-
Total	7,819	6,510
Less: Balances In Bank Other Than Above*	2,320	3,363
Total	2,320	3,363

Details of Cash at Bank :

In Current Account	7,798	6,393
In Fixed Deposits	2,320	3,363

*Fixed deposit with carrying amount of INR 2320 lakhs including interest accrued on the same (31st March,2018: INR 3,363) are pledged against bank guarantees as security deposit ,EMD and Margin account.

Note 14: Share Capital

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
(A) Authorised Shares Capital		
Equity Shares :		
4,00,00,000 (As on 31st March 2018 4,00,00,000) Equity Shares of ₹ 10/- Each	4,000	4,000
Preference Shares :		
1,50,00,00(As on 31st March 2018 1,50,00,00) Preference Shares of ₹ 10/- Each	1,500	1,500
(B) Issued, Subscribed and Paid Up		
Equity Shares:		
2,27,37,966 (As on 31st March 2018 2,27,37,966) equity shares of ₹ 10 each fully paid up	2,274	2,274
Total	2,274	2,274
(C) Reconciliation of Number of Shares		
i) Reconciliation of number of Equity shares are set out below:		
a) Shares outstanding at the beginning of the financial year.	2,27,37,966	1,48,43,230
b) Issued during the year	-	78,94,736
c) Shares forfeited/brought back/cancelled during the year	-	-
d) Shares outstanding at the end of the financial year	2,27,37,966	2,27,37,966
ii) Reconciliation of number of Preference shares are set out below:		
a) Shares outstanding at the beginning of the financial year.	-	1,50,00,000
b) Issued during the year	-	-
c) Shares forfeited/brought back/cancelled during the year	-	(1,50,00,000)
d) Shares outstanding at the end of the financial year	-	-

(D) Details of shareholders holding more than 5% of shares
Name of the Shareholders
As at 31st March, 2019 **As at 31st March, 2018**
% Held **No. of Shares** **% Held** **No. of Shares**
Equity Shares:

Subash Agarwal	6.08%	13,81,608	6.08%	13,81,608
Mohanlal Agarwal	-	-	-	-
ARSS Developers Ltd	14.00%	31,83,480	14.00%	31,83,480
Sidhant Financial Services Limited	14.92%	33,93,031	14.92%	33,93,031

- (i) The company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian Rupees.
- (ii) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(E) There are no shares reserved for issue under options and contracts or commitments for the sale of shares or disinvestment.
(F) For the period of five years immediately preceding the date at which the balance sheet prepared the company has not :

- (i) Allotted any shares as fully paid up pursuant to contract without payment being received.
- (ii) Allotted any shares as fully paid up by way of bonus, and
- (iii) Bought back any shares

Note 15: Other Equity
Particulars

	As at 31st March, 2019	As at 31st March, 2018
a. Securities Premium		
Opening Balance	19,947	14,736
Add:-Additions during the year	-	5,211
Sub Total	19,947	19,947
b. General Reserves		
Opening Balance	727	727
Add:-Addition during the Year	-	-
Less: Transferred to Retained Earnings	-	-
Sub Total	727	727
c. Retained Earnings		
Opening Balance/ As on Transition Date	(19,728)	(13,883)
Add: Profit/(Loss) during the year	(1,181)	(5,842)
Add: Re-measurement of defined employee benefit plans through OCI	5	(3)
Sub Total	(20,904)	(19,728)
Grand Totals	(230)	946

Note 16: Borrowings

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
(i) Non-Current Borrowings		
Secured Loan		
Term Loan From Banks	479	66,306
Financial Lease Obligations	-	-
Unsecured Loan		
Loans from Bank	-	-
Loan from Others	-	-
Less : - Current Maturity of Long term debt		
Term Loan From Banks	-	-
Financial Lease Obligations	-	-
Total non-current borrowings	479	66,306
(ii) Current Borrowings		
Cash Credit	1,03,121	99,884
Term Loan From Banks	69,896	-
Financial Lease Obligations	-	-
From Others (Refer Point- VII below)	2,034	2,268
Total current borrowings	1,75,051	1,02,152

Notes :-

- (i) Rupee loan from bank carries interest @ 10 % to 10.5% p.a. The loans are repayable in quarterly installments from 01.10.2013. The above loans are secured by way of mortgage of land and building, assets acquired out of such loan and also backed by personal guarantee of Promoters. However as at date, the accounts have turned NPA.
- (ii) Term Loan (TL) under CDR and governed by Master Restructuring Agreement(MRA) dated 6th September 2012, with State Bank of India, Punjab National Bank, ICICI Bank Ltd., IDBI Bank Ltd., State Bank of Bikaner & Jaipur & Bank of India. The amount repayable is over a period from FY 2016-17 to 2020-21. However as at date, the same stands cancelled.
- (iii) This loan is secured by equitable mortgage of immovable property of the Company and promoters, pari-passu charge on plant & machinery of the company (excluding leasehold land & office flat & office equipments on which other lenders are having first charge) and irrevocable and unconditional personal guarantees of the Directors and pledge of shares held by promoters in the Company.
- (iv) Interest rate for all term loan are subject to periodic review.
- (v) Continuing installment repayment default to banks is ₹ 165463 Lacs.
- (vi) The Company is currently in the process of undergoing compromise settlement with the consortium lenders and other Banks for settlement of dues in the Books of Accounts. Whereas some lenders have entered into the settlement with unacknowledged terms and conditions and some settlements are still pending.
- (vii) Current Borrowings includes amounts borrowed from related party. Refer note - 61 for detailed disclosure of the same.

Note 17 : Trade Payables

Particulars	As at 31 st March, 2019	As at 31 st March'2018
Non Current Trade Payables	-	-
Sub-Total	-	-
Current Trade Payables	5,374	4,982
Sub-Total	5,374	4,982
Grand Total	5,374	4,982

The Company has not received any intimation from suppliers regarding their status under Micro, Small and Medium enterprise Development Act, 2006 and hence disclosures if any relating to amount unpaid as at the year end together with interest paid/ payable as required under the said Act have not been given. Refer Note No 66 for detailed disclosure on the same.

Note 18: Other financial liabilities

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
i. Non-Current		
Retention Money	-	-
Capital Creditors	-	-
Sub-Total	<u>-</u>	<u>-</u>
ii. Current		
Current Maturity of Long term Debt		
Term Loan From Banks	-	7,306
Retention Money	546	836
Outstanding Employee Benefit Cost	616	437
Liability For Expenses	402	511
Excess Drawings From JV	428	
Sub-Total	<u>1,992</u>	<u>9,090</u>
Total	<u><u>1,992</u></u>	<u><u>9,090</u></u>

Note 19: Provisions

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
Provision for Employee Benefits	116	88
Provision for Others	-	-
Total	<u>116</u>	<u>88</u>
Current	31	27
Non Current	85	61

Note 20: Other Liabilities

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
Non- Current Liabilities		
Mobilization advance Received	-	108
	<u>-</u>	<u>108</u>
Current Liabilities		
Payable to Statutory Authorities	626	401
Mobilization advance Received	-	925
Advance From Customers	3,341	329
Total	<u>3,967</u>	<u>1,655</u>

Note 21: Current Tax Liability/ (Assets) In Net

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
Income tax payable	-	-
TDS receivable	(5,338)	(5,018)
Total	<u>(5,338)</u>	<u>(5,018)</u>

Note 22 : Revenue from operations

Particulars	31st March, 2019	31st March, 2018
Revenue from Operation :		
Sale of Services*	46,257	53,774
Sale of Products	8	4,838
Less: Impact of finance component of deferred revenue	(355)	(178)
Total	45,910	58,434

* Includes claims and incentives

Note 23 : Other income

Particulars	31st March, 2019	31st March, 2018
Interest Income From Financial Assets measured at Amortized Cost	938	1,016
Interest On Arbitration Cases	18	245
Liability Written-off	1,137	-
Miscellaneous Income	203	143
Total	2,296	1,404

Note 24 : Other Gains/(Losses)

Particulars	31st March, 2019	31st March, 2018
Net gain/(losses) on disposal of Property, Plant & Equipment	18	227
Interest On Income Tax refund	-	111
Unwinding of finance component of deferred consideration	303	164
Total	321	502

Note 25: Cost of material consumed

Particulars	31st March, 2019	31st March, 2018
Material and components consumed		
Opening Stock	2,111	617
Add: Material Purchased during the year	14,686	14,299
Less: Closing Stock	1,302	2,111
Total	15,495	12,805

Note 26 : Change in Inventories

Particulars	31st March, 2019	31st March, 2018
Opening Stock		
Work In Progress	1,032	2,116
Finished Goods	3,032	3,141
Sub-Total	4,064	5,257
Less:- Closing Stock		
Work In Progress	2,993	1,032
Finished Goods	2,404	3,032
Sub-Total	5,397	4,064
INCREASE(-)/DECREASE(+)	(1,333)	1,193

Note 27 : Cost Of Goods/Services Sold

Particulars	31st March, 2019	31st March, 2018
Sub-Contract Expenses	9,049	8,384
Wages & Salary	2,678	2,091
Hire Charges	197	161
Fuel Expenses	5,797	11,067
Rents, Rates and related Taxes	526	677
Total	18,246	22,380

Note 28 : Employee Benefit Expenses

Particulars	31st March, 2019	31st March, 2018
Salary & Allowances	2,431	2455
Managerial Remuneration	84	147
Contribution to PF & Other Funds	61	60
Staff Welfare	70	288
Total	2,647	2,950

Note 29 : Finance Cost

Particulars	31st March, 2019	31st March, 2018
Interest On Borrowings	2,748	3,665
Interest on Deferred Payment Terms	5	60
Total	2,753	3,725

Note 30: Depreciation and Amortization expenses

Particulars	31st March, 2019	31st March, 2018
Depreciation Expenses	2,201	2,393
Amortization Expenses	1	1
Total	2,202	2,394

Note 31: Other expenses

Particulars	31 st March, 2019	31 st March, 2018
Repairs & maintainance:		
Repairs & maintenance-Plant & Machinery	2,685	2,744
Repairs & maintenance-Others	133	173
Bad Debt	1,175	43
De-Recognition of Investments in JV	12	-
Provision for Bank Guarantee Invoked	3,620	5,556
Legal & Professional Charges	447	531
Royalty	362	659
Travelling & Conveyance	414	1,669
Auditors Remuneration (Note 32)	24	24
Directors' Sitting fees	13	15
Bank Charges	191	366
Insurance Charges	294	295
Electricity Charges	38	39
Loss on Sale of Property, Plant & Equipment	129	9,511
Miscellaneous Expenses	664	1,146
Corporate Social Responsibility Expenses (Note 33)	-	-
	<u>10,200</u>	<u>22,771</u>

Note 32 : Details of Payment to Auditors**As Auditors**

Particulars	31 st March, 2019	31 st March, 2018
Audit Fees	19	19
Tax Audit Fee	5	5
In other Capacity		
Taxation Matters	-	-
Company Law Matters	-	-
Certification Fees	-	-
Re-imbusement of Expenses	-	-
	<u>24</u>	<u>24</u>

Note 33: Corporate Social Responsibility Expenses :

Particulars	31 st March, 2019	31 st March, 2018
Contribution to Charity Foundation	-	-
Outlay on Others CSR Projects	-	-
Total	<u>-</u>	<u>-</u>
Amount required to be spent as per Section 135 of the Act	-	-
Amount spent during the year On :		
(1) Construction or Acquisition of Assets	-	-
(2) On purposes other than (1) above	-	-
Total	<u>-</u>	<u>-</u>
Excess/(Short) Amount Spend	-	-

Note 34 : Income Tax Expenses

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

(Rupees in INR' Lakhs)

Particulars	31 st March, 2019	31 st March, 2018
(a) Income Tax Expenses		
Current Tax :		
Current Tax on profits for the year	-	-
Adjustments for current tax of prior periods	-	595
Total Current Tax Expenses	-	595
Deferred Tax :		
Decrease/(Increase) in deferred tax assets	(562)	(2,995)
(Decrease)/Increase in deferred tax liabilities	-	-
Adjustments for deferred tax of prior periods	-	-
Total Deferred tax expenses/(benefits)	(562)	(2,995)
Total Income Tax Expenses	(562)	(2,400)
Income Tax Expenses is attributable to :		
Current Tax	-	595
Deferred Tax	(562)	(2,995)
Total Tax Expenses Charged to SPL	(562)	(2,400)
Total Tax Expenses Charged against OCI	3	(2)
Total Tax Expenses	(559)	(2,402)

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

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

(c) Amount recognized directly in equity

(Rupees in INR' Lakhs)

Particulars	31 st March, 2019	31 st March, 2018
Aggregate current and deferred tax arising in the reporting period and not recognized in net profit or loss or other comprehensive income but directly debited/ (credited) to equity:		
Current tax: share issue transaction cost	-	-
Deferred tax: Convertible bonds	-	-
	-	-

(d) Tax losses

Particulars	31 st March, 2019	31 st March, 2018
Unused tax losses for which no deferred tax has been recognized	-	-
Potential tax benefits @ 33.38%	-	-

(e) Unrecognized temporary differences**Particulars****31st March, 2019** 31st March, 2018

Temporary difference relating to investment in subsidiaries for which deferred tax liabilities have not been recognized:

Undistributed earnings

-

-

Unrecognized deferred tax liabilities relating to the above temporary differences

-

-

Note No. 35 : Movement in Deferred Tax (Asset-Incomes) / (Liability-Expenses)

(Rupees in INR' Lakhs)

Particulars	As at 31.03.2019		As at 31.03.2018	
	Through PL	Through OCI	Through PL	Through OCI
Property, plant and equipment	1,503	-	770	-
Lease Prepayments	(10)	-	(10)	-
Employee Benefit Obligation	39	-	27	-
Impairment loss/(gain) on financial assets	-	-	183	-
Minimum Alternate Tax(MAT)	127	-	127	-
Other Financial Liability	-	-	-	-
Brought forward losses	-	-	-	-
Impact /As on Transition Date	1,659	-	1,097	-

Note 36 : Employee benefit obligations**(All amounts in INR lakhs, unless otherwise stated)**

Particulars	Year Ending 31-03-2019	Year Ending 31-03-2018
Change in Defined Benefit Obligation :		
Defined Benefit Obligation at the beginning	205	0
Current Service Cost	28	27
Past Service Cost	0	178
(Gain) / Loss on settlements		0
Interest Expense	16	0
Benefit Payments from Plan Assets	(5)	(5)
Remeasurements - Due to Experience Adjustments	(11)	5
Defined Benefit Obligation at the end	234	205
Change in Fair Value of Plan Assets :		
Fair Value of Plan Assets at the beginning	117	113
Interest Income	9	9
Benefit Payments from Plan Assets	(5)	(5)
Remeasurements - Return on Assets	(2)	0
Fair Value of Plan Assets at the end	118	117
Weighted Average Asset Allocations at the end of current period		
Equities	-	-
Bonds	-	-
Insurance Policies	100%	100%

Note 37 : Components of Defined Benefit Cost

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Year Ending 31-03-2019	Year Ending 31-03-2018
Current Service Cost	28	27
Past Service Cost	-	178
Total Service Cost	28	205
Total Net Interest Cost	7	(9)
Defined Benefit Cost included in P & L	35	196
Remeasurements - Due to Experience Adjustments	(11)	5
(Return) on Plan Assets (Excluding Interest Income)	2	0
Total Remeasurements in OCI	(8)	5

Note 38 : Employee benefit obligations Funded /Unfunded balance

The net liability disclosed above relates to funded and unfunded plans are as follows :

(All amounts in INR lakhs, unless otherwise stated)

Particulars	31-3-2019	31-3-2018
Defined Benefit Obligation	234	205
Fair value of plan assets	118	117
Deficit of funded plans	116	88
Unfunded plans	-	-
Deficit of Un funded plans	-	-

Note 39: Expected Cash flows From Defined Benefits Obligations

Maturity Profile of Defined Benefit Obligations :

(All amounts in INR lakhs, unless otherwise stated)

Years	Cash Outflow
1	31
2	29
3	30
4	28
5	26
6	25
7	23
8	23
9	20
10	21

Note 40 :Significant estimates: actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

Particulars	31-3-2019	31-3-2018
Discount rate	8%	8%
Withdrawal Rate	15%	15%
Salary growth rate	10%	10%
Disability Rate	5%	0%

Sensitivity Analysis :

Discount Rate, Salary Escalation Rate and Withdrawal Rate are significant actuarial assumptions. The change in the Present Value of Defined Benefit Obligation for a change of 100 Basis Points from the assumed assumption is given below:

(All amounts in INR lakhs, unless otherwise stated)

Scenario	PV DBO	Percentage Change
Under Base Scenario	234	0%
Salary Escalation - Up by 1%	249	7%
Salary Escalation - Down by 1%	220	(6%)
Withdrawal Rates - Up by 1%	233	(1%)
Withdrawal Rates - Down by 1%	236	1%
Discount Rates - Up by 1%	221	(6%)
Discount Rates - Down by 1%	249	6%

Note 41 : Risk exposure of Defined Benefits Obligations

Through its defined benefit plans, the company is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility :

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Most of the plan asset investments is maintained with LIC India. These are subject to interest rate risk and the fund manages interest rate risk to minimize risk to an acceptable level.

Changes in Bond yields :

A decrease in bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plan funds maintained with the SBI Life.

Inflation risks :

In the gratuity plans, the payment are not linked to inflation, so there is less material risk.

(All amounts in INR Lakhs, unless otherwise stated)

Note 42 : Bifurcation of PV of Obligations as per Schedule III of Companies Act 2013

Particulars	31 st March, 2019	31 st March, 2018
Current Liabilities	31	27
Non-Current Liabilities	203	178

Note 43 : Amounts recognised in the Statement of Financial Position

Particulars	31 st March, 2019	31 st March, 2018
Defined Benefit Obligation	234	205
Fair value of plan assets	118	117
Funded Status	116	88
Effect of Asset Ceiling/Onerous Liability	-	-
Net Defined Benefit Liability/(Asset)	116	88
Of which, Short term Liability	31	27

(All amounts in INR lakhs, unless otherwise stated)

Note 44 : Net Defined Benefit Liability/(Asset) reconciliation

Particulars	31st March, 2019	31st March, 2018
Net Defined Benefit Liability/(Asset) at the beginning	88	(113)
Defined Benefit Cost included in P & L	35	196
Total Remeasurements in OCI	(8)	5
Net Transfer In / (Out) (Including the effect of any business combination/ divesture)	-	-
Amount recognised due to Plan Combinations	-	-
Employer Contributions	-	-
Employer Direct Benefit Payments	-	-
Employer Direct Settlement Payments	-	-
Credit to Reimbursements	-	-
Net Defined Benefit Liability / (Asset) at the end	116	88

Note 45 : Experience Adjustments on Present Value of DBO and Plan Assets

(All amounts in INR lakhs, unless otherwise stated)

Particulars	31st March, 2019	31st March, 2018
(Gain) / Loss on Plan Liabilities	(11)	(5)
% of Opening Plan Liabilities	5.18%	-
Gain / (Loss) on Plan Assets	2	0
% of Opening Plan Assets	2.07%	0.21%

Note 46 : Best Estimate of Contribution during the next year

The Best Estimate Contribution for the Company during the next year would be INR 58 Lakhs

Note 47 : Discontinuance Liability

Amount payable upon discontinuance of all employment is INR 201 Lakhs

Note 48 : Summary of Membership Status

Particulars	31-3-2019	31-3-2018
Number of Employees	468	549
Total Monthly Salary (₹)	45,04,891	46,46,769
Average Monthly Salary (₹)	9,626	8,464
Average Past Service	7.57	6.35
Average Age	37.6	36
Average Future Service	22.41	24
Adjusted Average Future Service	6.07	NA

*Adjusted future service takes into account the effect of mortality and attrition.

Note 49 : Age Analysis

Age	Count	Percentage
18 to 25	23	5%
25 to 30	68	15%
30 to 35	116	25%
35 to 40	93	20%
40 to 45	74	16%
45 to 50	50	11%
50 to 55	31	7%
> 55	13	3%
Total	468	100%

Note 50 : There were no Changes in Reimbursement Rights.

Note 51 : There were no Changes in Asset Ceiling / Onerous Liability.

Note No. 52 Fair value measurements**(i) Financial instruments by category:**

Particulars	31-Mar-19			31-Mar-18		
	FVPL	FVOCI	Amortized cost	FVPL	FVOCI	Amortized cost
Financial assets						
Investments:						
Equity instruments	-	-	1,247	-	-	1,024
Trade receivables	-	-	7,406	-	-	5,080
Cash & Bank Balance	-	-	7,819	-	-	6,510
Bank Balance Other than above	-	-	2,320	-	-	3,363
Loans	-	-	5,048	-	-	5,159
Derivative financial assets	-	-	-	-	-	-
Others	-	-	1,33,704	-	-	1,33,335
Total financial assets	-	-	1,57,544	-	-	1,54,471
Financial liabilities						
Borrowings	-	-	1,75,530	-	-	1,68,458
Derivative financial liabilities	-	-	-	-	-	-
Trade payables	-	-	5,374	-	-	4,982
Other financial liabilities	-	-	1,992	-	-	9,090
Total financial liabilities	-	-	1,82,896	-	-	1,82,530

(ii) Fair value hierarchy:

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

(a) recognized and measured at fair value, and

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

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

Financial assets and liabilities measured at fair value - recurring fair value measurements At March31, 2019

	Level 1	Level 2	Level 3	Total
Financial assets				
Financial investments at FVPL				
Equity instruments	-	-	-	-
Mutual funds	-	-	-	-
Financial investments at FVOCI				
Quoted equity investments	-	-	-	-
Unquoted equity investments	-	-	-	-
Derivatives				
Foreign exchange forward contracts	-	-	-	-
Foreign currency options	-	-	-	-
Interest rate swaps	-	-	-	-
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Financial assets and liabilities measured at fair value - recurring fair value measurements At March31, 2018

	Level 1	Level 2	Level 3	Total
Financial assets :				
Financial investments at FVPL				
Equity instruments	-	-	-	-
Mutual funds	-	-	-	-
Financial investments at FVOCI				
Quoted equity investments	-	-	-	-
Unquoted equity investments	-	-	-	-
Derivatives				
Foreign exchange forward contracts	-	-	-	-
Foreign currency options	-	-	-	-
Interest rate swaps	-	-	-	-
Total	-	-	-	-

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

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

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

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

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

Note No. 53 : Financial risk management

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

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

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

(A) Credit risk

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

Credit risk management

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

(B) Liquidity Risk

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

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

Note No. 54: Capital management

(a) Risk management

The company's objectives when managing capital are to;

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

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

Particulars	March 31, 2019	March 31, 2018
Net Debt	167711	161948
Total Equity	2,043.99	3,220.00
Net debt to Equity Ratio	82.05	50.29

(b) Dividends

Particulars	March 31, 2019	March 31, 2018
(i) Equity shares		
Final dividend for the year ended 31.03.2019 of ₹ NIL (31.03.2018 ₹ NIL) per fully paid share	-	-
Interim dividend for the year ended 31.03.2019 of ₹ NIL (31.03.2018 ₹ Nil) per fully paid share	-	-
(ii) Dividends not recognized at the end of the reporting period	-	-
In addition to the above dividends, since year end the directors have recommended the payment of final dividend of ₹ NIL per fully paid equity share (31.03.2018 ₹ NIL). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	-	-

Note - 55

EARNINGS PER SHARE (EPS)	31 st March 2019	31 st March 2018
i) Net Profit after tax as per statement of Profit & Loss attributable to Equity Shareholders (₹ Lakhs)	(1,181)	(5,842)
ii) Weighted Average number of equity shares used as denominator for calculating EPS	2,27,37,966	1,99,04,513
iii) Face Value per Equity Share (₹)	10.00	10.00
iv) Basic and Diluted Earnings per share (₹)	(5.20)	(29.35)

Note - 56

EARNINGS IN FOREIGN EXCHANGE	31st March 2019	31st March 2018
FOB Value of Exports	-	-
Billing Adjustment	-	-
Total	-	-
EXPENDITURE IN FOREIGN CURRENCY		
Interest and finance charges	-	-
Commission on Sales	-	-
Legal and Professional fees	-	-
Others	-	-
	-	-

Note - 57

CONTINGENT LIABILITIES	31st March 2019	31st March 2018
i. Guarantees given by Company's Bankers on behalf of the Company.	9,330	13,457
ii. Claims against the Company not acknowledged as debts:		
a) Central Sales Tax	791	791
b) VAT	72	165
c) Orissa Entry tax	144	144
d) Orissa Electricity Act	47	47
e) ITAT	5,470	5,470
f) CIT (A)	2,845	598
g) Recompense amount	18,974	15,086
iii. Corporate Guarantees given by Company*	8,700	8,700

However as per management perception, the above liabilities will not devolve upon the company in future.

* The Company has given a Corporate Guarantee of INR 87 crores to Central Bank for obtaining a loan in its subsidiary Company i.e. ARSS Damoh Hirapur Tolls Private Limited.

Note - 58

CAPITAL COMMITMENTS	31st March 2019	31st March 2018
Estimated value of contracts in capital account remaining to be executed	-	-

Note - 59**Segment Reporting As per Ind AS 108 "Operating Segments"**

Based on the policy set out under Significant Accounting Policy, the company follows "management Approach" for the purpose of deciding operating segments. The operating results of each major project locations are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to that location and assess its performance. Accordingly, the company has decided not to treat each project location as its operating segments considering huge number of project locations and its permanency.

Note - 60

Additional Disclosures As per Ind AS 108 “Operating Segments”

(i) Revenue From Customers Exceeding 10% of Total revenue

As per Para 34 of Ind AS 108, if revenues from transactions with a single external customer amount to 10 per cent or more of an entity’s revenues, the company is required to disclose that fact, the total amount of revenues from each such customer, and the identity of the segment or segments reporting the revenues. The details of such disclosure is as below :

Customer Name	% of Total Revenues	
	2018-19	2017-18
Executive Engineer NH Division-Sambalpur	15.62%	16.75%

(ii) Extent of Reliance on Major Customers

Extent of Reliance on Major Customers of the company can be depicted by assessing their sales chunk compared to total revenue of the operation. The percentage of group of major customer to its total revenue is as below :

Customer Name	% of Total Revenues	
	2018-19	2017-18
Top 10 Customers	87.28%	58.99%
Top 25 Customers	100.00%	69.39%

Note 61: RELATED PARTY DISCLOSURE AS PER Ind AS 24

(i) List of Related parties

a. Associate :

ARSS Developers Limited

b. Subsidiary

ARSS Damoh-Hirapur Tolls Private Limited

c. Joint Venture (AOP)

Niraj-ARSS JV

ARSS-Atlanta JV

Atlanta-ARSS JV

ARSS-HCIL Consortium JV

ARSS-Triveni JV

Patel-ARSS JV

Backbone-ARSS JV

Somdatt Builders-ARSS JV

ARSS-ANPR JV

HCIL Adhikarya-ARSS JV

ARSS GVR JV

HCIL-ARSSSPL-Triveni JV

HCIL-Kalindee ARSS JV

ARSS-LGPPL JV

ARSS-Technocom Priyashi Aashi JV

ARSS-SIPS JV

ARSS-SCPL JV

ARSS-BMS JV

d. Key Managerial Personnel

Name	Designation
Subash Agarwal	Chairman cum Director
Rajesh Agarwal	Managing Director
Sunil Agarwal	Chief Executive Officer
Anil Agarwal	Chief Operating Officer
S.K. Pattanaik	C. F. O.

The Company Secretary has not been considered as related party as she is not having the authority and responsibility for planning, directing and controlling the executive decision making activities of the entity, directly or indirectly. This is in line with Ind AS 24, "Related party transactions".

e. Enterprises in which Key Management personnel has significant influence

Shivam Condev Private Limited

ARSS Engineering & Technology Private Limited

ARSS Cements Limited

ARSS Steel & Power Limited

ARSS Holdings Limited

Anil Contractors Private Limited

ARSS ETOE Rail Private Limited

Sidhant Financials Services Limited

Faster Infracon Private Limited

Holy Vanijya Private Limited

Balbhadra Developers Limited

Balbhadra Crusher Private Limited

North West Sales and Marketing Limited

Gypsum Commerce India Private Limited

f. Close Family members of Key Managerial Personnel

None of the close members of all Key managerial Personnel's are considered as Related Party In accordance with Ind AS 24 considering the fact that they are neither participating nor influencing executive decision making of the company.

(II) Balances and Transactions with Related parties
a. Statement Of Profit And Loss Items
Net Transaction During the Period

Name	Particulars	2018-19	2017-18
ARSS BMS JV	Consultancy Charges	30	16
ARSS GVR JV	Sale Of Services	-	95
Atlanta ARSS JV	Sale Of Services	2,276	1,984
ARSS LGPPL JV	Sale Of Services	100	-
ARSS Technocom Priyashi Aashi JV	Sale Of Services	7	-
HCIL Adhikarya JV	Sale Of Services	10	-
ARSS Damoh Hirapur Tolls Private Limited	Guarantee Commission	783	783
Shivam Condev Pvt Ltd (Material Sale)	Sale Of Services	-	4,797
Shivam Condev Pvt Ltd(Consultancy)	Sale Of Services	23	4
Shivam Condev Pvt Ltd(Crusher Rent)	Sale Of Services	10	-
Shivam Condev Pvt Ltd(Rent)	Sale Of Services	12	14
Shivam Condev Pvt Ltd(Asset Sold)	Sale Of Services	-	215
Shivam Condev Pvt Ltd	Sale Of Services	-	1,516

b. Balance Sheet Items*

Name	Particulars	2018-19	2017-18
Som Dutt Builders ARSS JV	Advance From Customer	1,698	1,685
Backbone-ARSS JV	Advance From Customer	140	124
Patel-ARSS JV	Advance From Customer	1,490	1,442
Sidhant Financial Services Ltd	Finance received	202	-
Shivam Condev Private Limited	Receivables	5,251	4,922
ARSS Damoh Hirapur Tolls Pvt Ltd	Finance provided	400	-
ARSS Damoh Hirapur Tolls Pvt Ltd	Guarantee Commission	1,593	783
Sunil Agarwal	Remuneration Payable	2	-
Rajesh Agarwal	Loan Received	-	616

* Balance sheet items do not include Investments in Subsidiary, Associate and Joint Ventures. The same is separately shown in Note No 6. Further, these do not include the amounts receivable from Joint ventures on behalf of claims as the same is under dispute.

(III) Remuneration to key managerial personnel

Name	2018-19	2017-18
Anil Agarwal	42	42
Sunil Agarwal	42	42
Rajesh Agarwal	-	30
Subash Agarwal	-	33
Director Sitting Fees	13	15

Note 62**FINANCIAL HEDGING INSTRUMENTS****As at 31-Mar-19** **As at 31-Mar-18****i) For hedging Currency Related Risks :**

Forward Contracts - Outstanding Nominal Value

Nil

Nil

Note - 63**ASSETS PROVIDED AS SECURITY****Particulars****As at 31-Mar-19** **As at 31-Mar-18****Current Assets****Financial Assets**

Trade Receivables

7,406

5,080

Other Financial Assets

7,175

8,328

Total Current assets provided as security**14,581****13,408****Non Financial Assets****Non Current assets****Property, Plant and Equipment :**

i Tangible Assets

6,252

8,537

ii Intangible Assets

-

-

Inventories

6,698

6,175

Other Financial Assets

1,33,059

1,33,238

Total Non - Current assets provided as security**1,46,009****1,47,950****Total Assets provided as Security****1,60,590****1,61,358****Note - 64****The obligations on long term, non-cancellable finance leases payable as per the respective agreements are as follows :-****Particulars****As at 31-Mar-19** **As at 31-Mar-18**

Future minimum lease payable

-

-

Not Later than 1 year

-

-

Later than 1 year and not later than 5 years

-

-

Later than 5 year

-

-

Note - 65**Recognition of Corporate Guarantee as Financial Liability**

Financial guarantee is a contractual right of the lender to receive cash from the guarantor, and a corresponding contractual obligation of the guarantor to pay the lender, if the borrower defaults. The contractual right and obligation exist because of a past transaction or event (assumption of the guarantee), even though the lender's ability to exercise its right and the requirement for the guarantor to perform under its obligation are both contingent on a future act of default by the borrower. A contingent right and obligation meet the definition of a financial asset and a financial liability, even though such assets and liabilities are not always recognized in the financial statements. Based on the measurement principles laid down under Ind AS 109 "Financial Instrument : Recognition and Measurement", the fair value of all those financial guarantee contracts reasonable below to the materiality threshold limit set by the company. Accordingly the entity has made appropriate disclosure in Note 54 without additionally recognizing any financial assets or liability.

Note - 66

Micro, Small and Medium Enterprises (MSME) Dues Disclosure

As per information available to us, there are no Micro, Small and Medium enterprise which are outstanding for a period of more than 45 days as at the balance sheet date. The above information and that given under Current Liabilities regarding Micro, Small and Medium enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company.

Note - 67

Estimated Useful Lives of Property Plant & Equipment (PPE)

Financial Classification	Nature	Useful Lives	
		As per Management Estimate	As per SCH-II of Companies Act 2013
Freehold Building	Building (Factory)	30 Years	30 Years
	Building (Non Factory)	60 Years	60 Years
Furniture, Fittings and Equipment	Furniture Fixtures	10 Years	10 Years
Office Equipment	Computer	3 Years	3 Years
Plant & Equipment	Plant & Machinery(Non-Earth Moving)	15 Years	12 Years
	Plant & Machinery(Earth Moving)	9 Years	12 Years
Vehicles	Motor car	8 years	8 years

The useful life has remained constant for transition, comparative and reporting period.

Note - 68

The term loan availed by the Subsidiary Company for the BOOT project has been classified as NPA by the bankers of the Company and unrealised interest had been reversed. However the Company has undergone a compromise settlement with the Bank.

Note - 69

Due to accounts turning NPA, statements of State Bank of India and Export Import Bank of India (now Edelweiss) are not available from Banks. Therefore the differences, if any is difficult to be ascertained.

Note - 70:

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

Note - 71**Nature and Purpose of Reserves Disclosed under Other Equity**

Particulars	Purpose
General Reserve	General Reserve has been created to comply with requirements of erstwhile Company's Act 1956 with regard to Payment of dividend.
Retained Earnings	Retained Earnings contains the balance of retained earnings to carry forward. It is fully distributable and shown as part of shareholders' reserves on the balance sheet.
Securities Premium Reserve	Securities Premium Reserve has been created for issue of equity shares at a premium.

As per our report of even date attached.

For Ajay B Garg
Chartered Accountants

For and on behalf of the Board

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

Subash Agarwal
(Chairman)
DIN: 00218066

Rajesh Agarwal
(Managing Director)
DIN : 00217823

S.K. Pattanaik
(Chief Financial Officer)

Prakash Chhajer
(Company Secretary)

Place : Bhubaneswar

Date : The 28th day of May, 2019

Annexure I

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

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2019 [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications) (Amount in Lakhs)	Adjusted Figures (audited figures after adjusting for qualifications) (Amount in Lakhs)
	1.	Turnover / Total income	48,527	48,527
	2.	Total Expenditure	50,210	50,210
	3.	Net Profit/(Loss)	(1,176)	(1,176)
	4.	Earnings Per Share	(5.20)	(5.20)
	5.	Total Assets	189,027	189,027
	6.	Total Liabilities	186,979	186,979
	7.	Net Worth	2,048	2,048
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-

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

	b. Type of Audit Qualification : Qualified Opinion
	c. Frequency of qualification: Qualification No. a) since Financial Year 2016-17 Qualification No. b) since Financial Year 2016-17 Qualification No. c) since Financial Year 2016-17 Qualification No. d) since Financial Year 2018-19 Qualification No. e) since Financial Year 2016-17 Qualification No. f) since Financial Year 2016-17 Qualification No. g) since Financial Year 2016-17 Qualification No. h) since Financial Year 2018-19
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Nil
	e. For Audit Qualification(s) where the impact is not quantified by the auditor: (i) Management's estimation on the impact of audit qualification: Nil (ii) If management is unable to estimate the impact, reasons for the same: For Qualification No-(a): The Joint Venture has completed the object for which it was formed. No transaction has been entered into during the Year. The accounts of the JVs are under the control of respective JV Partners i.e. Shyam Indus Power Solutions Pvt Ltd and BMS Projects. The accounts of these JVs are yet to be finalized from their end. Hence financial implication for the JV is not quantifiable. However the accounting effect of the discrepancies, if any after the finalization of its accounts will be given at current date For Qualification No -(b): During the work execution period there is escalation claim, revision of contract value, extension of completion period, etc due to which unpredictable variation in reliable estimation of revenue and cost. Also the allocation of combine Operating overhead, Head office overhead and Financial Cost is not possible due to combine use or high swapping of resources, size of the Contracts. Hence financial implication of the qualification is not quantifiable. For Qualification No- (c): The Company has not provided interest on NPA accounts, Since the outstanding amount is not quantifiable and the company is in the process for one time settlement with the banks. For Qualification No- (d): The account became NPA for both the cases therefore bank statements are not provided by the banks. The company is in the process for one time settlement with the banks. For Qualification No- (e): We have filed Arbitration claim before MPRDCL for rights on the title, the matter is subjudice. For Qualification No- (f): The work has been terminated since long and matter is subjudice and therefore it is difficult to do physical verification. For Qualification No- (g): The account has already turned NPA. Interest has been reversed to the extent of bank statement balance as at 31st March 2019 and the company is in the process of obtaining a compromise settlement. For Qualification No- (h): Since the matter is in Arbitration, the Company has not booked the Work in Progress in revenues, awaiting the final decision.
	(iii) Auditors' Comments on (i) or (ii) above: As per our qualifications.

III.		Signatories:
	● Managing Director	Rajesh Agarwal (DIN: 00217823)
	● CFO	S. K. Pattanaik
	● Audit Committee Chairman	S. C. Parija (DIN: 00363608)
	● Statutory Auditor	Ajay B Garg
	Place: Bhubaneswar Date: 28.05.2019	

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(₹ in 'Lakhs')

Sl. No.	Particulars	Details
1.	Name of the subsidiary	ARSS Damoh Hirapur Tolls Private Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA
4.	Share capital	2,212
5.	Reserves & surplus	-
6.	Total assets	10,458
7.	Total Liabilities	10,458
8.	Investments	-
9.	Turnover	-
10.	Profit before taxation	-
11.	Provision for taxation	-
12.	Profit after taxation	-
13.	Proposed Dividend	-
14.	% of shareholding	99.82%

Part "B": Associates

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies

(₹ in 'Lakhs')

Name of Associates Company	ARSS Developers Limited
1. Latest audited Balance Sheet Date	31.03.2019
2. Shares of Associate held by the company on the year ended	
No. of shares	25,00,000 Equity Shares
Amount of Investment in Associates/Joint Venture	1,000
Extend of Holding %	38.41%
3. Description of how there is significant influence	By virtue of shareholding
4. Reason why the associate is not consolidated	NA
5. Net worth attributable to shareholding as per latest audited Balance Sheet	Nil
6. Profit/Loss for the year	
i. Considered in Consolidation	(183)
ii. Not Considered in Consolidation	(294)

For Ajay B Garg
Chartered Accountants

For and on behalf of the Board of Directors

CA. Ajay B Garg
(Proprietor)
M. No.- 32538

Subash Agarwal
(Chairman)
DIN: 00218066

Rajesh Agarwal
(Managing Director)
DIN : 00217823

S. K. Pattanaik
(Chief Financial Officer)

Prakash Chhajer
(Company Secretary)

Place: Bhubaneswar
Dated: 28.05.2019

NOTES



ARSS INFRASTRUCTURE PROJECTS LIMITED

ARSS INFRASTRUCTURE PROJECTS LIMITED

Registered Office: Plot No-38, Sector-A, Zone-D Mancheswar Industrial Estate

Bhubaneswar-751010, Odisha, India

CIN: L14103OR2000PLC006230

Tel No.: +91-0674-2588552 / 2588554 / 2602763 Fax: +91-0674-2585074,

E-mail: cs@arssgroup.in, Website: www.arssgroup.in

NOTICE

NOTICE is hereby given that the 19th Annual General Meeting of the Members of the company will be held on Wednesday, 25th September, 2019 at 11.00 A.M. at the Registered Office of the Company at Plot No. 38, Sector- A, Zone- D, Mancheswar Industrial Estate, Bhubaneswar- 751010, Odisha, India to transact the following business:

ORDINARY BUSINESS:

1. Adoption of financial statements

To consider and adopt the audited financial statements (including the consolidated financial statements) of the Company for the financial year ended March 31, 2019 and the reports of the Board of Directors ('the Board') and auditors thereon.

2. Appointment of Mr. Subash Agarwal as a director liable to retire by rotation

To appoint a Director in place of Mr. Subash Agarwal (DIN: 00218066), who retires by rotation and being eligible, offers himself for re-appointment.

3. To appoint Auditors and fix their remuneration and in this regard, pass the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof, M/s. A R M S & Associates, Chartered Accountant, (Firm Registration No. 013019N) be and are hereby appointed as the Statutory Auditors of the Company to hold office for the five consecutive years from the conclusion of this 19th Annual General Meeting till the conclusion of 24th Annual General Meeting of the Company, on such remuneration plus GST, out of pocket, travelling and living expenses, etc. as may be mutually agreed between the Board of Directors of the Company and the Auditors."

SPECIAL BUSINESS

4. Ratification of Remuneration to Cost Auditor the Financial Year 2019-20

To consider and if thought fit, to pass, the following as an **Ordinary Resolution**:-

"**RESOLVED THAT** pursuant to provisions of Sections 148(3) and other applicable provisions if any, of Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactments(s) thereof for time being in force) the remuneration be paid to M/s. Asutosh & Associates, Cost Accountants, Bhubaneswar, (Firm Registration No. 000258), appointed by the Board of Directors of the Company as Cost Auditors to conduct the audit of the cost records of the Company for the financial year 2019-2020, amounting to Rs. 50,000/- (Rs. Fifty Thousands only) as also the payment of tax as applicable and reimbursement of out of pocket expenses incurred by them in connection with the aforesaid audit be and is hereby ratified and confirmed."

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

5. To sell or Lease of the Undertakings

To consider and if thought fit, to pass, with or without modification(s), the following resolution as **Special Resolution**:-

"**RESOLVED THAT** pursuant to the provisions of Section 180 (1)(a) and other applicable provisions of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof), consent of the Company be and is hereby accorded to

Board of Directors (hereinafter called “the Board” which term shall be deemed to include any Committee thereof, which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution and with the power to delegate such authority to any person or persons) to mortgage and/or charge any of its movable and / or immovable properties wherever situated both present and future or to sell, lease or otherwise dispose off the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any such undertaking(s) and to create a mortgage/and or charge, on such terms and conditions at such time(s) and in such form and manner, and with such ranking as to priority as the Board in its absolute discretion thinks fit on the whole or substantially the whole of the Company’s any one or more of the undertakings or all of the undertakings of the Company in favour of any bank(s) or body(ies) corporate or person(s), whether shareholders of the Company or not, together with interest, cost, charges and expenses thereon for amount not exceeding Rs. 3500.00 Crore (Rupees Three Thousand Five Hundred Crore only) at any point of time.”

“**RESOLVED FURTHER THAT** the securities to be created by the Company aforesaid may rank prior/pari passu/subservient with/to the mortgages and/or charges already created or to be created by the company as may be agreed to between the concerned parties.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things and to sign all such documents and writings as may be necessary, expedient and incidental thereto to give effect to this resolution and for matter connected therewith or incidental thereto.”

6. To Borrow Money and Temporary Loans

To consider and, if thought fit, to pass with or without modifications, the following resolution as an **Special Resolution**:-

“**RESOLVED THAT** pursuant to the provisions of Section 180 (1) (c) of the Companies Act, 2013 and other enabling provisions, if any, consent of the Company be and is hereby accorded to the Board of Directors of the Company for borrowing any sum or sums of moneys for and on behalf of the Company, from time to time from any one or more persons, firms, bodies corporate, bankers, financial institutions, or from others by way of advances, deposits, loans or otherwise and whether unsecured or secured by mortgage, charge, hypothecation or lien or pledge of the Company’s assets and properties, whether movable or immovable or stock-in process and debts, advances notwithstanding that the sum or sums of moneys so borrowed together with moneys, if any, already borrowed by the Company (apart from the temporary loans obtained from the Company’s bankers in the ordinary course of business) will or may exceed the aggregate of the paid up capital of the Company and its free reserves which have not been set apart for any specific purpose, provided that the total amount upto which the moneys may be borrowed shall not exceed Rs. 3500.00 Crore (Rupees Three Thousand Five Hundred Crore only) at any point of time on account of the principal.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things and to sign all such documents and writings as may be necessary, expedient and incidental thereto to give effect to this resolution and for matter connected therewith or incidental thereto.”

7. Consent of members for making investment /extending loans and giving guarantees or providing securities in connection with loans to persons/ bodies corporate

To consider and, if thought fit, to pass with or without modifications, the following resolution as an **Special Resolution**:-

“**RESOLVED THAT** pursuant to the provisions of Section 186 of the Companies Act, 2013 (“the Act”) read with the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Act (including any modification or re-enactment thereof for the time being in force) and subject to such approvals, consents, sanctions and permissions as may be necessary, consent of the Members 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, unless the context otherwise requires, any committee of the Board or any officer(s) authorized by the Board to exercise the powers conferred on the Board under this resolution), to (i) give any loan to any person or other body corporate; (ii) give any guarantee or provide any security in connection with a loan to any other body corporate or person and (iii) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, as they may in their absolute discretion deem beneficial and in the

interest of the Company, subject however that the aggregate of the loans and investments so far made in and the amount for which guarantees or securities have so far been provided to all persons or bodies corporate along with the additional investments, loans, guarantees or securities proposed to be made or given or provided by the Company, from time to time, in future, shall not exceed a sum of Rs. 3500.00 Crore (Rupees Three Thousand Five Hundred Crore only) over and above the limit of 60% of the paid-up share capital, free reserves and securities premium account of the Company or 100% of free reserves and securities premium account of the Company, whichever is more, as prescribed under Section 186 of the Companies Act, 2013.”

“**RESOLVED FURTHER THAT** the Board of Directors (or a Committee thereof constituted for this purpose) be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint proxy / proxies to attend and vote instead of himself and the proxy need not be a Member of the company. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other member.

The instrument of proxy in order to be effective, should be deposited at the registered office of the company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A proxy form is sent herewith.

2. Members/Proxies/ authorised representative should bring the Attendance Slip duly filled in for attending the Meeting and also their copy of the Annual Report.
3. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. The Register of Members and the Share Transfer Books of the Company will remain closed from Wednesday, 18th September, 2019 to Wednesday, 25th September, 2019 (both days inclusive) for the purpose of the Annual General Meeting of the Company.
5. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting of the Company. The Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013 and all other relevant documents referred to in the Notice and the accompanying Statement will be available for inspection by the Members at the Annual General Meeting of the Company.
6. Members desiring any information as regards the Accounts are requested to write to the Company at an earlier date so as to enable the Management to keep the information ready at the AGM.
7. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
8. Members are requested to notify immediately any change in their address directly to their Depository Participant in case they hold Shares in dematerialized form or to the Company’s Registrar & Transfer Agents, in case they hold Shares in physical form.
9. In accordance with the provisions of Section 72 of the Companies Act, 2013, members are entitled to make nominations in respect of the Equity Shares held by them, in physical form. Members desirous of making nominations may procure the prescribed form from the Registrar & Share Transfer Agents and have it duly filled and sent back to them.
10. Section 20 of the Companies Act, 2013, as amended from time to time, permits service of documents on Members by a company through electronic mode. Hence electronic copy of the Annual Report and the Notice for 19th Annual General

Meeting for FY 2018-19 is being sent to all Members whose email Ids are registered with the Depository Participants for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for FY 2018-19 are being sent to them in the permitted mode.

11. Members may also note that the Notice of the 19th Annual General Meeting and the Annual Report for FY 2018-19 will also be available on the Company's website www.arssgroup.in for their download.
12. Appointment of Directors: Details as prescribed Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of Directors seeking appointment/ reappointment at the Annual General Meeting are provided in the Explanatory Statement to the Notice.
13. Even after registering for e-communication, members are entitled to receive such communication in physical form by post free of cost, upon making a request for the same. For any such communication, the members may also send requests to the Company's Registrar & Share Transfer Agents at email id: investor@bigshareonline.com and/or company's email id: cs@arssgroup.in.
14. The cut-off/ record date for taking ben-pos, for the purpose of e-voting is set by a company is 18th September, 2019 (Wednesday), those investors, whose names appear on the shareholder list of on that day shall be eligible for e-voting. A person who is not a Member as on the record date should treat this Notice for information purposes only.
15. Members are requested to visit the website of the Company 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.

16. All the investor related communication may be addressed to:

Mr. Prakash Chhajer,

Company Secretary cum Compliance Officer

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

Mancheswar Industrial Estate,

Bhubaneswar- 751010, Odisha

E-Mail:- cs@arssgroup.in

Tel: 0674-2588552 / 2588554 / 2602763, Fax: 0674- 2585074.

Or

Registrar and Transfer Agents

Bigshare Services Private Limited

1st Floor, Bharat Tin Works Building, Opp. Vasant Odisha, Makwana Road,

Marol, Andheri East, Mumbai – 400059, Maharashtra.

Tel: + 91 22-62638261, Fax: + 91 22-62638299

e-mail ids: marketing@bigshareonline.com, investor@bigshareonline.com

Website: www.bigshareonline.com

17. E-Voting- **Process and manner for voting through electronic means:**

1. In compliance with Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, each as amended from time to time and the Secretarial Standard on General Meetings issued by The Institute of Companies Secretaries of India, the Company is pleased to provide to its Members the facility to cast their votes electronically, through e-voting services provided by National Securities Depository Limited ('NSDL'), on resolutions set forth in this Notice. The Members may cast their votes using an electronic voting system from a place other than the venue of the Annual General Meeting ('remote e-voting') and the services will be provided

by NSDL. Instructions for remote e-voting (including process and manner of e-voting) are given herein below. The Resolutions passed by remote e-voting are deemed to have been passed as if they have been passed at the Annual General Meeting. The Notice of the Annual General Meeting indicating the instructions of remote e-voting process along with printed Attendance Slip and Proxy Form can be downloaded from the Investor relation corner from Company's website www.arssgroup.in and NSDL's website www.evoting.nsdl.com.

2. The facility for voting through ballot shall be made available at the Annual General Meeting and the Members (including proxies) attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right to vote at the Annual General Meeting.
3. The Members who have cast their vote by remote e-voting prior to the Annual General Meeting may also attend the meeting but shall not be entitled to cast their vote again.
4. Members can opt for only one mode of voting, i.e. either by remote e-voting or voting at the Meeting. In case Members cast their vote through both the modes, voting done by remote e-voting shall prevail and votes cast at the Meeting shall be treated as invalid.

The instructions for remote e-voting are as under:

How do I vote electronically using NSDL e-Voting system? The way to vote electronically on NSDL e-Voting system consists of 'Two Steps' which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at

<https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon 'Login' which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form	EVEN Number followed by Folio Number registered with the Company For example if folio number is S1***** and EVEN is 110643 (fully paid shares) then user ID is 110643S1***** and, If, EVEN is 110644 (partly paid shares) then user ID is 110644S1*****.

5. Your password details are given below:

- (a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - (b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - (c) How to retrieve your 'initial password'?
 - (i) If your e-mail ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Open the email sent to you by NSDL and open the attachment PDF file viz; "remote e-voting.pdf. The password to open the pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the 'Initial password' or have forgotten your password:
- (a) Click on 'Forgot User Details/Password?' (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nSDL.com
 - (b) Click on 'Physical User Reset Password?' (If you are holding shares in physical mode) option available on www.evoting.nSDL.com
 - (c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nSDL.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - (d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to 'Terms and Conditions' by selecting on the check box.
8. Now, you will have to click on 'Login' button.
9. After you click on the 'Login' button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active E-voting Cycles.
2. After clicking on Active E-voting Cycles, you will be able to see all the companies 'EVEN' in which you are holding shares and whose voting cycle is in active status.
3. Select 'EVEN' of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on 'Submit' and also 'Confirm' when prompted.
6. Upon confirmation, the message 'Vote cast successfully' will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for Shareholders:

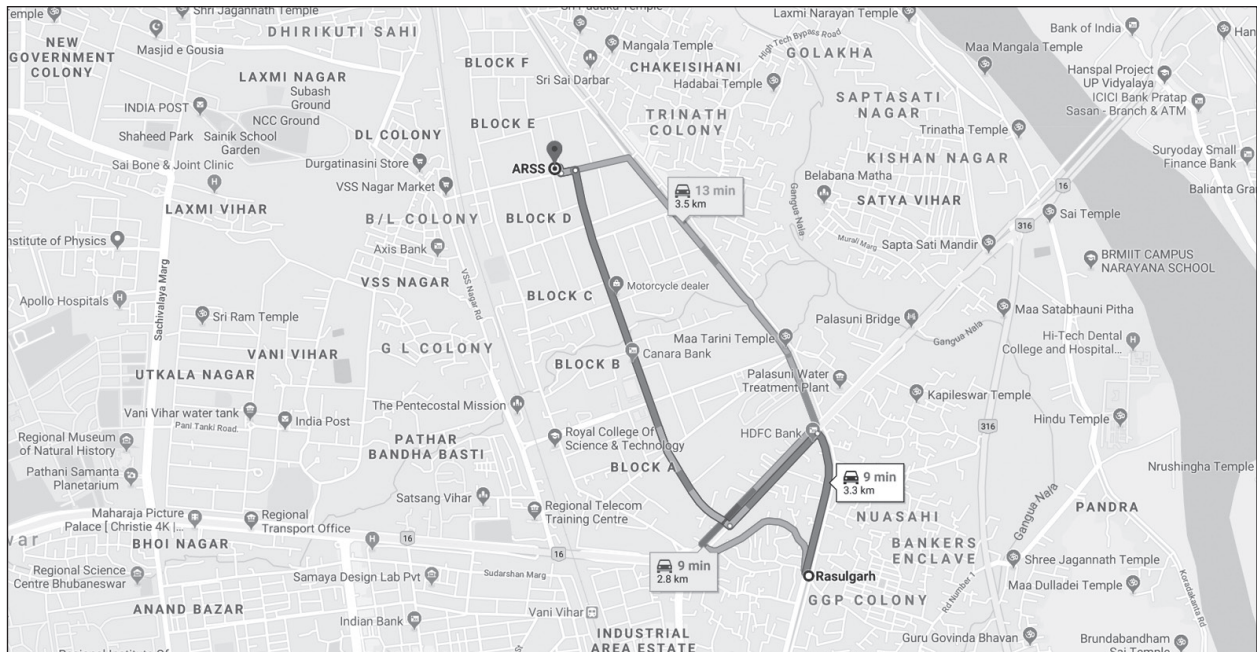
- i. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail secretarial@sunitamohantyandassociates.com with a copy marked to evoting@nSDL.co.in on or before the closing of e-voting.

- ii. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot User Details/Password?' or 'Physical User Reset Password?' option available on www.evoting.nsdl.com to reset the password.
- iii. In case of any queries, you may refer the Frequently Asked Questions ('FAQs') for Shareholders and e-voting User Manual for Shareholders, available at the 'downloads' section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

Other Instructions:

- i. The remote e-voting period commences on Sunday, September 22, 2019 (9.00 a.m. IST) and ends on Tuesday, September 24, 2019 (5.00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date of Wednesday, September 18, 2019, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change the vote subsequently.
- ii. You can also update your mobile number and e-mail address in the user profile details of the folio which may be used for sending future communication(s).
- iii. The voting rights of Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the cut-off date i.e. Wednesday, September 18, 2019, and as per the Register of Members of the Company.
- iv. Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice of Annual General Meeting and holding shares as of the cut-off date, i.e. Wednesday, September 18, 2019, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or investor@bigshareonline.com (RTA Email). However, if you are already registered with NSDL for remote e-voting then you can use your existing User ID and password for casting your vote. If you have forgotten your password, you can reset your password by using 'Forgot User Details/Password' or 'Physical User Reset Password' option available on www.evoting.nsdl.com or contact NSDL at the following Toll Free No.: 1800-222-990 or e-mail at evoting@nsdl.co.in
- v. Please note, only a person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date shall be entitled to avail the facility of voting, either through remote e-voting or voting at the Annual General Meeting through e-voting.
- vi. The Board of Directors has appointed Mr. Jyotirmoy Mishra (Membership No. FCS 6556 and CP No. 6022) of M/s Sunita Mohanty & Associates, Practicing Company Secretaries, as the Scrutinizer to scrutinize the remote e-voting process as well as voting at the Annual General Meeting in a fair and transparent manner.
- vii. At the Annual General Meeting, at the end of the discussion of the resolutions on which voting is to be held, the Chairman shall, with the assistance of the Scrutinizer, allow voting for all those Members who are present but have not cast their vote electronically using the remote e-voting facility.
- viii. The Scrutinizer shall immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast at the Annual General Meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than 48 hours of conclusion of the Meeting, a consolidated Scrutinizer's Report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same.
- ix. The Chairman or a person authorized by him in writing shall declare the result of voting forthwith.
- x. The results declared along with the Scrutinizer's Report shall be placed on the website of the Company www.arssgroup.in and on the website of NSDL www.evoting.nsdl.com immediately after the result is declared by the Chairman or any other person authorised by the Chairman and the same shall be communicated to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed. The results shall also be displayed on the notice board at the Registered Office of the Company.
- xi. In case of any grievances with respect to the facility for voting by electronic means, Members are requested to contact Mr. Amit Vishal, Senior Manager at amitv@nsdl.co.in (+91 22 2499 4360) or Ms. Pallavi Mhatre, Manager at pallavid@nsdl.co.in (+91 22 2499 4545) or at evoting@nsdl.co.in (1800 222 990) or write to NSDL at NSDL, Trade World, 'A' wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013.

Route-map from Rasulgarh Square to venue of Annual General Meeting is as under:



By Order of the Board

For ARSS Infrastructure Projects Limited

Place: Bhubaneswar
Date: 12th August, 2019

Sd/-
(Prakash Chhajer)
Company Secretary
& Compliance Officer

ARSS Infrastructure Projects Limited
CIN: L14103OR2000PLC006230
Regd. Office-Plot No.38, Sector-A, Zone –D,
Mancheswar Industrial Estate, Bhubaneswar, 751010, Odisha
Website: www.arssgroup.in

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

As required by Section 102 of the Companies Act, 2013, (hereinafter referred to as “the Act”) the following Explanatory Statements set out all material facts relating to the business mentioned under Item Nos. 3 to 7 of the accompanying Notice dated 12th August, 2019.

ITEM NO. 3

This explanatory statement is provided though strictly not required as per Section 102 of the Act.

Your Directors recommend that M/s. A R M S & Associates, Chartered Accountant (Firm’s Registration No. 013019N) of Gurugram, who have confirmed in writing their willingness and also that they fulfill all requisite criteria specified, are appointed as Statutory Auditors of your Company for a term of 5 (five) years from FY 2019-2020 to hold office immediately after conclusion of ensuing 19th Annual General Meeting of Shareholders of your Company till the conclusion of 24th Annual General Meeting i.e. up to 2023-24 , subject to necessary approvals.

Aforesaid recommendation of your Board is in view that M/s. Ajay B Garg, Chartered Accountants (Mem. Number - 032538), Mumbai, who will complete their term of five years as your Company’s Statutory Auditors on conclusion of forthcoming Annual General Meeting, have not communicated their willingness to be re-appointed for further period, possibly because of provisions relating to rotation of Statutory Auditors in the Act and Rules framed thereunder. They have also been Statutory Auditors of the company on and from conclusion of the AGM held on 25.09.2015.

Disclosures under Regulation 36(5) of the SEBI LODR, for the appointment of M/s. A R M S & Associates, Chartered Accountants, are as under:

i. Proposed fees payable to the statutory auditor(s) along with terms of appointment.	Appointment of M/s. A R M S & Associates, Chartered Accountants, is being proposed from the conclusion of 19 th Annual General Meeting till the conclusion of the 24 th Annual General Meeting at a fee of up to Rs. 24.00 Lacs for audit of each financial year.
ii. Material change in the fee payable to M/s. A R M S & Associates from that paid to CA Ajay B Garg, Chartered Accountants (the outgoing auditor) along with the rationale for such change.	There is no material change in the proposed fee of M/s. A R M S & Associates from that paid to CA Ajay B Garg, Chartered Accountants (outgoing Auditors).
iii. Basis of recommendation for appointment including the details in relation to and credentials of the statutory auditor(s) proposed to be appointed.	<p>Since the tenure (5 years) of CA Ajay B Garg, Chartered Accountants, would be completed at the ensuing Annual General Meeting, the Board of Directors at its meeting held on August 12, 2019, have recommended the appointment of M/s. A R M S & Associates for a term of five years.</p> <p>On the basis of comparative analysis with other potential audit firms and in view of the better presence and experience, capability to serve a diverse and complex business as that of the company, audit experience, technical knowledge etc and found ARMS to be best suited to handle the scale, diversity and complexity associated with the audit of the financial statements of the company, the Board recommended the appointment of M/s. A R M S & Associates, as the statutory auditor of the Company.</p>

None of the Directors and/ or Key Managerial Personnel of the Company and/ or their relatives are concerned or interested in the resolution set out in Item No. 3. The Board recommends passing of the resolution set out in Item No. 3 as an Ordinary Resolution.

ITEM NO. 4

The Board of Directors of the Company on the recommendation of the Audit Committee & Nomination and Remuneration Committee approved the appointment and remuneration of M/s. Asutosh & Associates, Cost Accountants, (FRN: 000258) Bhubaneswar at a remuneration of Rs 50,000/- (Rs. Fifty Thousand only) plus applicable taxes and out of pocket expenses to conduct the audit of the cost records of the Company for the financial year ended 31st March, 2020.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a) (ii) of The Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is to be ratified by the Members of the Company. Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditors for the financial year 2019-2020 as set out in the Resolution for the aforesaid services to be rendered by them.

Accordingly, Ordinary Resolution is submitted at item no. 4 to the meeting for the consideration and approval of members.

None of the Directors, Key Managerial Personnel or their relatives, are interested or concerned in any way in the Resolution at Item No. 4 of the Notice.

ITEM NO. 5

Section 180 (1) (a) of the Companies Act, 2013 provides that the Board of directors / Committee of directors of a Public/Listed Company shall not, except with the consent of the Company in the General Meeting, sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company. The Company would be borrowing from time to time for the purpose of its business by way of loans, Debentures, Bonds, Hypothecation Loans, Term loans and/other financial assistance from various financial/investment institution(s), bank(s), insurance Company(ies), Corporate Body(ies) and other persons / investors apart from working Capital facilities from Banks in the ordinary course of business. This in turn would necessitate further creation of securities by suitable mortgages and/or charges on all or some of the movable and/or immovable properties of the Company, both present and future in favour of the lenders/ trustees. The proposed resolution seeks to empower the Board/Committee of directors to mortgage and/or charge the movable or immovable properties of the Company to secure loans, Debentures, Bonds, Loans financial assistance , credit facilities and such transactions for finance and other credit facilities obtained / to be obtained by the Company from the lenders upto Rs. 3500/- crores (Rupees Three Thousand Five Hundred Crores).

None of the Directors/ Key Managerial Personnel of the Company or their respective relatives are in any way, concerned or interested in the proposed resolution.

The Board of directors commend passing of the resolution set out in Item No. 5 of the accompanying Notice

ITEM NO. 6

Your Directors are of the view that the require additional funds for the business purpose. Hence, the mobilization of funds by the Company will substantially increase. Therefore it is considered desirable to increase the limit of borrowings to Rs. 3500/- crores (Rupees Three Thousand Five Hundred crores) apart from the temporary loans obtained/to be obtained from the Company's bankers in the ordinary course of business.

None of the Directors/ Key Managerial Personnel of the Company or their respective relatives are in any way, concerned or interested in the proposed resolution.

The Board of directors commend passing of the resolution set out in Item No. 6 of the accompanying Notice.

ITEM NO. 7

The Company has been making investments in, giving loans and guarantees to and providing securities in connection with loans to various persons and bodies corporate (including its subsidiary) from time to time, in compliance with the applicable provisions of the Act.

The provisions of Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, as amended to date, provides that no company is permitted to, directly or indirectly, (a) give any loan to any person or other body corporate; (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding sixty percent of its paid-up

share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more. Further, the said Section provides that where the giving of any loan or guarantee or providing any security or the acquisition as provided under Section 186(2) of the Act, exceeds the limits specified therein, prior approval of Members by means of a Special Resolution is required to be passed at a general meeting.

As per the latest audited Balance Sheet of the Company as on 31st March 2019, sixty per cent of the paid-up share capital, free reserves and securities premium account amounts to Rs. 18.63 Crores while one hundred per cent of its free reserves and securities premium account amounts to Rs. 8.31 Crores. Therefore, the maximum limit available to the Company under Section 186(2) of the Act for making investments or giving loans or providing guarantees / securities in connection with a loan, as the case may be, is Rs. 8.31 Crores. As on 31st March 2019, the aggregate value of investments and loans made and guarantee and securities issued by the Company, as the case may be, amounts to Rs. 132.18 Crores. In view of the above and considering the long term business plans of the Company, which requires the Company to make sizeable loans / investments and issue guarantees / securities to persons or bodies corporate, from time to time, prior approval of the Members is being sought for enhancing the said limits. Hence, the Special Resolution at Item No.7 of the Notice, notwithstanding the fact that the same exceeds the limits provided under Section 186 of the Act.

The Directors recommend the Special Resolution as set out at Item No. 7 of the accompanying Notice, for Members' approval.

None of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Special Resolution.

Place: Bhubaneswar
Date: 12th August, 2019

By Order of the Board
For ARSS Infrastructure Projects Limited

CIN: L14103OR2000PLC006230
Regd. Office-Plot No.38, Sector-A, Zone –D,
Mancheswar Industrial Estate, Bhubaneswar, 751010, Odisha
Website: www.arssgroup.in

Sd/-
(Prakash Chhajer)
Company Secretary
& Compliance Officer

**DETAILS OF DIRECTORS SEEKING APPOINTMENT/
RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING**

(Pursuant to Regulation 36(3) of the
SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

Name of Director	Mr. Subash Agarwal
DIN	00218066
Date of Birth	1 st January, 1965
Date of Appointment	5 th November, 2007
Qualifications	B. Com
Expertise in specific functional areas	Civil Construction
Position in the company	Chairman
Listed company (other than ARSS Infrastructure Projects Limited) in which director hold directorship and committee membership	Nil
Directors inter-se relation	He is the brother of Managing Director
Number of equity shares held in the Company (as on 31.03.2019)	13,81,608



ARSS INFRASTRUCTURE PROJECTS LIMITED

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

Mancheswar Industrial Estate

Bhubaneswar-751010, Odisha, India

CIN: L14103OR2000PLC006230

Tel No.: + 91-0674-2588552 / 2588554 / 2602763 Fax: +91-0674-2585074,

E-mail: cs@arssgroup.in, response@arssgroup.in, Website: www.arssgroup.in

ATTENDANCE SLIP

L.F. No.	
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No. of Shares held	
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DP ID	
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Client ID	
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I/We hereby record my/our presence at 19th Annual General Meeting of the Company on Wednesday, 25th September, 2019 at the Registered Office of the Company.

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 Estate Bhubaneswar-751010, Odisha, India
CIN: L14103OR2000PLC006230
Tel No.: + 91-0674-2588552 / 2588554 / 2602763 Fax: +91-0674-2585074,
E-mail: response@arssgroup.in, Website: www.arssgroup.in

Proxy Form – MGT11

Name of the Company: ARSS Infrastructure Projects Limited
Registered Office: Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar- 751010, Odisha, India
Website: www.arssgroup.in

Name of the Member(s) :		
Registered address:		
E-mail Id:	DP ID No.*	Client ID No.*

I / We, being the member(s) of _____ Equity Shares of ARSS Infrastructure Projects Limited, hereby appoint

1. Name :

Address :

E-mail Id :

Signature :

or failing him / her

2. Name :

Address :

E-mail Id :

Signature :

or failing him / her

3. Name :

Address :

E-mail Id :

Signature :

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 19th Annual General Meeting of the Company, to be held on 25th September, 2019 at 11.00 a.m. at the Registered Office of the Company and at any adjournment thereof, in respect of such resolutions set out in the Notice convening the meeting, as are indicated below:

Resolution No.1: Ordinary resolution for adoption of Audited Financial Statements (including the Consolidated Financial Statements), Report of the Board of Directors and Auditors for the year ended March 31, 2019.

Resolution No.2: Ordinary Resolution for re-appointment of Mr. Subash Agarwal as a director liable to retire by rotation.

Resolution No.3: Ordinary Resolution for appointment of M/s. A R M S & Associates, Chartered Accountants, as statutory auditors of the company.

Resolution No.4: Ratification of Remuneration to Cost Auditors for the financial year 2019-20.

Resolution No.5: Special Resolution under section 180(1)(a) of the companies act, 2013 for creation of security.

Resolution No.6: Special Resolution under section 180(1)(c) of the companies act, 2013 for borrowing limit not exceeding ₹ 3500 cr.

Resolution No.7: Special Resolution under section 186 of the companies act, 2013 for making investment /extending loans and giving guarantees or providing securities in connection with loans to persons/ bodies corporate.

Signed this _____ day of _____, 2019

Affix Revenue Stamp of ₹ 1/-

Signature of Shareholder

Signature of Proxy Holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered office of the Company, not less than 48 hours before the commencement of the Meeting.

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ARSS INFRASTRUCTURE PROJECTS LIMITED

Registered Office: Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate,
Bhubaneswar-751010, Odisha, India

CIN: L14103OR2000PLC006230

Tel No.: +91-0674-2588552, 2588554 Fax: +91-0674-2585074,

E-mail: cs@arssgroup.in, Website: www.arssgroup.in

Sr. No.:-

Folio No./DP ID / Client ID :

Name :

Address :

Number of Shares held :

Dear Member,

Subject: Process and Manner for Availing E-Voting facility

Pursuant to the Section 108 of the Companies Act, 2013 (“the Act”) read with Rule 20 of the Companies (Management and Administration) Rules, 2014, and of Companies (Management and Administration) Rules, 2015 as amended that the Company is pleased to offer e-voting facility to the members to cast their votes electronically as an alternative to participation at the Annual General Meeting to be held on Wednesday, 25th September, 2019 at 11.00 A.M.

The Company has engaged the services of National Securities Depository Limited (“NSDL”) to provide e-voting facilities. The e-voting facility is available at the link [https:// www.evoting.nsdl.com](https://www.evoting.nsdl.com)

The e-voting particulars are set out below:

EVEN (E-voting event number)	User ID	Password / Pin

The e-voting facility will be available during the following voting period:

Commencement of e-voting	End of e-voting
Sunday, 22 nd September, 2019 (9:00 am)	Tuesday, 24 th September, 2019 (5:00 pm)

INSTRUCTIONS FOR E-VOTING

Members are requested to follow the instructions mentioned hereunder for casting their vote through E-voting:

1. User ID and Initial Password for E-voting is provided in the table given on the face of this annexure to the Notice.
2. NSDL shall also be sending the User-ID and Initial password to those members whose shareholding is in dematerialized format and whose Email addresses are registered with the Company/Depository Participants. For members who have not registered their Email Id can use the details as mentioned in the table above.
3. Launch the internet browser by typing the following URL:<https://www.evoting.nsdl.com>
4. Click on “Shareholder-Login.
5. Put user ID and Password noted in step (a) above as the initial password. Click login. If are already registered with NSDL for e-voting then you can use your existing User ID and Password for Login.

6. If you are logging in for the first time, Password Change Menu appears. Change the Password of your choice with minimum 8 digits / characters or a combination thereof. Please note the new Password for all the future e-voting cycles offered on NSDL e-voting Platform. It is strongly recommended not to share your Password with any other person and take utmost care to keep your Password confidential.
7. Home page of “e-voting” opens. Click on “e-voting”: Active Voting Cycles.
8. Select “EVEN (E-Voting Event Number)” of ARSS Infrastructure Projects Limited For and EVEN, you can login any number of times on e-voting platform of NSDL till you have voted on the resolution during the voting period.
9. Now you are ready for “e-voting” as “Cast Vote” Page opens.
10. Cast your vote by selecting appropriate option and click “Submit” and also “Confirm” when prompted. Kindly note that vote once cast cannot be modified.
11. Institutional members (i.e. members other than individuals, HUF, NRIs, etc.) are also required to send scanned copy (PDF/JPG format) of the relevant board resolution / authority letter, etc. together with the attested specimen signature(s) of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through email at : secretarial@sunitamohantyandassociates.com in with a copy marked to evoting@nsdl.co.in. You can also forward the documents at the Company’s Email ID: cs@arssgroup.in .
12. Once the vote on a resolution is cast by the shareholder s/he shall not be allowed to change it subsequently.
13. In case of any queries you may refer the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the “downloads” section of <https://www.evoting.nsdl.com> or contact NSDL by email at evoting@nsdl.co.in.
14. The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the company as on the cut-off date (record date) of 18th September, 2019 (Wednesday)
15. M/s Sunita Mohanty & Associates, Company Secretaries, Bhubaneswar has been appointed as the Scrutinizer to scrutinize the E-voting process/ Postal ballot in a fair and transparent manner.
16. The Scrutinizer shall within a period not exceeding three(3) working days from the conclusion of the E-voting period unblock the votes in the presence of at least two(2) witnesses not in the employment of the company and make a Scrutinizer’s Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
17. The Results shall be declared on Wednesday, 25th September, 2019 at the registered office of the Company. The results declared along with the Scrutinizer’s Report shall be placed on the company’s website www.arssgroup.in and on the website of NSDL within two (2) days of passing of the resolution and the same shall also be communicated to the Bombay Stock Exchange Limited and National Stock Exchange of India Limited where the shares of the Company are listed.

Registered Office of the Company:

Plot No. 38, Sector – A, Zone- D, Mancheswar Industrial Estate,
Bhubaneswar – 751010, Odisha
CIN- L14103OR2000PLC006230
Tel: 0674 – 2588552 / 2588554.
Fax:-0674 – 2585074. Email: cs@arssgroup.in

Share Transfer Agents:

Bigshare Services Private Limited
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri East,
Mumbai – 400059 Maharashtra
Tel: + 91 22-62638261 Fax: + 91 22-62638299

E-mail ids:

marketing@bigshareonline.com
investor@bigshareonline.com
Website: www.bigshareonline.com

FORM NO. MGT-12**POLLING PAPER**

[Pursuant to Section 109 (5) of the Companies Act, 2013 and Rule 21 (1) (C) of the Companies (Management and Administration) Rules, 2014]

Name of the Company : ARSS Infrastructure Projects Limited
 CIN : L14103OR2000PLC006230
 Registered Office : Plot No -38, Sector-A, Zone- D,
 Mancheswar Industrial Estate, Bhubaneswar-751 010, Odisha.
 Telephone : 0674- 2588552, 2588554
 Website : www.arssgroup.in

BALLOT PAPER

(For Annual General Meeting on 25.09.2019)

Sr. No.	Particulars	Details
1.	Name of the First Named Shareholder (In BLOCK letters)	
2.	Postal address	
3.	Registered Folio No./ *DP ID and Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4.	Class of Share	Equity Shares of ₹ 10/- each

I hereby exercise my vote in respect of Ordinary/ Special Resolution/s enumerated below by recording my assent or dissent to the said resolution in the following manner:

ORDINARY BUSINESSES

Sr. No.	Resolutions	No. of shares held by me	I assent to the resolution	I dissent from the resolution
1	Adoption of financial statements To consider and adopt the audited financial statements (including the consolidated financial statements) of the Company for the financial year ended March 31, 2019 and the reports of the Board of Directors ('the Board') and auditors thereon			
2	Appointment of Mr. Subash Agarwal as a director liable to retire by rotation			
3	To appoint Statutory Auditors M/s. A R M S & Associates, Chartered Accountant, (Firm Registration No. 013019N) and fix their remuneration.			

SPECIAL BUSINESSES

4	Ratification of Remuneration to Cost Auditor for the financial year 2019-20			
5	Special Resolution under section 180(1)(a) of the companies act, 2013 for creation of security			
6	Special Resolution under section 180(1)(c) of the companies act, 2013 for borrowing limit not exceeding ₹ 3500 cr.			
7	Special Resolution under section 186 of the companies act, 2013 for making investment /extending loans and giving guarantees or providing securities in connection with loans to persons/ bodies corporate.			

Place: Bhubaneswar

Date: 25.09.2019

(Signature of the shareholder)