



ARSS INFRASTRUCTURE PROJECTS LTD.

Date: 05.09.2020

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 2019-20

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

Dear Sir/Madam,

We hereby informed you that the 20th Annual General Meeting ('AGM') of ARSS Infrastructure Projects Limited ('the Company') will be held on Tuesday, September 29, 2020 at 11:00 a.m. (IST) through Video Conference / Other Audio –Visual Means only, in accordance with the General Circular issued by the Ministry of Corporate Affairs dated May 5, 2020 read with General Circulars dated April 8, 2020 and April 13, 2020 and SEBI Circular dated May 12, 2020, to transact the business set out in the AGM Notice.

Please find enclosed herewith the Annual Report 2019-20 of ARSS Infrastructure Projects Limited for the Financial Year 2019-20 along with the Notice of the 20th AGM which is being sent through electronic mode to all the members of the company whose e-mail addresses are registered with the Company Registrars and Transfer Agent/Depository Participant(s) in compliance with relevant circulars issued by Ministry of Corporate Affairs and the Securities and Exchange Board of India.

The Annual Report 2019-20 along with the Notice of AGM is available on website of the Company at http://arssgroup.in/pdf/ARSS%20INFRASTRUCTURE%20PROJECTS%20LTD_ANNUAL%20REPORT_2019-20.pdf

And Notice of AGM is available http://arssgroup.in/pdf/20th%20AGM%20NOTICE_2019-20.pdf

This is submitted pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

ARSS INFRASTRUCTURE PROJECTS LTD.

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www.arssgroup.in

ARSS Infrastructure Projects Limited is a public company listed on the National Stock Exchange of India Limited (NSE) and the Bombay Stock Exchange Limited (BSE). The company is engaged in the business of providing infrastructure services. The company is a member of the National Infrastructure Development Board of India (NIDBI) and the National Infrastructure Development Corporation (NIDCO). The company is also a member of the National Infrastructure Development Fund (NIDF). The company is a member of the National Infrastructure Development Corporation (NIDCO) and the National Infrastructure Development Fund (NIDF). The company is a member of the National Infrastructure Development Corporation (NIDCO) and the National Infrastructure Development Fund (NIDF).



**ARSS INFRASTRUCTURE
PROJECTS LIMITED**

ANNUAL REPORT 2019-20

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
Email: delhi@arssgroup.in

REGISTERED OFFICE

Plot No. 38, Sector - A, Zone - D,
Mancheswar Industrial Estate,
Bhubaneswar - 751 010, Odisha, INDIA.
Tel:91 674 2602763
Email: cs@arssgroup.in
website: www.arssgroup.in

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Chairman's Letter

Dear Fellow Stakeholders,

On behalf of the Board of ARSS it is my pleasure to present the 20th Annual Report and Audited Financial Statements for the year ended 31st March, 2020. 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.

I am addressing you at a time when the nation is grappling with a global pandemic, while simultaneously gearing itself for a phased reopening of the economy, and preparing for life beyond Covid-19.

Last year was characterised by continuing disruptions in supply chain from China followed by the outbreak of COVID in China. This resulted in challenges and opportunities and our team managed the circumstances well to return a strong performance in Q3 and Q4 of 2019-20. Our Projects Sites were shut down in the last week of March 2020 due to the nationwide lockdown. However, through proactive actions by our team, we resumed our construction activities at different projects sites in a phase-wise manner from April 10, 2020. Extensive precautions have been taken to ensure safety of our people. While the lockdown has been eased, we continue to be vigilant and continue to manage the changing environment.

The year witnessed faltering economic growth and underutilization of capacity due to a combination of contributory factors. Private sector investments, already under stress, were further affected by fiscal slippages at the Centre and States and tight liquidity conditions. Consumption spends, which hitherto had been a robust driver of economic growth, lost momentum in FY 2019-20. Expectedly, both export earnings and tax collections were weak. In its bid to revive the economy, the Government initiated several monetary and fiscal measures. Amongst them were a reduction in corporate tax rates, re-capitalisation of banks and consolidation within the banking sector, initiatives to improve credit availability, faster resolution of stressed assets and the announcement of packages for sectors like real estate and exports.

These steps did lead to some encouraging results. The onset of the pandemic however, negated these gains, dragging real GDP growth down to 4.2% for FY 2019-20 as a whole. The lockdown imposed towards the end of FY 2019-20, has dealt a severe blow to both demand and supply. In response, the Government has initiated a wide range of stimulus measures. Booster doses of fiscal and monetary resources aimed at improving liquidity have been announced, providing relief to stressed sections of society and revitalizing economic activity. While these measures are stemming the slide, it is likely that economic growth will still take a few more quarters to revive fully.

It is this volatile situation which the onslaught of the pandemic has roiled further. Lockdowns in country after country have stalled the world's growth engine casting a long shadow of economic uncertainty for some time to come. A few countries are now on the road to recovery and have sought to re-boot growth by injecting stimulus measures through a combination of monetary and fiscal resources. These accommodative fiscal and monetary policies are likely to continue through 2020.

The period leading up to the lockdown and the subsequent stoppage of all economic activity from 25th March, 2020 has adversely affected your Company's operations in late FY 2019-20 as well as the better part of Q1 FY 2020-21. The lockdown was continue till July in the state of Odisha, with the initial resumption of operations being conducted under restrictions imposed by local authorities. Currently most of these project sites are working with limited capacity, and execution of jobs is progressing with a reasonable level of labour workforce.

Performance 2019-20

For this year, ARSS exhibited growth and strength on all key performance parameters – even in the face of a stressed economic environment. Your Company's standalone performance for the financial year 2019-20 are as follows:

- Turnover of ₹ 288.51 crores.
- EBITDA is ₹ 35.15 crores.
- PAT (loss) is ₹ 7.99 crores.
- EPS (basic) is ₹ 3.54



Outlook

The Covid-19 pandemic and its fallout makes it difficult to forecast the future with any degree of certainty. While we are hopeful that the 2nd half of FY 2020-21 will herald better economic and business activity in terms of tendering, good liquidity and revival of labour and supply chains, it would be premature to predict the Company's business outcomes for FY 2020-21. The company is putting in enormous efforts to mitigate the impact of the pandemic, and register enhanced performance in FY 2021-22.

At this point in time, we see prospects in the areas of Government buildings, data centres, healthcare infra, airports, metro railways, water projects including wastewater treatment and irrigation, hydel projects, expressways as well as onshore and offshore hydrocarbon projects. We are uncertain, however, of the timelines when these projects will take off.

We are all passing through a crisis of unprecedented magnitude, and I would like to thank Team L&T as well as our customers, vendors and other stakeholders for the confidence and trust they have reposed in us. I also thank my fellow Board Members for their invaluable support in guiding the Company and enabling another year of growth

Despite the challenges, the Government's thrust areas continued to provide a business opportunity basket for the Company, which was in the pole position to capitalize on the business prospects that came to fruition during the year. The continuing weakness in the Realty sector was countered with a Government focused boost to the affordable mass housing and health segments. With the Government's focus on improving air-connectivity, opportunities in the airport segment continue to arise at periodic intervals.

The construction of highways slowed to 28 km a day during FY 2019-20, from 29.7 km a day achieved in FY 2018-19. The Ministry of Road Transport & Highways is hopeful of increasing it to 32 km a day in FY 2020-21. Competition in this sector has increased with a higher frequency of smaller-sized bids attracting interest from smaller players. This sector is also beset with challenging payment terms in Government tenders coupled with slow progress in land acquisition.

With a discernable thrust on renewable energy, the award of some contracts in this area has been gaining momentum, which has offset the tapering of prospects on centrally sponsored intensive electrification projects under the 'Saubhagya' initiatives. As on March 31, 2020, over 26 million households have been provided with electricity connections under the Scheme.

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.

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 (Woman 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 Chhajjer

Registered Office

Plot No-38, Sector-A Zone-D,
Mancheswar Industrial Estate
Bhubaneswar-751 010, Odisha.
Phone - 91 674 2602763
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
E-mail - delhi@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 22-62638261
Fax: + 91 22-62638299
e-mail ids: marketing@bigshareonline.com
investor@bigshareonline.com
Website:www.bigshareonline.com

Board Committees

Audit Committee

(1) Mrs. Janhabi Deo

Independent Director- Chairperson of the Committee

(2) Mr. Swarup Chandra Parija

Independent Director- Member

(3) Mr. Krishna Chandra Raut

Nominee Director- Member

Stakeholders Relationship Committee

(1) Mrs. Janhabi Deo

Independent Director- Chairperson of the Committee

(2) Mr. Krishna Chandra Raut

Nominee Director- Member

(3) Mr. Swarup Chandra Parija,

Independent Director- Member

Nomination and Remuneration Committee

(1) Mrs. Janhabi Deo

Independent Director- Chairperson of the Committee

(2) Mr. Krishna Chandra Raut

Nominee Director- Member

(3) Mr. Swarup Chandra Parija,

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

ARMS & Associates
Chartered Accountants,
D-1994, Palam Vihar,
Gurgaon - 122017,
Tel:- 011-45137378,
Mob:- 9990858930
E-mail:-mkg6867@gmail.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 20th Annual Report of the Company together with summary of standalone and consolidated audited financial statements for the year ended March 31, 2020.

1. A. Financial Position & Performance:

(₹ In Crores)

Particulars	Standalone		Consolidated	
	2019-20	2018-19	2019-20	2018-19
Sales	288.51	459.10	288.52	459.10
Profit before Depreciation, Interest and Tax	35.14	32.72	36.22	32.12
Less : Depreciation	20.82	22.02	20.82	22.02
Interest	4.44	27.53	4.44	27.53
Share of net profit or associates and joint ventures accounted using equity method	-	-	106.99	(0.60)
Profit Before Tax	9.88	(16.83)	10.95	(17.43)
Less : Tax Expenses				
a) Current Year	-	-	-	-
b) Earlier Year	-	-	-	-
c) Deferred Tax	1.89	5.62	1.89	5.62
Profit/Loss After Tax	7.99	(11.21)	9.06	(11.81)
Balance brought forward from previous year	(198.43)	(187.27)	(209.04)	(197.28)
Add :Re-measurement of defined employee benefit plans through OCI	0.05	0.05	0.05	0.05
Amount Available for Appropriation	(190.39)	(198.43)	(199.93)	(209.04)
Appropriations				
a) Dividend	-	-	-	-
b) Tax on Dividend	-	-	-	-
c) Transfer to General Reserve	-	-	-	-
Balance Carried to Balance Sheet	(190.39)	(198.43)	(199.93)	(209.04)
Earnings per Share (In ₹) (Weighted) Basic (Equity Shares of face value of ₹ 10/- each)	3.54	(4.93)	4.01	(5.20)
Earnings per Share (In ₹) (Weighted) Diluted (Equity Shares of face value of ₹ 10/- each)	3.54	(4.93)	4.01	(5.20)

B. Subsidiary/ Associate & Joint Venture Company

(₹ In Crores)

Particulars	ARSS Damoh Hirapur Tolls Pvt. Ltd. (Subsidiary Company)		ARSS Developers Limited (Associates)	
	2019-20	2018-19	2019-20	2018-19
Sales	-	-	14.50	0.02
Profit before Depreciation, Interest and Tax	-	-	4.98	(0.29)
Less : Depreciation	-	-	0.26	0.28
Interest	-	-	3.45	4.53
Profit Before Tax	-	-	1.27	(5.10)
Less : Tax Expenses				
a) Current Year	-	-	-	-
b) Earlier Year	-	-	-	-
c) Deferred Tax	-	-	0.06	0.33
Profit/Loss After Tax	-	-	1.21	(4.77)
Balance brought forward from previous year	-	-	(31.01)	(26.24)
Amount Available for Appropriation	-	-	-	-
Appropriations				
a) Dividend	-	-	-	-
b) Tax on Dividend	-	-	-	-
c) Transfer to General Reserve	-	-	-	-
Balance Carried to Balance Sheet	-	-	(29.80)	(31.01)
Earnings per Share (In ₹) (Weighted) Basic (Equity Shares of face value of ₹ 10/- each)	-	-	1.85	(7.34)
Earnings per Share (In ₹) (Weighted) Diluted (Equity Shares of face value of ₹ 10/- each)	-	-	1.85	(7.34)

2. Dividend

Your Directors did not recommend any dividend for the financial year ended March 31, 2020.

3. Operating Result :

The turnover of the Company in the year is ₹ 288.51 cr. as compared to ₹ 459.10 crores in the previous financial year. The profit before tax is ₹ 9.88 crores as compared to ₹ (16.83) crores for the previous financial year.

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

The Company has 1 subsidiary, 1 Associates and 15 Joint Ventures as on March 31, 2020. There has been no material change in the nature of the business of the subsidiaries. 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	ARSS-ATLANTA JV.	Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar- 751010	AAQFA8726P	Joint Venture	51.00%
2	ATLANTA-ARSS JV	Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar- 751010	AABAA0048E	Joint Venture	49.00%
3	HCIL-ADHIKARYA-ARSS JV	Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar- 751010	AAEFH3757R	Joint Venture	30.00%
4	HCIL-KALINDEE-ARSS JV	113-A, Kamala Nagar, Delhi-110007	AAEFH1678M	Joint Venture	30.00%
5	ARSS - SIPS (JV)	129, Transport Centre, Rohtak Road, Punjabi Bagh, New Delhi – 110 035	AAEAA3620K	Joint Venture	51.00%
6	ARSS - SCPL (JV)	Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar- 751010	AAEAA3621J	Joint Venture	51.00%
7	ARSS - BMS (JV)	Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar- 751010	AAEAA4835G	Joint Venture	51.00%
8	ARSS-LGPPL JV.	Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar- 751010	AAGAA3633G	Joint Venture	51.00%
9	ARSS-TECHNOCOM-PRIYASHI ASHI JV.	Kamrup Chamber road, Fancy Bazar, Guwahati-781001-Assam	AAHAA8492L	Joint Venture	51.00%
10	ARSS-SNKI JV	Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar- 751010	AAEAA8546Q	Joint Venture	51.00%
11	ARSS-THAKUR JV.	Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar- 751010	AAJAA0912F	Joint Venture	80.00%
12	ARSS – ROYAL (JV)	Plot No. 38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar, Odisha, 751010	AAJAA1996R	Joint Venture	75.00%

Sl. No.	Name of the company	Address of the company	CIN/GLN/PAN	Holding /subsidiary/ associate	% of shares held/ share in JV
13	ARSS-BDPL (JV)	Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar- 751010	AAJAA6181C	Joint Venture	51.00%
14	ARSS - NTLLP (JV)	Short-Cut,P.O.- Nirjuli,Dist- Papumpare, Pin-791 109, Arunachal Pradesh.	Awaited	Joint Venture	51.00%
15	SCPL - ARSS (JV)	OU-522, 5 th Floor, Esplanade Commercial Development, Unit No. 32, 721, Rasulgarh, Bhubaneswar -751010	Awaited	Joint Venture	20.00%

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 – ROYAL (JV)	Plot No. 38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar, Odisha, 751010	AAJAA1996R	Joint Venture	75.00%
2	ARSS-BDPL (JV)	Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar- 751010	AAJAA6181C	Joint Venture	51.00%
3	ARSS - NTLLP (JV)	Short-Cut,P.O.-Nirjuli, Dist- Papumpare, Pin-791 109, Arunachal Pradesh.	Awaited	Joint Venture	51.00%
4	SCPL - ARSS (JV)	OU-522, 5 th Floor, Esplanade Commercial Development, Unit No. 32, 721, Rasulgarh, Bhubaneswar -751010	Awaited	Joint Venture	20.00%

The name of the Joint Venture which has been inoperative during the year under review:

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-HCIL CONSORTIUM	Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar- 751010	AAOFA4560D	Joint Venture	60.00%



Sl. No.	Name of the Company	Address of the Company	CIN/GLN/PAN	Holding / Subsidiary / Associate	% of shares held/ share in JV
3	ARSS-TRIVENI JV	Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar- 751010	AABAA1081H	Joint Venture	51.00%
4	PATEL-ARSS JV	Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar- 751010	AAAAP8266E	Joint Venture	49.00%
5	BACKBONE-ARSS JV.	Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar- 751010	AAAAB7056Q	Joint Venture	49.00%
6	SOMDATT BUILDERS-ARSS JV	Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar- 751010	AADAS6434L	Joint Venture	49.00%
7	ARSS-ANPR JV	Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar- 751010	AABAA1158M	Joint Venture	51.00%
8	ARSS GVR JV	Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar- 751010	AACAA1049A	Joint Venture	51.00%
9	HCIL-ARSSSPL-TRIVENI JV	113-A, Kamala Nagar, Delhi-110007	AADFH8758B	Joint Venture	30.00%
10	HCIL-KALINDEE-ARSS JV	113-A, Kamala Nagar, Delhi-110007	AAEFH1678M	Joint Venture	30.00%
11	NPCC-ARSS JV	Raja House,30-31, Nehru Place, New Delhi-110019	N.A.	Joint Venture	26.00%
12	ARSS-KKMPL JV	Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar- 751010	AAHAA8368B	Joint Venture	51.00%

Pursuant to the provisions of Section 129(3) of the Act, a statement containing the salient features of financial statements of the Company's subsidiaries in Form No. AOC-1 is attached to the financial statements of the Company.

Further, pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited financial statements in respect of subsidiaries, are available on the website of the Company www.arssgroup.in.

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):

- a. At – Rourkela - Jharsuguda 3rd line work - Supply & Spreading of track Ballast in between Sogra and Jharsuguda under the jurisdiction of Dy.Chief Engineer (Con)/Jharsuguda, South Eastern Railway is awarded in favour of our Company i.e. ARSS Infrastructure Projects Limited by Chief Engineer (Con) - II, South Eastern Railway, Garden Reach, Kolkata – 700 043, on 24th May, 2019 with a contract value ₹ 9.42 crores.
- b. At Sonepur : Construction of Bridge No-677(17x45.70m-Open web through girder) on Tel river & Major Bridge No 675 (1x30.50m Open web through girder) over SH-41 between Km 237.200 to 238.400 of Khurda Road-Bolangir New B.G Rail link Project is awarded in favour one of our Joint Venture (JV) named ARSS-SNKI (JV), Plot-38 Sector-A, Zone-D, Mancheswar Industrial Estate Bhubaneswar-751010,Odisha. by the Chief Engineer/Con/HQ, Bhubaneswar-23, 10th June, 2019 with a contract value of ₹ 27.55 crores.
- c. At: Sukinda, Package- 2 - “Track Linking (Excluding Supply of Rails, Sleepers, Thick Web Switches), S&T and OHE Works between Km.47 to Km.97 in connection with construction of Angul-Sukinda New BG Rail Link of 58.961 Track Km (Between Rangamatia to Baghuapal including Tie Lines at Tomka) on Khurda Road Division of East Coast Railway, in Odisha State, India” is awarded in favour one of our Joint Venture (JV) named ARSS -THAKUR JV (ARSS: 80%, Thakur: 20%), Plot-38 Sector-A, Zone-D, Mancheswar Industrial Estate Bhubaneswar-751010,Odisha. by the Chief Project Manager/III, Rail Vikas Nigam Limited, Bhubaneswar, 1st July, 2019 with a contract value of ₹ 195.42 crores.
- d. At Sambalpur: Construction of Earthwork, Bridge Work, Protection Work of minor and major bridge, slope of bank, Buildings, site facilities, General Electrical works and other miscellaneous work in section Deobhal (IN) – Barpali (IN) in connection with the doubling of Sambalpur – Titlagarh in Sambalpur division of East Coast Railway is awarded in favour one of our Joint Venture (JV) named ARSS-SCPL (JV), Plot-38 Sector-A, Zone-D, Mancheswar Industrial Estate Bhubaneswar-751010,Odisha. by the Chief Project Manager/I, Rail Vikas Nigam Limited, (Sambalpur - Titlagarh Doubling project),VISAKHAPAATNAM, on 18th July, 2019 with a contract value of ₹ 77.96 crores.
- e. At Azamgarh : Package- A1 - “Construction of roadbed and Minor Bridge, ETC works in connection with Doubling between Mau (MAU) (Excluding) 0.00 Km and Azamgarh (AMH) (Including) Km 43.50 (Total 43.50 Km) in Varanasi Division of North Eastern Railway, Uttar Pradesh, India” is awarded in favour one of our Joint Venture (JV) named ARSS-SCPL (JV), Plot-38 Sector-A, Zone-D, Mancheswar Industrial Estate Bhubaneswar-751010,Odisha. by the Chief Project Manager-II, 3rdFloor, Royal Pavillion, (Near Bajaj Sewashram), Modhaila to Manduadih Road, Varanasi (UP), India, on 9th October, 2019 with a contract value of ₹ 97.25 crores.
- f. At Azamgarh: Package - B1 - “Construction of roadbed, Major and Minor Bridge, ETC works in connection with Doubling between Azamgarh (AMH) (Excluding) 43.50 Km and Shahganj (SHG) (Including) 99.75 (Total 56.25 Km) in Varanasi Division of North Eastern Railway, Uttar Pradesh, India” is awarded in favour one of our Joint Venture (JV) named ARSS-SCPL (JV), Plot-38 Sector-A, Zone-D, Mancheswar Industrial Estate Bhubaneswar-751010,Odisha. by the Chief Project Manager-II, 3rdFloor, Royal Pavillion, (Near Bajaj Sewashram), Modhaila to Manduadih Road, Varanasi (UP), India, on 9th October, 2019 with a contract value of ₹ 123.40 crores.
- g. At Rayagada: Package-5A- “Construction of two numbers of Major Bridge No. 611 (Span 8 X 30.5 m CG) at Km 344.87 in Rayagada – Ladda section and Major bridge No. 624 (Span 2 X 18.30 m CG + 1X12.20 m CG) at KM 352.03 in Ladda - Jimmidipeta section and other Bridge works in connection with 3rd line between Rayagada (Excl) (KM 343.90) – Jimidipeta (Excl) (KM 356.518) on Waltair Division of East Coast Railway in Odisha State, India” is awarded in favour one of our Joint Venture (JV) named ARSS-ROYAL (JV), Plot-38 Sector-A, Zone-D, Mancheswar Industrial Estate Bhubaneswar-751010,Odisha. by the Chief Project Manager/II, Rail Vikas Nigam Limited, Vishakapatnam – 530004 (AP), India, on 15th October, 2019 with a contract value of ₹ 60.57 crores.
- h. At Rayagada: Package-5A-”Construction of Roadbed, Minor Bridges, Service Buildings including amenities, Passenger amenities at stations and related works along with General Electrical works in connection with 3rd Line between Rayagada (Excl) (KM 343.90) - Jimidipeta (Excl) (KM 356.518) on Waltair Division of East Coast Railway in Odisha State, India, is awarded in favour one of our Joint Venture (JV) named ARSS-SCPL (JV), Plot-38 Sector-A, Zone-D, Mancheswar



Industrial Estate Bhubaneswar-751010, Odisha. by the Chief Project Manager/II, Rail Vikas Nigam Limited, (Vizianagaram – Titlagarh 3rd Line Project), Vishakhapatnam, India, on 15th October, 2019 with a contract value of ₹ 50.46 crores.

- i. At Paradip: Construction of handling platforms, Railway track, truck parking area, buildings and other ancillary facilities for IFFCO at MMLP Paradip, Odisha, is awarded in favour one of our Joint Venture (JV) named ARSS-BDPL (JV), Plot-38 Sector-A, Zone-D, Mancheswar Industrial Estate Bhubaneswar-751010, Odisha. by the Group General Manager (EC), CONTAINER CORPORATION OF INDIA LTD., C-3 Mathura Road, Opposite Apollo Hospital, New Delhi – 110 076, on 17th October, 2019 with a contract value of ₹ 76.15 crores.
 - j. At – Jagdalpur - Repair and restoration of Plant Road Network at NISP is awarded in favour of our Company i.e. ARSS Infrastructure Projects Limited by Executive Director (NISP), NMDC Iron & Steel Plant, Nagarnar, Jagdalpur, CG, on 18th October, 2019 with a contract value ₹ 19.33 Lacs.
 - k. At – Kendrapara - Construction of H.L. Bridge over river Gobari at Ch.0/250 Km and road from 0/000 Km to 0/700 Km for construction of alternative road to Kendrapara Town under State Plan, is awarded in favour of our Company i.e. ARSS Infrastructure Projects Limited by Executive Engineer, Kendrapara (R&B) Division, Kendrapara, on 25th October, 2019 with a contract value ₹ 10.52 crores.
 - l. At Titlagarh : Construction of Earth Work, Major and Minor Bridges, Protection work of minor and major bridge, slope of bank, Buildings, PF Shelter FOB, Platform and passenger amenities, site facilities, General Electrical works and other miscellaneous work in section Budmal (IN) - Titlagarh (IN) (19.71 Kms) in connection with the doubling of Sambalpur-Titlagarh in Sambalpur division of East Coast Railway in the State of Odisha, India, is awarded in favour one of our Joint Venture (JV) named ARSS-SCPL (JV), Plot-38 Sector-A, Zone-D, Mancheswar Industrial Estate Bhubaneswar-751010, Odisha by the Chief Project Manager/I, Rail Vikas Nigam Limited, Vishakhapatnam – 530004 (AP), on 12th November, 2019 with a contract value of ₹ 75.42 crores.
 - m. At – Sonepur - Construction of Portal Frame Bridge & Road from 2/385 to 3/585 Km of Ring road at Sonepur in the district of Subarnpur under Deposit Scheme., is awarded in favour of our Company i.e. ARSS Infrastructure Projects Limited by Chief Engineer, D.P.I & Roads (E.E. Sonepur), on 18th November, 2019 with a contract value ₹ 45.80 crores.
 - n. At Nirjuli: Construction of 2-lane road of Potin to Pangin section of NH-13 from Km 0.00 to Km 44.35 (Package-1) in the State of Arunachal Pradesh under Arunachal Pradesh Package of Roads and Highways of SARDP-NE, is awarded in favour one of our Joint Venture (JV) named ARSS-NTLLP (JV), Nirjuli Short-Cut P.O.-Nirjuli, District Papunpare Arunachal Pradesh 791109. by the Chief Engineer (Zone-V), MoRTH, New Delhi – 110 001, on 26th November, 2019 with a contract value of ₹ 281.11 crores
 - o. At – Tangaria- Construction of ROB at Ch-62291 between Tangaria to Bhuban RCC Box Bridge No. 125 (2x7.5x7.563) under Angul-Sukinda New BG Rail Link Project on Khurda Road Division, East Coast Railway in Odisha State, India, is awarded in favour of our Company i.e. ARSS Infrastructure Projects Limited by Chief Project Manager-II, Rail Vikas Nigam Limited, Bhubaneswar, on 28th November, 2019 with a contract value ₹ 12.42 crores.
 - p. At – Sambalpur - Execution of P-Way Linking works (excluding supply of rail, ordinary track sleeper & thick web switches) including yard remodeling and other miscellaneous works like widening and extension of Platforms, FOB, Goods Platforms, Passenger amenities, Earth work, S&T works, General Electrical works and OHE/RE works in section Deobahal(IN)-Barpali(IN) in connection with the doubling of Sambalpur-Titlagarh in Sambalpur division of East Coast Railway, is awarded in favour of our Company i.e. ARSS Infrastructure Projects Limited by CPM-I, RVNL, (Sambalpur – Titlagarh Doubling Project), North Block 2nd floor, Jeevan Samrudhi LIC Building, Thikkana Road, Vishakhapatnam – 530004 (AP), on 17th February, 2020 with a contract value ₹ 130.09 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 2020-21 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 and Rules framed there under, the extract of the Annual Return for FY 2020 is given in **Annexure –C** in the prescribed Form No. MGT-9, which is a part of this report. The same is available on http://arssgroup.in/pdf/MGT-9_%2031032020.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:

28th May, 2019, 12th August, 2019, 14th November, 2019 and 14th February, 2020.

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, 2020, 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	8045	46.86%	13458612	59.19%
NSDL	9116	53.10%	9266627	40.75%
PHYSICAL	8	0.04%	12727	0.06%
TOTAL	17169	100.00%	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:

At the Nineteenth AGM held on September 25, 2019 the Members approved appointment of M/s. A R M S & Associates, Chartered Accountant (Firm's Registration No. 013019N) of Gurugram as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the twenty-fourth AGM.

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, 2020 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 2019-20 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 2019-20 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 ₹ 1613.26 Crores out of which ₹ 121.03 Crores subject to interest reconciliation from 01.10.2018 and ₹ 1492.23 Crores subject to reconciliation of interest thereon from 01.07.2016. 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, Various Secured Lenders have moved to National Company Law Tribunal towards their recovery of dues under Insolvency & Bankruptcy Code, and their application is still pending for acceptance at NCLT Level

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 various banks and However the Bank of India declined the proposal and moved to NCLT but the case is not yet admitted.

- c) Bank statements of Various Accounts has not been provided to us due to same has been classified as Non-Performing Assets by Respective Banks. So we are unable to ascertain balances and transaction with these banks.

Company Reply: the accounts became NPA 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 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.

- b) The company has overdue accumulated secured debts amounting to ₹ 1613.26 Crores out of which ₹ 121.03 Crores subject to interest reconciliation from 01.10.2018 and ₹ 1492.23 Crores subject to reconciliation of interest thereon from 01.07.2016. 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, Various Secured Lenders have moved to National Company Law Tribunal towards their recovery of dues under Insolvency & Bankruptcy Code, and their application is still pending for acceptance at NCLT Level.

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 various banks and However the Bank of India declined the proposal and moved to NCLT but the case is not yet admitted.

- c) Bank statements of Various Accounts has not been provided to us due to same has been classified as Non-Performing Assets by Respective Banks. So 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.

- d) In the absence of audited books of accounts of ARSS-SIPS JV, ARSS TechnocomPriyashiAashi JV and ARSS-BMS JV, financial data from these entity have not been included in consolidation of financial statement.

Company Reply: The accounts of the JVs are under the control of respective JV Partners i.e. Shyam Indus Power Solutions Pvt Ltd, BMS Projects and M/s. TECHNOCOM. 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



- 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 ₹ 84.68 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 matter is subjudice and therefore it is difficult to do physical verification.

- g) 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 and Key Managerial Personnel

In accordance with the provisions of the Act and the Articles of Association of the Company, Shri Rajesh Agarwal, Managing Director 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 Board/ Committee of the Company.

The Board has recommended to take a consent of the Members by way of Special Resolution in ensuing Annual General Meeting for continuation of Mr. K. C. Raut, Non-Executive Nominee Director beyond the age of seventy five years. The Board has also recommended the reappointment of Mr. Rajesh Agarwal, Managing Director of the Company for further term of Five years from 1st April, 2021 to 31st March, 2026 without any remuneration.

Pursuant to Section 203 of the Act, Mr. Prakash Chhajer has been appointed as Company Secretary of the company w.e.f. 28.05.2019

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 and
- c. Mr. Prakash Chhajer, Company Secretary*

*w.e.f. 28.05.2019

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

Pursuant to the provisions of Section 149 of the Act, the independent directors have submitted declarations that each of them meet the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations. There has been no change in the circumstances affecting their status as independent directors of the Company.

24. Secretarial Standards

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

25. Director's Responsibility Statement:

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

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any,
- 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;
- 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;
- the directors had prepared the annual accounts on a going concern basis; and
- the directors had laid down internal financial controls and such internal financial controls are adequate and are operating effectively.
- 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.

26. 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 2019-20, 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 at arssgroup.in.

27. 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, 2020 stood at 331.

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:

- The percentage increase in remuneration of each director, Chief Financial Officer, Company Secretary during the financial year 2019-20 and ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2019-20 are as under;

Sr. No.	Name of the Director/ KMP and designation	Remuneration of Director/ KMP for the FY 2019-20 (₹ in Lacs)	% increase in remuneration in the FY 2019-2020	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	Mr. Prakash Chhajaj, Company Secretary	13.75	Nil	Not Applicable

- The median remuneration of employees of the company during the financial year was ₹ 1,56,000 ;
- In the Financial year, there was an increase 4.00% in the median remuneration of employees;
- There were 331 permanent employees on the rolls of Company as on March 31, 2020;
- Average percentage increase in the salaries of employees other than the managerial personnel in the last financial year i.e. 2019-20 was 8.62% whereas there were no increase in the managerial remuneration for the same financial year.; and
- 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. K.P. Verma	51	BE-CIVIL	01.04.2016	Project Director	1560000	23	Aravali Infra Power Ltd. - Project Manager	-
7	Mr. Rashmi Ranjan Singh	46	CA	01.08.2007	AVP-Finance & Accounts	1560000	16	ARSS I.P.L. - Financial Advisor	-
8	Mr. Kedar Gouri Padhy	43	DCE, B Tech Civil	08.11.2017	Project Manager	1500000	16	Reliance Industries Ltd. – Senior Manager	-
9	Mr. Prakash Chhajer	38	CS	28.05.2019	Company Secretary	1500000	12	Scan Energy & Power Limited	-
10	Mr. Amarkant Pathak	45	BA	20.10.1996	Site In Charge	1200000	24	-	-

28. 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 Company's policy on appointment of directors is available on www.arssgroup.in. The policy on remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the Corporate Governance Report, which is a part of this report and is also available on www.arssgroup.in

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 14th February, 2020, 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.

During the year under review, the company has received six (6) show cause notices under various section of the companies act and all are under process of compounding.

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, 2020.

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:

- a. 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.

- b. Recommend the amount of expenditure to be incurred on the activities referred in the CSR policy.
- c. Monitor the CSR Policy of the Company and its implementation from time to time.
- d. 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 2019-20	No. of meetings Attended during the FY 2019-20
Mr. Rajesh Agarwal	Chairman	1	1
Mr. Swarup Chandra Parija	Member	1	1
Mr. Pareswar Panda	Member	1	1

iii) No. of Meetings held during the year:

During the year the committee has met once i.e. on 28th May, 2019

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. (₹ 27.94) crores loss, company need not to incur any amount towards CSR in the FY 2019-20.

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

The Company has a Whistle Blower Policy and has established the necessary vigil mechanism for directors and employees in confirmation with Section 177(9) of the Act and Regulation 22 of Listing Regulations, to report concerns about unethical behavior. The details of the policy have been disclosed in the Corporate Governance Report, which is a part of this report and is also available on www.arssgroup.in. There were no complaints under the whistle blower during the year under review.

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 2019-20, 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. Disclosure requirements:

As per SEBI Listing Regulations, the Corporate Governance Report with the Auditors' Certificate thereon, and the Management Discussion and Analysis Report are attached, which forms part of this report. The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

47. Acknowledgement:

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

Place: Bhubaneswar
Dated: 27th August, 2020

Sd/-
(Subash Agarwal)
Chairman

REPORT ON MANAGEMENT DISCUSSION AND ANALYSIS

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

The Indian economy has been exhibiting lacklustre growth in the face of global volatility amidst weak manufacturing, muted domestic demand and volatility in oil prices. Real GDP growth has slowed down from 6.1 per cent in fiscal 2018-19 to 4.2 per cent in the backdrop of the slowdown in private consumption, lower tax collections, fund allocation challenges at the State and Central Government levels, and a sharp slowdown in credit growth. To overcome the slowdown, various reforms were announced by the Government in FY 2019-20, viz. reduction in corporate tax rates, a scheme to provide a one-time partial credit guarantee to public sector banks (PSBs) for purchase of pooled assets of financially sound non-banking financial companies (NBFCs), recapitalization of public sector banks, relaxation of external commercial borrowing guidelines for affordable housing, setting up of a Realty Fund for stalled housing projects, merger of 10 public sector banks into four entities and revised Priority Sector Lending (PSL) norms for exports. Private sector investments continued to be muted in the areas of industrial capex and building infrastructure. Public sector spending, however, remained firm and was robust in the areas of core infrastructure, driven by the Government's commitment to boost investment across multiple infrastructure sectors. The Government also announced the National Infrastructure Pipeline (NIP) of projects worth R 100+ lakh crore up to FY25, with a focus on energy, roads, railways, urban infrastructure and irrigation projects to provide a much-needed productivity boost to the Indian economy and fulfil India's aspiration to become a USD 5 trillion economy by 2025. The NIP, coupled with other 'pro-business' policy initiatives, is expected to lead to a rebound in domestic demand in the medium and long term.

COVID-19 Outbreak

The pandemic and the nationwide lockdown that it triggered has dealt both demand and supply shocks to the economy, with wide ramifications on revenue collections and economic growth. It is likely to take quite some time for the consequent stress in the economy to be relieved and for growth to revive. The crisis has prompted the Government to announce a series of monetary and fiscal relief packages designed to inject liquidity into the system and provide relief to stressed sectors. While these stimulus measures will provide relief to the affected people and some industries, the slowdown in economic activity is expected to significantly lower India's GDP growth in FY 2020-21. Global supply chains have also been threatened by the pandemic. Governments around the world have been quick to respond to the crisis by implementing meaningful people and some industr5(r)20(e(pr)20(op)0.5(peLsC5(r)2sect)inc)15.1(aso)15thathnd to64he crlicl



With a discernable thrust on renewable energy, the award of some contracts in this area has been gaining momentum, which has offset the tapering of prospects on centrally sponsored intensive electrification projects under the 'Saubhagya' initiatives. As on March 31, 2020, over 26 million households have been provided with electricity connections under the Scheme.

The Government's emphasis on augmenting local water resources launched under the Jal Jeevan Mission is also giving rise to good prospects. Under the National Infrastructure Pipeline (NIP), roads, urban and housing, railways, power (renewable and conventional) and irrigation comprise ~80% of the total plan. This investment and initiative from the Government will create a good opportunity for the infrastructure sector in the coming years.

Public sector spending on the Infrastructure sector, as a whole, continues to witness focused attention through a combination of Central, State Government and PSU capex. The combined Budgetary Capex spends (including PSU Capex) amount to over ₹ 16 lakh crore for FY 2020-21, which translates to over 7% of expected nominal GDP. The COVID-19 crisis is likely to adversely affect revenue collections and GDP growth in FY 2020-21, which in turn could lead to contraction of spends on Infrastructure. The Central and State Governments are attempting to mitigate the impact of lower tax collections through significantly higher market borrowings than originally budgeted for the year FY 2020-21, and the increase could be in the region of ₹ 9 lakh crore. Multi-lateral funding of projects, which has increased in recent years, is providing additional resources for building infrastructure within the country.

The Infrastructure business, which faces normal execution challenges in terms of 'Right of Way' and delayed client clearances, encountered some unprecedented issues in FY 2019-20. Change in some State Governments, led to reassessment of awarded contracts, while some environmental-related work stoppages adversely affected work progress in some projects. The impact of these challenges was accentuated with the onset of the pandemic in the last fortnight of the financial year, which slowed down the economy, with the lockdown being implemented by various Governments. The pandemic has affected execution in the last quarter of the year, which otherwise is the busiest quarter for the segment in terms of progress and collections. This has had an impact on both revenues and profits, since the sites had to be shut temporarily.

With the changing environment, the project sites are also required to adapt to a new set of norms for continuation of work, which will hamper progress for some time. The impact of the pandemic is expected to continue into the next financial year, and may taper off as normalcy gradually returns.

1.2 Infrastructure and Construction Services

Introduction

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. India was ranked 44 out of 167 countries in World Bank's Logistics Performance Index (LPI) 2018. India ranked second in the 2019 Agility Emerging Markets Logistics Index.

Market Size

Foreign Direct Investment (FDI) in Construction Development sector (townships, housing, built up infrastructure and construction development projects) stood at US\$ 25.66 billion during April 2000 to March 2020, according to Department for Promotion of Industry and Internal Trade (DPIIT). 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.

Investments

India requires 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 of the key investments made in the sector are listed below:

- Large investment in infrastructure has seen momentum as overall PE (private equity)/VC (venture capital) investment touched an all-time high of US\$ 14.5 billion in 2019.
- In FY20, the cumulative growth of eight core industries stood at 0.6 per cent.
- As on 31 March, 26.02 million households got electricity connection under the Saubhagya Scheme.
- In 2019, infrastructure sector witnessed seven merger and acquisition (M&A) deals worth US\$ 1,461 million.

Government Initiatives

The Government of India is expected to invest highly in the infrastructure sector, mainly highways, renewable energy, and urban transport.

- In April 2020, the Government set a target of constructing roads worth ₹ 15 lakh crore (US\$ 212.80 billion) in the next two years.
- In May 2020, Border Roads Organisation (BRO) achieved major milestone by digging up a 440-metre long tunnel below the busy Chamba town on Rishikesh-Dharasu road Highway (NH 94).
- Indian energy sector is expected to offer investment opportunities worth US\$ 300 billion over the next 10 years.
- NHAI will be able to generate revenue of ₹ one lakh crore (US\$ 14.31 billion) from toll and wayside amenities over the next five years.
- In the Union Budget 2020-21, the Government has given a massive push to the infrastructure sector by allocating ₹ 1,69,637 crore (US\$ 24.27 billion) to develop the transport infrastructure.
- communication sector has been allocated ₹ 38,637.46 crore (US\$ 5.36 billion) to develop post and telecommunications departments.
- Indian Railways has received an allocation of ₹ 72,216 crore (US\$ 10.33 billion) under Union Budget 2020-21.

1.3 Opportunities and Threats, Risks and concerns

Achievements

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

- In 2019, the sector witnessed seven merger and acquisition (M&A) deals worth US\$ 1,461 million.
- In March 2020, NHAI accomplished the highest ever highway construction of 3,979 km of national highways in FY20.
- Freight earnings in FY20 (till February 2020) stood at ₹ 119,216.11 crore (US\$ 17.06 billion), while its gross revenue stood at ₹ 183,092.74 crore (US\$ 26.20 billion) during the same period.
- Cargo traffic handled stood at 707.4 million tonnes (MT) in FY20.
- Electricity production in India reached 1,252.61 BU in FY20.
- The largest PE investment witnessed was the acquisition of Pipeline Infrastructure India by Canadian asset management firm Brookfield's for US\$ 1.9 billion in Q12019.
- India's rank jumped to 22 in 2019 from 137 in 2014 on World Bank's Ease of doing business - "Getting Electricity" ranking.
- Energy deficit reduced to 0.7 per cent in FY20 from 4.2 per cent in FY14.

Road Ahead

The infrastructure sector has become the biggest focus area for the Government of India. India plans to spend US\$ 1.4 trillion on infrastructure during 2019-23 to have a sustainable development of the country. The Government has suggested investment of ₹ 5,000,000 crore (US\$ 750 billion) for railways infrastructure between 2018-2030.

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

Risk and Concerns

The housing and real estate business is increasingly witnessing the political risks of Government decisions being reversed and projects halted due to changes in regime in the States. A robust political risk index is conceived and being developed to effectively identify and mitigate the same at the bidding stage. In the case of a few projects, specifically Government projects, hand-over of encumbrance-free sites on time, remains a key issue that halts the project's



momentum. In jobs executed on a design-and-build contract basis, frequent changes in design by the client and client-appointed consultants are a huge concern. Though in-house Engineering, Design & Research Centre (EDRC) is proactive and is improving continuously by documenting and implementing the learning from previous experiences in new jobs, unexpected changes suggested by clients hinder timely completion of jobs. Such changes are thoroughly documented and communicated to clients by the Contracts Administration team to pursue claims. The strategy of the business to develop a specialized vertical – B&F Fast – to modularize, standardize and focus on ‘prefab plus assembly’ building solutions for different types of buildings is a step towards mitigating the growing risk of the non-availability of skilled manpower in the industry. The solution will also cater to the increasing need of customers for quicker construction. Presently, the world economy is facing a downturn triggered by the COVID-19 pandemic, which has spread to almost all the countries across the globe. The Infrastructure industry is among one of the badly affected industries due to the contagion-led lockdown and eventual new norms of working. It has also impacted the supply chain and the availability of the workforce. The business is working on identifying different scenarios and preparing contingency plans for each scenario. All necessary measures are being taken to ensure the collection of payments due and to have a hard look at fixed costs and optimize overheads during the lockdown period.

Outlook

Currently the economy is opening up with restrictions on construction activities completely lifted. The lockdown has led to a reduction in consumption demand in the country, leaving government spending in social sectors as the key driver of economic growth. The opportunities for the business in the upcoming year will be majorly from Healthcare industry, as increased government spending is expected in this segment. Also, there is a negative sentiment about China and many countries currently are looking to move out of China which was their manufacturing base. This is expected to trigger opportunities for the factories segment in B&F as most companies are likely to set up their manufacturing establishments in India. However, the commercial and residential real estate business in the country will witness a prolonged impact of the pandemic. The investments into the development of Airport construction may slow down and are expected to rebound only during the latter part of FY 21. The major challenge for the construction industry will be supply chain disruptions including limited availability of labourers as the migrant workers constituted a very large share of the workforce. The business has already initiated the implementation of long-term solutions to face such challenges like reducing the dependency on human resources by leveraging advanced construction technology. Also, the business is considering implementation of techniques like Zero Based Budgeting for cutting down unnecessary expenses and optimizing resource utilization. The business is confident of its ability to tide over the challenges arising from subdued demand and executional challenges through its customer- centric approach, construction expertise and technology leadership in the industry.

1.4 BUSINESS DEVELOPMENT AT ARSS

The Company (alongwith it's JVs) has secured the following contracts (work order) during the financial year 2019-20:

- a. At – Rourkela - Jharsuguda 3rd line work - Supply & Spreading of track Ballast in between Sogra and Jharsuguda under the jurisdiction of Dy.Chief Engineer (Con)/Jharsuguda, South Eastern Railway is awarded in favour of our Company i.e. ARSS Infrastructure Projects Limited by Chief Engineer (Con) - II, South Eastern Railway, Garden Reach, Kolkata – 700 043, on 24th May, 2019 with a contract value ₹ 9.42 crores.
- b. At Sonapur : Construction of Bridge No-677(17x45.70m-Open web through girder) on Tel river & Major Bridge No 675 (1x30.50m Open web through girder) over SH-41 between Km 237.200 to 238.400 of Khurda Road-Bolangir New B.G Rail link Project is awarded in favour one of our Joint Venture (JV) named ARSS-SNKI (JV), Plot-38 Sector-A, Zone-D, Mancheswar Industrial Estate Bhubaneswar-751010,Odisha. by the Chief Engineer/Con/HQ, Bhubaneswar-23, 10th June, 2019 with a contract value of ₹ 27.55 crores.
- c. At: Sukinda, Package- 2 - “Track Linking (Excluding Supply of Rails, Sleepers, Thick Web Switches), S&T and OHE Works between Km.47 to Km.97 in connection with construction of Angul-Sukinda New BG Rail Link of 58.961 Track Km (Between Rangamatia to Baghuapal including Tie Lines at Tomka) on Khurda Road Division of East Coast Railway, in Odisha State, India” is awarded in favour one of our Joint Venture (JV) named ARSS -THAKUR JV (ARSS: 80%, Thakur: 20%), Plot-38 Sector-A, Zone-D, Mancheswar Industrial Estate Bhubaneswar-751010,Odisha. by the Chief Project Manager/III, Rail Vikas Nigam Limited, Bhubaneswar, 1st July, 2019 with a contract value of ₹ 195.42 crores.
- d. At Sambalpur: Construction of Earthwork, Bridge Work, Protection Work of minor and major bridge, slope of bank, Buildings, site facilities, General Electrical works and other miscellaneous work in section Deobhal (IN) – Barpali

- (IN) in connection with the doubling of Sambalpur – Titlagarh in Sambalpur division of East Coast Railway is awarded in favour one of our Joint Venture (JV) named ARSS-SCPL (JV), Plot-38 Sector-A, Zone-D, Mancheswar Industrial Estate Bhubaneswar-751010, Odisha. by the Chief Project Manager/I, Rail Vikas Nigam Limited, (Sambalpur - Titlagarh Doubling project), VISAKHAPAATNAM, on 18th July, 2019 with a contract value of ₹ 77.96 crores.
- e. At Azamgarh : Package- A1 - “Construction of roadbed and Minor Bridge, ETC works in connection with Doubling between Mau (MAU) (Excluding) 0.00 Km and Azamgarh (AMH) (Including) Km 43.50 (Total 43.50 Km) in Varanasi Division of North Eastern Railway, Uttar Pradesh, India” is awarded in favour one of our Joint Venture (JV) named ARSS-SCPL (JV), Plot-38 Sector-A, Zone-D, Mancheswar Industrial Estate Bhubaneswar-751010, Odisha. by the Chief Project Manager-II, 3rd Floor, Royal Pavillion, (Near Bajaj Sewashram), Modhaila to Manduadih Road, Varanasi (UP), India, on 9th October, 2019 with a contract value of ₹ 97.25 crores.
- f. At Azamgarh: Package - B1 - “Construction of roadbed, Major and Minor Bridge, ETC works in connection with Doubling between Azamgarh (AMH) (Excluding) 43.50 Km and Shahganj (SHG) (Including) 99.75 (Total 56.25 Km) in Varanasi Division of North Eastern Railway, Uttar Pradesh, India” is awarded in favour one of our Joint Venture (JV) named ARSS-SCPL (JV), Plot-38 Sector-A, Zone-D, Mancheswar Industrial Estate Bhubaneswar-751010, Odisha. by the Chief Project Manager-II, 3rd Floor, Royal Pavillion, (Near Bajaj Sewashram), Modhaila to Manduadih Road, Varanasi (UP), India, on 9th October, 2019 with a contract value of ₹ 123.40 crores.
- g. At Rayagada: Package-5A- “Construction of two numbers of Major Bridge No. 611 (Span 8 X 30.5 m CG) at Km 344.87 in Rayagada – Ladda section and Major bridge No. 624 (Span 2 X 18.30 m CG + 1X12.20 m CG) at KM 352.03 in Ladda - Jimmidipeta section and other Bridge works in connection with 3rd line between Rayagada (Excl) (KM 343.90) – Jimmidipeta (Excl) (KM 356.518) on Waltair Division of East Coast Railway in Odisha State, India” is awarded in favour one of our Joint Venture (JV) named ARSS-ROYAL (JV), Plot-38 Sector-A, Zone-D, Mancheswar Industrial Estate Bhubaneswar-751010, Odisha. by the Chief Project Manager/II, Rail Vikas Nigam Limited, Vishakapatnam – 530004 (AP), India, on 15th October, 2019 with a contract value of ₹ 60.57 crores.
- h. At Rayagada: Package-5A-”Construction of Roadbed, Minor Bridges, Service Buildings including amenities, Passenger amenities at stations and related works along with General Electrical works in connection with 3rd Line between Rayagada (Excl) (KM 343.90) - Jimmidipeta (Excl) (KM 356.518) on Waltair Division of East Coast Railway in Odisha State, India, is awarded in favour one of our Joint Venture (JV) named ARSS-SCPL (JV), Plot-38 Sector-A, Zone-D, Mancheswar Industrial Estate Bhubaneswar-751010, Odisha. by the Chief Project Manager/II, Rail Vikas Nigam Limited, (Vizianagaram – Titlagarh 3rd Line Project), Vishakapatnam, India, on 15th October, 2019 with a contract value of ₹ 50.46 crores.
- i. At Paradip: Construction of handling platforms, Railway track, truck parking area, buildings and other ancillary facilities for IFFCO at MMLP Paradip, Odisha, is awarded in favour one of our Joint Venture (JV) named ARSS-BDPL (JV), Plot-38 Sector-A, Zone-D, Mancheswar Industrial Estate Bhubaneswar-751010, Odisha. by the Group General Manager (EC), CONTAINER CORPORATION OF INDIA LTD., C-3 Mathura Road, Opposite Apollo Hospital, New Delhi – 110 076, on 17th October, 2019 with a contract value of ₹ 76.15 crores.
- j. At – Jagdalpur - Repair and restoration of Plant Road Network at NISP is awarded in favour of our Company i.e. ARSS Infrastructure Projects Limited by Executive Director (NISP), NMDC Iron & Steel Plant, Nagarnar, Jagdalpur, CG, on 18th October, 2019 with a contract value ₹ 19.33 Lacs.
- k. At – Kendrapara - Construction of H.L. Bridge over river Gobari at Ch.0/250 Km and road from 0/000 Km to 0/700 Km for construction of alternative road to Kendrapara Town under State Plan, is awarded in favour of our Company i.e. ARSS Infrastructure Projects Limited by Executive Engineer, Kendrapara (R&B) Division, Kendrapara, on 25th October, 2019 with a contract value ₹ 10.52 crores.
- l. At Titlagarh : Construction of Earth Work, Major and Minor Bridges, Protection work of minor and major bridge, slope of bank, Buildings, PF Shelter FOB, Platform and passenger amenities, site facilities, General Electrical works and other miscellaneous work in section Budmal (IN) - Titlagarh (IN) (19.71 Kms) in connection with the doubling of Sambalpur-Titlagarh in Sambalpur division of East Coast Railway in the State of Odisha, India, is awarded in favour one of our Joint Venture (JV) named ARSS-SCPL (JV), Plot-38 Sector-A, Zone-D, Mancheswar Industrial Estate Bhubaneswar-751010, Odisha by the Chief Project Manager/I, Rail Vikas Nigam Limited, Vishakhapatnam – 530004 (AP), on 12th November, 2019 with a contract value of ₹ 75.42 crores.
- m. At – Sonepur - Construction of Portal Frame Bridge & Road from 2/385 to 3/585 Km of Ring road at Sonepur in the district of Subarnpur under Deposit Scheme., is awarded in favour of our Company i.e. ARSS Infrastructure



Projects Limited by Chief Engineer, D.P.I & Roads (E.E. Sonepur), on 18th November, 2019 with a contract value ₹ 45.80 crores.

- n. At Nirjuli: Construction of 2-lane road of Potin to Pangin section of NH-13 from Km 0.00 to Km 44.35 (Package-1) in the State of Arunachal Pradesh under Arunachal Pradesh Package of Roads and Highways of SARDP-NE, is awarded in favour one of our Joint Venture (JV) named ARSS-NTLLP (JV), Nirjuli Short-Cut P.O.-Nirjuli, District Papunpare Arunachal Pradesh 791109. by the Chief Engineer (Zone-V), MoRTH, New Delhi – 110 001, on 26th November, 2019 with a contract value of ₹ 281.11 crores
- o. At – Tangaria- Construction of ROB at Ch-62291 between Tangaria to Bhuban RCC Box Bridge No. 125 (2x7.5x7.563) under Angul-Sukinda New BG Rail Link Project on Khurda Road Division, East Coast Railway in Odisha State, India, is awarded in favour of our Company i.e. ARSS Infrastructure Projects Limited by Chief Project Manager-II, Rail Vikas Nigam Limited, Bhubaneswar, on 28th November, 2019 with a contract value ₹ 12.42 crores.
- p. At – Sambalpur - Execution of P-Way Linking works (excluding supply of rail, ordinary track sleeper & thick web switches) including yard remodeling and other miscellaneous works like widening and extension of Platforms, FOB, Goods Platforms, Passenger amenities, Earth work, S&T works, General Electrical works and OHE/RE works in section Deobahal(IN)-Barpali(IN) in connection with the doubling of Sambalpur-Titlagarh in Sambalpur division of East Coast Railway, is awarded in favour of our Company i.e. ARSS Infrastructure Projects Limited by CPM-I, RVNL, (Sambalpur – Titlagarh Doubling Project), North Block 2nd floor, Jeevan Samrudhi LIC Building, Thikkana Road, Vishakhapatnam – 530004 (AP), on 17th February, 2020 with a contract value ₹ 130.09 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, 2020 has been as under:

(₹ In Crores)

Particulars	Standalone		Consolidated	
	2019-20	2018-19	2019-20	2018-19
Sales	288.51	459.10	288.52	459.10
Profit before Depreciation, Interest and Tax	35.14	32.72	36.22	32.12
Less : Depreciation	20.82	22.02	20.82	22.02
Interest	4.44	27.53	4.44	27.53
Share of net profit or associates and joint ventures accounted using equity method	-	-	106.99	(0.60)
Profit Before Tax	9.88	(16.83)	10.95	(17.43)
Less : Tax Expenses				
a) Current Year	-	-	-	-
b) Earlier Year	-	-	-	-
c) Deferred Tax	1.89	5.62	1.89	5.62
Profit/Loss After Tax	7.99	(11.21)	9.06	(11.81)
Balance brought forward from previous year	(198.43)	(187.27)	(209.04)	(197.28)
Add :Re-measurement of defined employee benefit plans through OCI	0.05	0.05	0.05	0.05
Amount Available for Appropriation	(190.39)	(198.43)	(199.93)	(209.04)
Appropriations				
a) Dividend	-	-	-	-
b) Tax on Dividend	-	-	-	-
c) Transfer to General Reserve	-	-	-	-
Balance Carried to Balance Sheet	(190.39)	(198.43)	(199.93)	(209.04)
Earnings per Share (In ₹) (Weighted) Basic (Equity Shares of face value of ₹ 10/- each)	3.54	(4.93)	4.01	(5.20)
Earnings per Share (In ₹) (Weighted) Diluted (Equity Shares of face value of ₹ 10/- each)	3.54	(4.93)	4.01	(5.20)

4. Human Resources Development and Industrial Relations:

In 2019-20, 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 2019-20 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 ₹ 288.51 cr. as compared to ₹ 459.10 crores in the previous financial year. The profit before tax is ₹ 9.88 crores as compared to ₹ (16.83) crores for the previous financial 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:

	2019-20	2018-19	% change as compared to PY
Debtors Turnover	20.79	6.20	235.32%
Inventory Turnover	3.61	6.85	-47.30%
Interest Coverage Ratio	3.22	0.39	725.64%
Current ratio	0.18	0.21	-14.29%
Debt Equity Ratio	0.029	0.15	-80.67%
Operating profit Margin (%)	4.96%	2.33%	112.88%
Net Profit Margin (%)	2.88%	(2.43)%	-218.52%
Return on Net worth	4.89	(1116.01)	-100.44%

- Debtors turnover ratio**- decreased primarily account of decrease in receivables due to revenue booking in the last month of the FY i.e. March 2020. 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.
- Net profit margin**- increased on account of higher operating profit and effective cost management
- Return on net worth**- improved primarily on account of adding profit 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 though 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: 27th August, 2020

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 31.03.2020) 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, 2020 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 2020. 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.

The details of composition of the Board, Directors’ attendance at the Board Meetings and at the last Annual General Meeting (“AGM”), Directors’ outside directorships and the Board / Committee Chairmanships / Memberships as on 31st March, 2020 are given hereunder:

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 31.03.2020
		Held During the tenure	Attended		Directorship*	Committee membership#	Chairmanship#	
Mr. Subash Agarwal (Chairman)	Executive Director	4	4	Yes	3	Nil	Nil	13,81,608
Mr. Rajesh Agarwal (Managing Director)	Executive Director	4	3	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	4	Yes	1	Nil	Nil	Nil
Mrs. Janhabi Deo	Independent Woman Director	4	4	Yes	1	2	2	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.

**Mr. S.C. Parija was Chairman of Audit Committee and SRC Committee till 8th November, 2019 after that Mrs. Janhabi Deo was elected as Chairperson of such committee.

(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 2020 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 Woman 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:

28th May, 2019, 12th August, 2019, 14th November, 2019 and 14th February, 2020.

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

1 st Quarter Results	: 12 th August, 2019
2 nd Quarter Results	: 14 th November, 2019
3 rd Quarter Results	: 14 th February, 2020
4 th Quarter & Annual Results	: 27 th August, 2020

The tentative dates of the Board Meetings for consideration of financial results for the year ending 31st March, 2021 are as follows:

1 st Quarter Results	: Up to 15 th September, 2020
2 nd Quarter Results	: Up to 14 th November, 2020
3 rd Quarter Results	: Up to 14 th February, 2021
4 th Quarter & Annual Results	: Up to 30 th May, 2021

(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 Company. 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 Company is 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 14th February, 2020 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. The committee was reconstituted by a resolution passed by circulation dated 08.11.2019, to elect Mrs. Janhabi Deo as Chairperson of the Committee. 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 28th May, 2019, 12th August, 2019, 14th November, 2019, and 14th February, 2020.

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

During the financial year 2019-20 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 2019-20	No. of meetings Attended during the FY 2019-20
Mr. Swarup Chandra Parija	Chairman*	4	4
Mr. Krishna Chandra Raut	Member	4	4
Mrs. Janhabi Deo	Member/Chairperson**	4	4

** Mrs. Janhabi Deo was elected as Chairperson of the committee w.e.f. 08.11.2019.

The Chairman of the Audit Committee nominated Mrs. Janhabi Deo to present at AGM held on 25th September, 2019 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. The committee was reconstituted by a resolution passed by circulation dated 08.11.2019, to elect Mrs. Janhabi Deo as Chairperson of the Committee.

iii) No. of Meetings held during the year:

During the year the Committee had 4 Meetings i.e. on 28th May, 2019, 12th August, 2019, 14th November, 2019 and 14th February, 2020.

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 2019-20 are given below:

Name of the member	Position	No. of Meetings held during the FY 2019-20	No. of meetings Attended during the FY 2019-20
Mr. Swarup Chandra Parija	Chairman**	4	4
Mr. Krishna Chandra Raut	Member	4	4
Mrs. Janhabi Deo	Member/Chairperson**	4	4

** Mrs. Janhabi Deo was elected as Chairperson of the committee w.e.f. 08.11.2019.

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, 2020:

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 2019-20 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	1.80
Mrs. Janhabi Deo	4.00
Total	14.00



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:

- a. 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.
- b. Recommend the amount of expenditure to be incurred on the activities referred in the CSR policy.
- c. Monitor the CSR Policy of the Company and its implementation from time to time.
- d. 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 2019-20	No. of meetings Attended during the FY 2019-20
Mr. Rajesh Agarwal	Chairman	1	1
Mr. Swarup Chandra Parija	Member	1	1
Mr. Pareswar Panda	Member	1	1

iii) No. of Meetings held during the year:

During the year the committee had met once i.e. on 28th May, 2019

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. (₹ 27.94) crores loss, company need not to incur any amount towards CSR in the FY 2019-20.

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 28th May, 2019, 12th August, 2019, 14th November, 2019 and 14th February, 2020.

(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/ Chairperson**	4	4

** Mrs. Janhabi Deo was elected as Chairperson of the committee w.e.f. 08.11.2019.

(v) Name and Designation of Compliance Officer:

During the year under review, Mr. Prakash Chhajer was appointed as Company Secretary cum Compliance Officer of the company w.e.f. 28th May, 2019.

(vi) Shareholder's Services:

Sl. No.	Nature of Complaint	2019-20		2018-19	
		Received	Resolved	Received	Resolved
1	All kind of Shareholders Complaint	1	1	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 to held during the financial year i.e. 2019-20.

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
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. 1. Ratification of Remuneration to Cost Auditor for the financial year 2017-18 2. Appointment of Mr. Pareswar Panda as Independent Director. 3. Re-appointment of Mr.Subash Agarwal, Executive Chairman. 4. Service of Documents. Special Business & Special Resolutions 5. 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
2018-19	25-09-2019	11.00 A.M.	Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar – 751 010	Special Business 1. Ordinary Resolution for Ratification of Remuneration to Cost Auditor for the Financial year 2019-20 2. Special Resolution under section 180(1)(a) of the companies act, 2013 for creation of security 3. Special Resolution under section 180(1)(c) of the companies act, 2013 for borrowing limit not exceeding ₹ 3500 cr. 4. 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.

ii) Extraordinary General Meeting

No EGM was conducted during the year under review.

iii) 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 Policies 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 ₹ 23,00,000.00 to M/s. Ajay B Garg, The Retiring 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, 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

l) 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 Nitidin. 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 (Depositories and Participants) Regulation, 2018, a qualified Chartered Accountant or a 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 (CDSIL) 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 and clauses of sub-regulation (2) of 46 (Except Clause n, o and p - 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 and VC/OAVM facilities to members to attend the AGM

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 20th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL).

In view of the COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its General Circular No. 20/2020 dated May 5, 2020 in relation to 'Clarification on holding of annual general meeting ('AGM') through video conferencing ('VC') or other audio visual means ('OAVM') read with General Circular No. 14/2020 dated April 8, 2020 and General Circular No. 17/2020 dated April 13, 2020 in relation to 'Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid-19' (collectively referred to as 'MCA Circulars') and the Securities and Exchange Board of India ('SEBI') vide its circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 in relation to 'Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 – Covid-19 pandemic' ('SEBI Circular') permitted the holding of the Annual General Meeting ('AGM'/'the Meeting') through VC/OAVM, without the physical presence of the members at a common venue. In compliance with the provisions of the Companies Act, 2013 (the 'Act'), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and MCA Circulars, Members will be provided with a facility of electronic voting (e-voting) and for attending the AGM through VC/OAVM by the National Securities Depository Limited (NSDL) e-voting system i.e. HYPERLINK "<http://www.evoting.nsdl.com>" www.evoting.nsdl.com

vi)

Sr. No.	Experience / Expertise / Attribute	Comments
1	Leadership	Ability to envision the future and prescribe a strategic goal for the Company, help the Company to identify possible road maps, inspire and motivate the strategy, approach, processes and other such key deliverables and mentor the leadership team to channelize its energy/ efforts in appropriate direction. Be a thought leader for the Company and be a role model in good governance and ethical conduct of business, while encouraging the organization to maximize shareholder value. Should have had hands on experience of leading an entity at the highest level of management practices.
2	Industry knowledge and experience	Should possess domain knowledge in businesses in which the Company participates viz. Infrastructure, Power, Heavy Engineering, Technical projects. Must have the ability to leverage the developments in the areas of engineering and technology and other areas as appropriate for betterment of Company's business.
3	Experience and Exposure in policy shaping and industry advocacy	Should possess ability to develop professional relationship with the Policy makers and Regulators for contributing to the shaping of Government policies in the areas of Company's businesses.
4	Governance including legal compliance	Commitment, belief and experience in setting corporate governance practices to support the Company's robust legal compliance systems and governance policies/practices.
5	Expertise/Experience in Finance & Accounts / Audit / Risk Management areas	Ability to understand financial policies, accounting statements and disclosure practices and contribute to the financial/risk management policies/ practices of the Company across its business lines and geography of operations.
6	Behavioral and Human Resources Expertise.	The attributes and competencies enabling individual Board members to use their knowledge and skills to function well as team members and to interact with key stakeholders and Employees (Stake Holder Management, Sound Judgment, Listing Ability, Verbal Communication, Interpersonal Skill, Mentoring Ability, HR Management)

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. The mapping of the Skill Matrix for the FY 2019-20 for all the Directors is as follows:

Sr. No.	Name of the Director	Leadership	Industry knowledge and experience	Experience and Exposure in policy shaping and industry advocacy	Governance including legal compliance	Expertise/ Experience in Finance & Accounts / Audit / Risk Management areas	Behavioral and Human Resources Expertise.
		1	2	3	4	5	6
1	Mr. Subash Agarwal	√	√	√	√	√	√
2	Mr. Rajesh Agarwal	√	√	√	√	√	√
3	Mr. K. C. Raut	√	-	√	√	√	√
4	Mr. S. C. Parija	√	-	-	√	√	-
5	Mr. Pareswar Panda	√	√	-	√	-	√
6	Mrs. Janhabi Deo	√	-	√	√	√	√

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. Absence of any skill does not necessarily mean that the Director does not possess the skills.



21. General Shareholder's Information:

GENERAL SHAREHOLDERS INFORMATION

Day, Date and Time of AGM	Tuesday, the 29 th Day of September, 2020 at 11.00 A.M.								
Venue of AGM	In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as ' MCA Circulars ') permitted the holding of the Annual General Meeting (' AGM ') through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Act, SEBI Listing Regulations, and MCA Circulars, the AGM of the Company is being held through VC/OAVM. The deemed venue of the AGM shall be At Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar -751010 (Odisha)								
Book closure Date	Tuesday, the 22 nd Day of September, 2020 to Tuesday, the 29 th Day of September, 2020 (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, 2020 – 31 st March, 2021 <table border="1" style="width: 100%; margin-top: 5px;"> <tr> <td>First Quarter Results</td> <td>Up to 15th September, 2020</td> </tr> <tr> <td>Second Quarter Results</td> <td>Up to 14th November, 2020</td> </tr> <tr> <td>Third Quarter Results</td> <td>Up to 14th February, 2021</td> </tr> <tr> <td>Fourth Quarter Results</td> <td>Up to 30th May, 2021</td> </tr> </table>	First Quarter Results	Up to 15 th September, 2020	Second Quarter Results	Up to 14 th November, 2020	Third Quarter Results	Up to 14 th February, 2021	Fourth Quarter Results	Up to 30 th May, 2021
First Quarter Results	Up to 15 th September, 2020								
Second Quarter Results	Up to 14 th November, 2020								
Third Quarter Results	Up to 14 th February, 2021								
Fourth Quarter Results	Up to 30 th May, 2021								
E-Voting & VC/OAVM facilities to members to attend the AGM	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. In view of the COVID-19 pandemic , Members will be provided with a facility of electronic voting (e-voting) and for attending the AGM through VC/OAVM by the National Securities Depository Limited (NSDL) e-voting system i.e. www.evoting.nsdl.com								

Market Price Data : High, Low during each month in the Financial Year 2019-2020	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.</p> <p>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>2019-20 (As on 31st March, 2020)</th> <th>2018-19 (As on 31st March, 2019)</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	2019-20 (As on 31 st March, 2020)	2018-19 (As on 31 st March, 2019)	Shares Transferred	NIL	NIL	Total No. of shares	2,27,37,966	2,27,37,966	% on Share Capital	NIL	NIL
Particulars	2019-20 (As on 31 st March, 2020)	2018-19 (As on 31 st March, 2019)												
Shares Transferred	NIL	NIL												
Total No. of shares	2,27,37,966	2,27,37,966												
% on Share Capital	NIL	NIL												



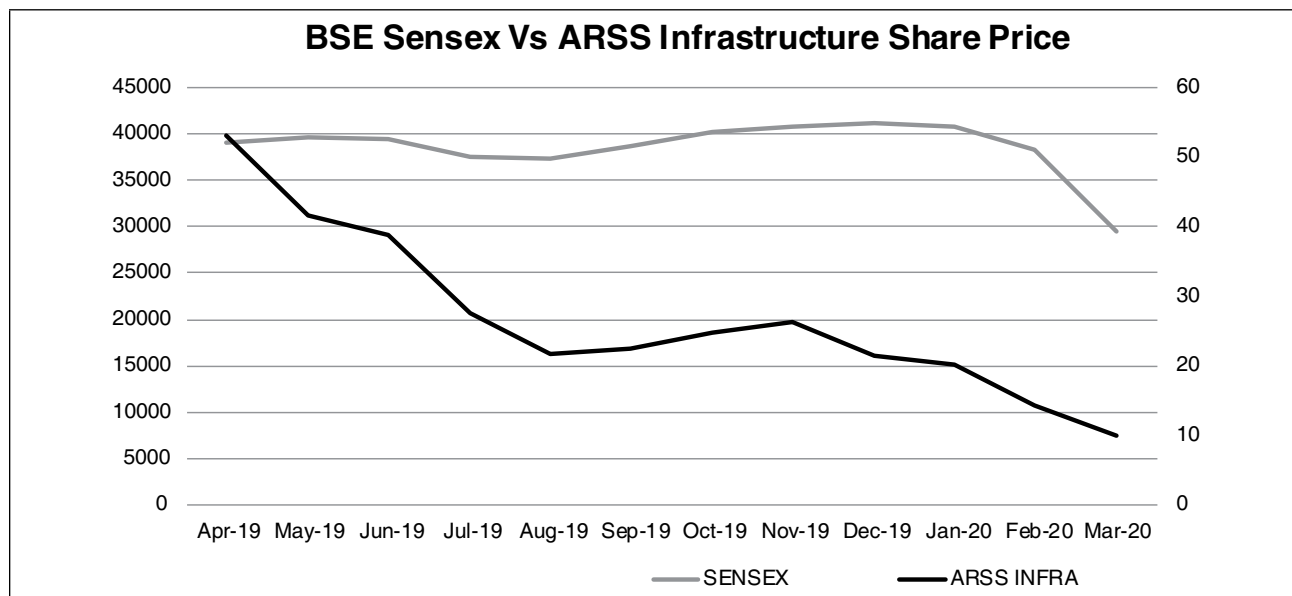
Distribution of Shareholding	Refer Table No. 3																									
Shareholding Pattern	Refer Table No. 4																									
Top Ten Shareholder of the company	Refer Table No. 5																									
Dematerialization of Securities and Liquidity	<p>The Company's Shares are available for 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, 2020 is as under:</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>No. of Shareholders</th> <th>%</th> <th>No. of Shares</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>CDSL</td> <td>8045</td> <td>46.86%</td> <td>13458612</td> <td>59.19%</td> </tr> <tr> <td>NSDL</td> <td>9116</td> <td>53.10%</td> <td>9266627</td> <td>40.75%</td> </tr> <tr> <td>PHYSICAL</td> <td>8</td> <td>0.04%</td> <td>12727</td> <td>0.06%</td> </tr> <tr> <td>TOTAL</td> <td>17169</td> <td>100.00%</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	8045	46.86%	13458612	59.19%	NSDL	9116	53.10%	9266627	40.75%	PHYSICAL	8	0.04%	12727	0.06%	TOTAL	17169	100.00%	22737966	100.00%
Particulars	No. of Shareholders	%	No. of Shares	%																						
CDSL	8045	46.86%	13458612	59.19%																						
NSDL	9116	53.10%	9266627	40.75%																						
PHYSICAL	8	0.04%	12727	0.06%																						
TOTAL	17169	100.00%	22737966	100.00%																						
Outstanding GDR/ADR or warrants or any convertible instruments, conversion date and likely impact on equity.	<p>As on March 31 2020, The Company had No outstanding warrants to be converted in to shares.</p> <p>The company has not issued any GDR's/ ADR's.</p>																									
Commodity Price risk / Foreign Exchange risk and hedging activities	<p>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.</p>																									
Plant Locations	Refer Table No. 6																									
Address for Correspondence	<p>The Company Secretary & Compliance Officer ARSS Infrastructure Projects Ltd. Sector-A, Zone-D, Plot No.-38, Mancheswar Industrial Estate, Bhubaneswar-751010 (ORISSA) Tel: (0674) 2602763 E-mail Address: cs@arssgroup.in</p>																									
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 2019-20 of the company at BSE and NSE:

Sl. No.	Month & Year	Bombay Stock Exchange			National Stock Exchange		
		High Price (In ₹)	Low Price (In ₹)	No. of Share Traded	High Price (In ₹)	Low Price (In ₹)	No. of Share Traded
1	Apr-19	63.00	42.05	399,561	63.30	42.00	975,228
2	May-19	53.40	39.05	60,039	54.50	40.00	199,521
3	Jun-19	41.45	32.00	44,502	43.00	31.00	118,150
4	Jul-19	42.05	26.70	65,101	42.05	26.90	231,209
5	Aug-19	29.95	20.50	49,354	28.85	20.20	202,114
6	Sep-19	29.75	20.25	88,288	29.70	2.20	197,265
7	Oct-19	26.50	19.00	54,557	26.75	18.80	284,642
8	Nov-19	26.95	22.65	86,333	26.80	22.30	432,035
9	Dec-19	26.30	20.10	63,441	26.45	20.20	341,324
10	Jan-20	22.50	19.60	51,083	23.25	19.35	362,846
11	Feb-20	21.50	13.30	244,910	21.60	12.60	797,230
12	Mar-20	15.80	9.11	97,617	16.25	9.00	627,771

TABLE – 2: PERFORMANCE OF THE SHARE PRICE OF THE COMPANY IN COMPARISON TO BSE SENSEX AND NIFTY50 FOR THE PERIOD 1ST APRIL, 2019 TO 31ST MARCH, 2020 IS GIVEN BELOW:



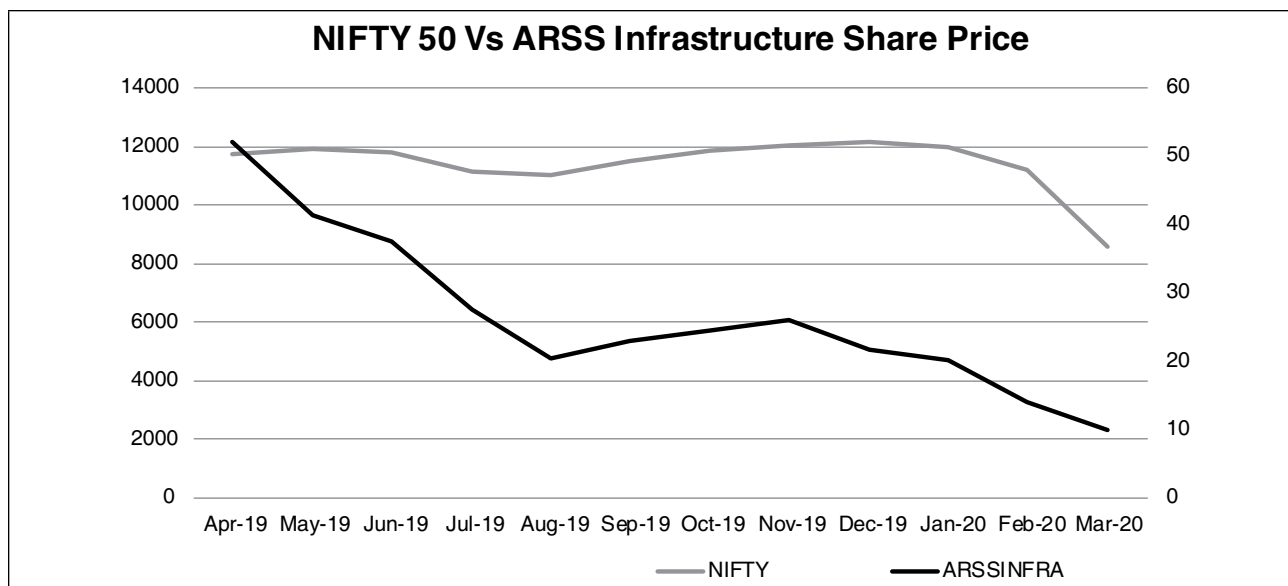


TABLE – 3: DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2020

Sl. No.	Range (In ₹)	As on 31 st March, 2020				As on 31 st March, 2019			
		Folios	%age	Shares Amount (In ₹)	%age	Folios	%age	Shares Amount (In ₹)	%age
1	Up to 5000	14546	84.72%	17303130	7.61%	15,167	85.27%	18,175,720	7.99%
2	5001-10000	1201	6.99%	9833080	4.32%	1,219	6.85%	9,894,730	4.35%
3	10001-20000	669	3.90%	10155050	4.47%	663	3.73%	10,065,820	4.43%
4	20001-30000	252	1.47%	6460260	2.84%	224	1.26%	5,794,700	2.55%
5	30001-40000	96	0.56%	3435120	1.51%	95	0.53%	3,386,570	1.49%
6	40001-50000	86	0.50%	4012860	1.77%	108	0.61%	5,064,480	2.23%
7	50001-100000	141	0.82%	10114140	4.45%	135	0.76%	9,653,740	4.25%
8	100001 and above	178	1.04%	166066020	73.03%	177	1.00%	165,343,900	72.72%
	TOTAL	17169	100%	227379660	100%	17,788	100.0%	227,379,660	100.0%

TABLE – 4: SHAREHOLDING PATTERN AS ON 31ST MARCH, 2020

Sl. No.	CATEGORY	FOLIOS	%AGE	NO. OF SHARES	%AGE
1	Corporate Bodies	112	0.6523	1185857	5.2153
2	Corporate Bodies NBFC	1	0.0058	8700	0.0383
3	Non Nationalised Banks	Nil	Nil	Nil	Nil
4	Non Resident Indians	123	0.7164	258915	1.1387
5	Promoters	14	0.0816	10619468	46.7036
6	Public	16834	98.0488	10522576	46.2776
7	Trust	1	0.0058	15	0.0001
8	IEPF	1	0.0058	11782	0.0518
9	Others	83	0.4834	130653	0.5746
	TOTAL	17619	100.00	22737966	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, 2020

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	Mr. Anil Agarwal	Promoters	339,821	1.49%
7	Tao Builders And Developers Pvt. Ltd.	Corporate Bodies	333,000	1.46%
8	Ms. Manisha Jitendra Bhadra	Public	300,000	1.32%
9	Mr. Sunil Agarwal	Promoters	278,647	1.22%
10	Mrs. Sabita Agarwal	Promoters	217,383	0.96%
	TOTAL		10,727,465	47.18%

TTABLE - 6:DETAILS OF PLANT AND LOACATIONS:

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, Sainstala, 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, 2020.

Place: Bhubaneswar
Date: 27.08.2020

Sd/-
(Rajesh Agarwal)
Managing Director

For and on behalf of the Board of Directors

Place: Bhubaneswar
Date: 27.08.2020

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, 2020:

- A. We have reviewed financial statements and the cash flow statement of ARSS Infrastructure Projects Limited for the year ended on 31st March, 2020 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

Sd/-
(Rajesh Agarwal)
Managing Director

Place: Bhubaneswar

Date: 27.08.2020

For ARSS Infrastructure Projects Limited

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



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, 2020, 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, 2020.

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 ARMS & Associates

Chartered Accountants

Sd/-

(CA Manoj Kumar Gupta)

Proprietor

Membership No: 089677

UDIN-20089677AAAACV7332

Place: Gurgaon

Date: 27.08.2020

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 Woman 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, 2020.

For Sunita Mohanty & Associates

Sd/-
Jyotirmoy Mishra, Partner
 Company Secretary in practice
 C.P. No.-6022
 UDIN-F006556B000619058

Place: Bhubaneswar

Date: 26.08.2020

**Form No. MGT-9****EXTRACT OF ANNUAL RETURN**

As on the financial year ended on 31.03.2020

[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.	U45201OR2011PTC013524	Subsidiary Company	99.82%	2 (87)
2	ARSS Developers Limited. Address: Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar- 751010.	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-2019]				No. of Shares held at the end of the year [As on 31-March-2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	4042957	0	4042957	17.78	4042957	0	4042957	17.78	0.00
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt.(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	6576511	0	6576511	28.92	6576511	0	6576511	28.92	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other		0	0	0.00		0	0	0.00	0.00
Sub Total A (1)	10619468	0	10619468	46.70	10619468	0	10619468	46.70	0.00
(2) Foreign									
a) NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub Total A (2)	0	0	0	0.00	0	0	0	0.00	0.00
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	10619468	0	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	0.00	0.00
b) Venture Capital Funds			0	0.00			0	0.00	0.00
c) Alternate Investment Funds	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks / Financial Institutions	93000	0	93000	0.41	600	0	600	0.00	(0.41)
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
h) FIs	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-2019]				No. of Shares held at the end of the year [As on 31-March-2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
i) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
j) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(1):-	93000	0	93000	0.41	600	0	600	0.00	(0.41)
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	2125539	0	2125539	9.35	1185857	0	1185857	5.22	(4.13)
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals			0	0.00			0	0.00	0.00
i) Individual shareholders holding nominal share capital upto ₹ 2 lakh	6711500	12727	6724227	29.57	6272332	12727	6285059	27.64	(1.93)
ii) Individual shareholders holding nominal share capital in excess of ₹ 2 lakh	2899018	0	2899018	12.75	3583068	0	3583068	15.76	3.01
NBFCs registered with RBI	8700	0	8700	0.04	8700	0	8700	0.04	0.00
c) Others (specify)									
i) Non Resident Indians	201725	0	201725	0.89	258915	0	258915	1.14	0.25
ii) Overseas Corporate Bodies	0	0	0	0.00	0	0	0	0.00	0.00
iii) Foreign Nationals	0	0	0	0.00	0	0	0	0.00	0.00
iv) Clearing Members	54492	0	54492	0.24	130053	0	130053	0.57	0.33
v) Trusts	15	0	15	0.00	15	0	15	0.00	0.00
vi) Foreign Bodies	0	0	0	0.00	0	0	0	0.00	0.00
vii) IEPF	11782	0	11782	0.05	11782	0	11782	0.05	0.00
viii) HUF	0	0	0	0.00	654449	0	654449	2.88	2.88
Sub-total (B)(2):-	12012771	12727	12025498	52.89	12105171	12727	12117898	53.29	0.41
Total Public Shareholding (B)=(B)(1)+(B)(2)	12105771	12727	12118498	53.30	12105771	12727	12118498	53.30	(0.00)
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	22725239	12727	22737966	100.00	22725239	12727	22737966	100.00	(0.00)

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (01.04.2019)			No. of Shares held at the end of the year [As on 31-March-2020]			% 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	3.35	761750	3.35	3.35	0
2	Mr.Subash Agarwal	1,381,608	6.08	5.16	1381608	6.08	5.16	0
3	Mr. Anil agarwal	339,821	1.49	1.28	339821	1.49	1.28	0
4	Mr.Rajesh Agarwal	538,745	2.37	1.57	538745	2.37	1.57	0
5	Mr.Sunil Agarwal	278,647	1.23	0.29	278647	1.23	0.29	0
6	Mrs.Ramdulari Agarwal	184,483	0.81	-	184483	0.81	-	0
7	Mrs.Sanju Agarwal	118,704	0.52	-	118704	0.52	-	0
8	Mrs.Seema Agarwal	20,020	0.09	-	20020	0.09	-	0
9	Mrs. Sangita agarwal	123,796	0.54	-	123796	0.54	-	0
10	Mrs.Sabita Agarwal	217,383	0.96	-	217383	0.96	-	0
11	Mr.Ramesh Prasad Agrawal	3,000	0.01	-	3000	0.01	-	0
12	Mrs.Shilpa Agarwal	75,000	0.33	-	75000	0.33	-	0
13	ARSS Developers Ltd	3,183,480	14.00	-	3183480	14.00	-	0
14	Sidhant Financial Services Ltd	3,393,031	14.92	-	3393031	14.92	-	0
TOTAL		10,619,468	46.70	11.64	10,619,468	46.70	11.64	0

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

Sr. No.		Shareholding at the beginning of the year (01.04.2019)		Cumulative Shareholding during the year (31.03.2020)	
		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 (01.04.2019)	1,06,19,468	46.70	1,06,19,468	46.70
2	At the end of the year (31.03.2020)	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 (01.04.2019)		Shareholding at the end of the Year (31.03.2020)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	MANISHA JITENDRA BHADRA	300,000	1.32	355,000	1.56
2	TAO BUILDERS AND DEVELOPERS PVT LTD.	343,000	1.51	333,000	1.46
3	UPASANA RESOURCES PRIVATE LIMITED.	200,000	0.88	200,000	0.88
4	ARUN THARYABHAI BHADRA	13,510	0.06	166,002	0.73
5	JALAN TUBES LIMITED	157,660	0.69	157,660	0.69
6	VIRAF DINSHAW MEHTA	152,481	0.67	152,481	0.67
7	BHANWAR LAL BHOOTRA HUF.	117,115	0.52	128,886	0.57
8	VIRAL JITENDRA BHADRA	101,616	0.45	115,000	0.51
9	SWATI AGARWAL	113,794	0.50	114,294	0.50
10	ANANTHI KARIKALAN	903	0.00	108,404	0.48
	TOTAL	1,500,079	6.60	1,830,727	8.05

(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 (01.04.2019)		Shareholding at the end of the Year (31.03.2020)	
		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	-	-	-	-
4	Mr. Krishna Chandra Raut	-	-	-	-
5	Mr. Pareswar Panda	-	-	-	-
6	Mrs. Janhabi Deo	-	-	-	-
	Key Managerial Personnel				
1	Mr. Soumendra Keshari Pattanaik	120	0.0008	120	0.00008
2	Mr. Prakash Chhajjer	-	-	-	-

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 (01.04.2019)				
i) Principal Amount	167,655	1,333	-	168,989
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	167,655	1,333	-	168,989
Change in Indebtedness during the financial year				
* Addition	22,909	95		23,004
* Reduction	27,145	330		27,475
Net Change	(4,236)	(235)	-	(4,471)
Indebtedness at the end of the financial year (31.03.2020)				
i) Principal Amount	163,420	1,099		164,518
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	163,420	1,099	-	164,518

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	1.80	4.00	-	10.00
	Commission	-	-	-	-	-
	Others, please specify (Incidental exp. For attending meetings)	0.10	0.20	0.20	-	0.50
	Total (1)	4.30	2.00	4.20	-	10.50
2	Other Non-Executive Directors (ND)					
	Fee for attending board committee meetings	-	-	-	4.00	4.00
	Commission	-	-	-	-	-
	Others, please specify (Incidental exp. for attending meetings)	-	-	-	0.20	0.20
	Total (2)	-	-	-	4.20	4.20
	Total (B)=(1+2)	4.30	2.00	4.20	4.20	14.70
	Total Managerial Remuneration	4.30	2.00	4.20	4.20	14.70

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)	Mr. Prakash Chhajer (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	13.75	43.75
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	13.75	43.75

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 31.03.2020

[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]

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, 2020 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, 2020 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; (Not Applicable during the period under review)
 - (e) The Securities and Exchange Board of India (Issue and listing of Debt Securities) Regulations, 2008; (Not Applicable during the period under review),
 - (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; (Not Applicable during the period under review),
 - (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, pending the completion of investigation by Central Bureau of Investigation - CBI against the subsidiary company ARSS Damoh – Hirapur Tolls Private Limited, its directors and guarantors including ARSS Infrastructure Projects Limited (being corporate guarantor) as per the FIR filed by Central Bank of India, the impact & contingency on the Company are not reasonably ascertained in our Report. However the Amount of OTS was fully paid by ARSS Damoh – Hirapur Tolls Private Limited during the year and satisfaction of charge has been filed w.e.f. 11/06/2020 with the Registrar of Companies, Odisha.

We further report that, the Company has delayed in depositing statutory dues of GST and filing of GST returns with the Statutory Authorities during the year under review.

We further report that various petitions by Financial Creditors and Operational Creditors of the Company are filed before National Company Law Tribunal, Kolkata, which are now transferred to Cuttack Bench, under various provisions of IBC 2016. Majority cases of Operational Creditors and Financial Creditors have been settled and withdrawn by the petitioners from NCLT. However State Bank of India has withdrawn its OTS proposal because of failure of payments as per schedule. Bank of India have declined the OTS proposal and moved NCLT for initiation of CIRP against the Company. The case is put up for hearing and until it is admitted or disposed off, we are unable to comment on the future of the cases. Another Operational Creditors ATC Logistics Co. and Financial Creditor Kotak Mahindra Bank Limited have also moved the NCLT under IBC and pending their hearing, we are unable to comment on the future of the case.

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. After the resignation of Company Secretary w.e.f 30.03.2019, the new Company Secretary was appointed w.e.f 28.05.2019 with a gap of 57 days, which is in compliance of the provisions of Section 203 of the Companies Act, 2013. During the period Mr. Rajesh Agarwal, Managing Director of the Company has been appointed and acted as Compliance officer of the company as per the requirement of SEBI (LODR), Regulation.

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 : - 05.08.2020

For Sunita Mohanty & Associates

Sd/-
CS Jyotirmoy Mishra
Company Secretary in practice
FCS No.: 6556
C P No: 6022
UDIN : F006556B000551861



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 : - 05.08.2020

For Sunita Mohanty & Associates

Sd/-
CS Jyotirmoy Mishra
Company Secretary in practice
FCS No.: 6556
C P No: 6022
UDIN : F006556B000551861

Form No. MR-3**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2020**

[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, 2020 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, 2020 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.

We further report that, the company has appointed a fulltime Company Secretary as required pursuant to Section 203 of the Companies Act, 2013 read with Rule 8A of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 on 01.11.2019 implying, there was a gap of 7 months from the start of the Financial Year.

We further report that, as required by Regulation 24 of SEBI (LODR) Amendment Regulations, 2018, one Independent Director of the holding company should also be appointed as Independent Director of the Company (being the material subsidiary) w.e.f 01.04.2019. The Company appointed the Independent Director on 23.07.2019, with a gap of 113 days.

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 pending the completion of investigation by Central Bureau of Investigation - CBI against the company, its directors and guarantors including ARSS Infrastructure Projects Limited (being corporate guarantor) as per the FIR filed by Central Bank of India, the impact & contingency on the Company are not reasonably ascertained in our Report. However the Amount of OTS was fully paid by the company during the year and satisfaction of Charge has been filed w.e.f 11/06/2020 with the Registrar of Companies, Odisha.

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 : - 25/07/2020

For Sunita Mohanty & Associates

Sd/-
CS Jyotirmoy Mishra
Company Secretary in practice
FCS No.: 6556
C P No: 6022
F006556B000504284

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 : - 25/07/2020

For Sunita Mohanty & Associates

Sd/-
CS Jyotirmoy Mishra
Company Secretary in practice
FCS No.: 6556
C P No: 6022
F006556B000504284

**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 2019-20 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 Assets	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	0.06	0.79	0.25	0.47
(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	Technical Charges	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	11.47	0.30	0.42	0.13	0.08
(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 Lacks)	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, 2020, 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, 2020, 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 ₹ 1613.26 Crores out of which ₹ 121.03 Crores subject to interest reconciliation from 01.10.2018 and ₹ 1492.23 Crores subject to reconciliation of interest thereon from 01.07.2016. 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, Various Secured Lenders have moved to National Company Law Tribunal towards their recovery of dues under Insolvency & Bankruptcy Code, and their application is still pending for acceptance at NCLT Level.
- c) Bank statements of Various Accounts have not been provided to us due to same has been classified as Non-Performing Assets by Respective Banks. So 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 ₹ 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 judgement considering the relevant sector and industry specific phenomenon. • Assessed the individual project wise and case wise outstanding claim receivable. • 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 judgement. • 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 claims 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.

That 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:

- I) 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.
- II) 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 has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- III) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- IV) 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.
- V) 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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 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 ARMS & Associates

Chartered Accountant

FRN:- 013019N

Sd/-**CA. Manoj Kumar Gupta**

Proprietor

M. No.-: 089677

Date:- 27.08.2020

Place : Gurgaon

UDIN : 20089677AAAADC2738



‘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, 2020, we report that:

(i) In Respect of Property Plant & Equipment

- (a) The records maintained by the company display the complete particulars on the details, quantity and situation of tangible and intangible assets.
- (b) The Company has a regular programme of physical verification of its Fixed Assets Verified by the management in a phased Manner, designed to cover all the items over a period of three year, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
- (c) the title deeds pertaining to the immovable properties (except properties which are leased by the company with duly executed lease agreements in the company’s favour) disclosed in the financial statements are held in the name of the company.
- (d) No revaluation has been done by the company of its property, plant and equipment (including the right of use assets) or intangible assets or both during the year.

(ii) In Respect of Inventories

- (a) As explained to us, the inventories of finished goods, semi finished goods, stores, spare parts and raw material were physically verified at regular interval (at the end of the year) by the management. In case of inventories lying with the third parties, Certificate of stock holding has been received.
- (b) In our opinion and according to information and explanation given to us, the procedure applied by the management. Management has conducted physical verification of inventory at reasonable interval of time.
- (c) Material discrepancies were noticed on physical verification, whether it has been accounted for in books of accounts.
- (d) Due to Covid 19 Breakdown Physical Inspection of Inventories could not be conducted since working at various sites have not yet started due to Location at containment Zone as per state policy and shortage of Labour due to migration of same due to pandemic. The value of stock and Work in Progress considered is as provided by the management.

(iii) Details of investments, any guarantee or security or advances or loans given

The Company has granted loans during the year amounting to ₹ 4018Lakhs to its subsidiary company ARSS Damoh Hirapur Toll Projects Private Limited 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 not 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) Compliance in respect of a loan to directors

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 given to directors or any other person in whom the director is interested.

(v) Compliance in respect of deposits accepted

The Company has not accepted any deposits during the year from the public within the meaning of Sections 73 to 76 or any relevant provision of the Act and the rules framed there under to the extent Notified.

(vi) Maintenance of costing records

As informed to us, the maintenance of Cost Records has been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company we have broadly reviewed the books of account and other records maintained by the company relating to utilisation of Material, Labour and other items of cost as applicable for manufacturing under the section sub-section (1)(d) of Section 148 of the Act and the rules made thereunder. As in our opinion prima facie the required records have been maintained however we have not made detailed examination of such accounts and records with a view to determining whether they are accurate or complete.

(vii) Deposit of statutory liabilities

- (a) According to information and explanation given to us and on the basis of our examination of the books of account, and records the company has been generally regular in depositing undisputed statutory dues with the appropriate authority including provident fund, Employees state insurance, income-tax, sales tax, services tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, there are delay in some cases during the year by the company with 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 2020 for a period of more than six months from the date they became payable.
- (c) In our opinion there is no amounts payable in respect of income tax, wealth tax, service tax, custom duty, excise duty, value added tax and cess which has not been accepted as demand in dispute except for the demand for the following years.

Name of the statute	Nature of Dues	Amount (in Lakhs)	Forum where Dispute is pending
Orissa Sales Tax Act	Sales Tax	89.07	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
Orissa Electricity Act	Electricity	47.00	Cuttack RDC
Income Tax Act	Income Tax	5469.84	ITAT (Cuttack)
Income Tax Act	Income Tax	2890.42	CIT(A), Bhubaneswar

(viii) Default in repayment of borrowings

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 2020 as follows:

Bank Name	₹ in Crores
State Bank of India	872.29
Punjab National Bank	358.70
IDBI Bank Ltd	121.03
Bank of India	59.87
EXIM Bank (Edelweiss ARC Ltd)	187.44
Kotak Mahindra Bank	13.93
Total	1613.26



(ix) Funds raised and utilisation

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) Fraud

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, nor we have been informed of as such case by the management.

(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 of the Companies Act;

(xii) Compliance by a Nidhi

In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.

(xiii) Compliance on transactions with related parties

In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details of such related party transactions have been disclosed in the Standalone Financial Statement under applicable Indian accounting standards– “Related Party Disclosure”.

(xiv) Private Placement of Preferential Issue

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) Non-cash transactions

Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transaction with directors or persons connected with him. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the company.

(xvi) Registration under Section 45-IA of RBI Act, 1934

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..

For ARMS & Associates

Chartered Accountant

FRN:- 013019N

Sd/-

CA. Manoj Kumar Gupta

Proprietor

M. No.-: 089677

Date:- 27.08.2020

Place : Gurgaon

UDIN : 20089677AAAADC2738

‘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, 2020.]

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 2020 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 2020, 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 ARMS & Associates

Chartered Accountant

FRN:- 013019N

Sd/-

CA. Manoj Kumar Gupta

Proprietor

M. No.-: 089677

Date:- 27.08.2020

Place : Gurgaon

UDIN : 20089677AAAADC2738

Standalone Balance Sheet as at

(Rupees in INR' Lakhs)

Particulars	Note No.	As at 31 st -Mar-20	As at 31 st -Mar-19
I. ASSETS			
1. Non-current Assets			
(a) Property, Plant and Equipment	5	4,119.73	6,307.20
(b) Capital Work-in-progress	5	-	-
(c) Intangible Assets	5	-	-
(d) Financial Assets			
(i) Investments	6	5,625.82	4,518.34
(ii) Trade Receivables	7	-	-
(iii) Loans	8	193.55	193.23
(iv) Other Financial Assets	9	1,33,043.61	1,33,043.61
(e) Deferred Tax Assets (net)	11	1,469.31	1,658.80
(f) Other Non-Current Assets	10	28.76	28.60
2. Current Assets			
a. Inventories	12	7,994.81	6,698.46
b. Financial Assets			
(i) Investments	6	-	-
(ii) Trade Receivables	7	1,387.93	7,405.89
(iii) Cash & Bank Balance	13	2,014.30	7,813.21
(iv) Bank Balances Other Than Three Above	13	2,200.03	2,319.83
(v) Loans	8	5,649.76	4,854.60
(vi) Other Financial Assets	9	6,611.32	2,280.61
c. Current Tax Assets (Net)	21	5,069.89	5,338.21
d. Other Current Assets	10	1,647.49	1,001.22
TOTAL ASSETS		1,77,056.31	1,83,461.80
II. EQUITY AND LIABILITIES			
1. Equity			
a. Equity Share Capital	14	2,273.80	2,273.80
b. Other Equity	15	1,635.42	831.17
2. Liabilities			
(i) Non-current Liabilities			
a. Financial Liabilities			
(i) Borrowings	16	-	478.53
(ii) Trade Payables	17	-	-
Total Outstanding Dues of MSME			
Total Outstanding Dues other than MSME			
(iii) Other Financial Liabilities	18	-	-
b. Provisions	19	115.41	84.66
c. Deferred Tax Liabilities (net)	11	-	-
d. Other Non-current Liabilities	20	-	-
(ii) Current Liabilities			
a. Financial Liabilities			
(i) Borrowings	16	1,64,518.17	1,68,508.80
(ii) Trade Payables	17	-	-
Total Outstanding Dues of MSME			
Total Outstanding Dues other than MSME			
(iii) Other Financial Liabilities	18	775.19	1,989.09
b. Provisions	19	31.00	31.00
c. Other Current Liabilities	20	4,300.59	3,889.77
d. Current Tax Liability (Net)	21	-	-
TOTAL EQUITY AND LIABILITIES		1,77,056.31	1,83,461.80

As per our report of even date attached.

For ARMS & Associates

For and on behalf of the Board

Chartered Accountants

FRN : 013019N

Sd/-
(CA. Manoj Kumar Gupta)
Proprietor
M.No.- 089677

Sd/-
(Subash Agarwal)
Chairman
DIN: 00218066

Sd/-
(Rajesh Agarwal)
Managing Director
DIN : 00217823

Sd/-
(Prakash Chhajer)
Company Secretary

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

Place : Bhubaneswar

Date : The 27th day of August, 2020



Standalone Statement of Profit and Loss

Particulars	Note No.	(Rupees in INR' Lakhs)	
		As at 31 st -Mar-20	As at 31 st -Mar-19
Income			
I. Revenue From Operations	22	28,851.61	45,910.31
II. Other Income	23	2,155.43	2,295.47
III. Other Gains/(Losses)	24	4,431.46	321.03
Total Income		35,438.50	48,526.80
IV. Expenses			
(a) Cost of Materials Consumed	25	6,892.94	15,495.24
(b) Cost Of Services Sold	27	19,267.91	18,246.01
(c) Change in Inventories (Increase) /Decrease	26	(1,068.15)	(1,333.62)
(d) Depreciation and Amortization expenses	30	2,082.49	2,202.00
(e) Employee Benefit Expenses	28	2,201.01	2,646.52
(f) Finance cost	29	444.31	2,753.48
(g) Other Expenses	31	4,629.46	10,200.48
Total Expenses		34,449.97	50,210.10
V. Profit Before Exceptional Items and Tax		988.53	(1,683.30)
Exceptional Items		-	-
VI. Profit Before Taxes		988.53	(1,683.30)
VII. Tax Expenses			
(a) Current Tax		-	-
(b) Tax of Earlier Years		-	-
(c) Deferred Tax	11	189.49	(562.00)
VIII. Profit (Loss) for the Period		799.04	(1,121.30)
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		7.83	8.21
(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		(2.61)	(2.74)
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		5.22	5.47
XI. Total comprehensive income for the period		804.26	(1,115.83)
XII. Earnings per equity share:			
(1) Basic		3.54	(4.93)
(2) Diluted		3.54	(4.93)

As per our report of even date attached.

For ARMS & Associates

For and on behalf of the Board

Chartered Accountants

FRN : 013019N

Sd/-
(CA. Manoj Kumar Gupta)
Proprietor
M.No.- 089677

Sd/-
(Subash Agarwal)
Chairman
DIN: 00218066

Sd/-
(Rajesh Agarwal)
Managing Director
DIN : 00217823

Sd/-
(Prakash Chhajjer)
Company Secretary

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

Place : Bhubaneswar

Date : The 27th day of August, 2020

Standalone Statement of Changes in Equity

(Rupees in INR' Lakhs)

A. Equity Share Capital

Particulars	Amount
As at 31 March 2019	2,273.80
Changes in equity share capital	-
As at 31 March 2020	2,273.80

B. Other Equity

	Share Application Money	Reserves & Surplus			Total other equity
		General Reserves	Securities premium reserve	Retained earnings	
Balance at 31 March 2019	-	727.00	19,947.00	(19,842.83)	831.17
Profit for the year	-	-	-	799.04	799.04
Other comprehensive income	-	-	-	5.22	5.22
Total comprehensive income for the year	-	-	-	804.25	804.25
Issue of equity shares	-	-	-	-	-
Balance at 31 March 2020	-	727.00	19,947.00	(19,038.58)	1,635.42

As per our report of even date attached.

For ARMS & Associates
Chartered Accountants
FRN : 013019N

For and on behalf of the Board

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

Place : Bhubaneswar

Date : The 27th day of August, 2020



Standalone Statement of Cash Flows

Particulars	(Rupees in INR' Lakhs)	
	Year Ended	Year Ended
	31 st March'2020	31 st March'2019
Operating Activities		
Profit before tax from continuing operations	988.53	(1,683.30)
Profit/(loss) before tax from discontinuing operations	-	-
Profit before tax	988.53	(1,683.48)
Adjustments for		
Depreciation on Property, plant and equipment	2,082.49	2,201.00
Loss/Gain on Sale of Property, plant and equipment	111.10	110.85
Re-measurement of Defined Benefits Plan	5.22	5.47
Interest Income	130.77	(956.00)
Interest Expense	347.10	2,753.48
Assets held for disposal	-	-
Dividend Income	-	-
Operating profit / (loss) before working capital changes	3,665.20	2,431.31
Working capital adjustments:		
Increase/(decrease) in short-term Borrowings	(3,990.63)	66,684.00
Increase/(decrease) in Trade payables	(1,971.30)	393.00
Increase/(decrease) in other current liabilities	410.83	2,339.00
Increase/(decrease) in other long-term liabilities	-	-
Decrease/(increase) in trade receivables	6,017.96	(2,326.00)
Decrease/(increase) in inventories	(1,296.35)	(523.00)
Decrease/(increase) in provisions	30.75	27.66
Decrease/(increase) in other current assets	(646.27)	456.00
Decrease/(increase) in bank balances with maturity greater than 3 months	119.80	1,043.00
Decrease/(increase) in other non-current assets	(0.16)	1.00
Decrease/(increase) in other non-current financial assets	-	-
Decrease/(increase) in other current financial assets	(4,330.70)	(1,208.00)
Decrease/(increase) in assets held for disposal	-	-
Increase/(decrease) in other non-current liabilities	-	(108.00)
Increase/(decrease) in other non-current financial liabilities	-	-
Increase/(decrease) in other current financial liabilities	(1,213.90)	203.00
Decrease/(increase) in short-term loans and advances	(795.16)	109.00
Decrease/(increase) in Long-term loans and advances	(0.32)	2.00
	(4,000.26)	69,523.97
Income taxes paid	270.93	(320.00)
NET CASH INFLOW FROM OPERATING ACTIVITIES (A)	(3,729.33)	69,203.97
Investing Activities		
Purchase of property, plant and equipment	(18.52)	(59.00)
Purchase of Intangible Assets	-	-
Proceeds from Sale of Property, Plant and equipment	12.82	92.15
Purchase/(Sale) of Investments	(1,107.48)	(280.00)
Interest received (finance income)	(130.77)	956.00
NET CASH OUTFLOW FROM INVESTING ACTIVITIES (B)	(1,243.95)	709.15
Financing Activities		
Proceeds from issue of equity shares	-	-
Proceeds from securities premium	-	-
Interest paid	(347.10)	(2,753.48)
Proceeds/(Repayment) from borrowings	(478.53)	(65,827.00)
Dividends paid including Dividend Distribution Tax	-	-
NET CASH INFLOW (OUTFLOW) FROM FINANCING ACTIVITIES	(825.63)	(68,580.48)
Net increase (decrease) in cash and cash equivalents (A+B+C)	(5,798.90)	1,332.65
Cash and cash equivalents at the beginning of the year	7,813.21	6,480.56
Cash and cash equivalents at year end	2,014.30	7,813.21

As per our report of even date attached.

For ARMS & Associates

Chartered Accountants

FRN : 013019N

Sd/-
(CA. Manoj Kumar Gupta)
Proprietor
M.No.- 089677

Sd/-
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For and on behalf of the Board

Sd/-
(Prakash Chhajer)
Company Secretary

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

Place : Bhubaneswar

Date : The 27th day of August, 2020

Notes to the Financial Statements for the year ended 31st March, 2020

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 maintainance are charged to profit and loss during the reporting period in which they are incurred.

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

ii) 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:

- i) 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;
- ii) the company can identify each party's rights regarding the goods or services to be transferred;
- iii) the company can identify the payment terms for the goods or services to be transferred;
- iv) 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
- v) 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.

2.4 Other Incomes

- i) Insurance claims has been recognized as revenue on cash basis.
- ii) Dividends shall be recognised as revenue when the shareholder's right to receive payment is established.
- iii) Interest shall be recognised as revenue using the effective interest method as set out in Ind AS 109.
- iv) 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.

2.5 Inventories :

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

Inventories are valued as under –

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

2.6 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:

#Those to be measured subsequently at fair value (either through other comprehensive income or through profit and loss)

#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:

measured at amortized cost

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

measured at fair value through other comprehensive income

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

measured at fair value through profit or loss

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

Equity instruments :

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments are recognized at the proceeds received net of 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 assets 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.

2.7 Financial Liabilities

i) Borrowings :

- a) 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.
- b) 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).
- c) 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.

ii) 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.

iii) 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.

iv) Offsetting of Financial Instruments:

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

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

2.8 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.

2.9 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.



2.10 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.

2.11 Cash and cash equivalents :

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

2.12 Borrowing costs :

- i) 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.
- ii) Other borrowing costs are expensed in the period in which they are incurred.

2.13 Provisions & Contingent Liabilities:

- i) 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.

- ii) Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

2.14 Contributed equity :

i) 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.

ii) Dividends :

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

2.15 Earning Per Share

i) 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.

ii) 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.

2.16 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.

2.17 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 :

i) Ind AS 116 Leases :

On March 31, 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.

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

On March 31, 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.

iii) Amendment to Ind AS 12 – Income taxes

On March 31, 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.

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

On March 31, 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:

i) 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.

ii) Critical Accounting Estimates :

a) 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.

b) 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.

c) 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.

d) 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.

(Rupees in INR' Lakhs)

Note 6: Investments

Particulars	As at 31 st March'2020	As at 31 st March'2019
Investment in Equity Instruments		
Unquoted at Cost		
Investment in Subsidiary Entities		
2,20,83,730 (31, March 2019:2,20,83,730) Equity Shares of ₹ 10/- each fully paid up in ARSS Damoh-Hirapur Tolls Private Limited	2,208.37	2,208.37
Investments in Company under same management		
Nil (31, March 2019:4,999) Equity Shares of ₹ 10/- each fully paid up in ARSS E to E Private Limited	-	0.49
Investment in Associate Entities		
25,00,000(31, March 2019:25,00,000) Equity Shares of ₹ 10/- issued at ₹ 30/- each fully paid up in ARSS Developers Ltd	1,000.00	1,000.00
Investment in Joint Ventures	2,417.05	1,309.48
Other Investments :		
Investment in Mutual Funds	0.40	0.40
Total	<u>5,625.82</u>	<u>4,518.74</u>
(i) Non-current	<u>5,625.82</u>	<u>4,518.74</u>
(ii) Current	-	-
Category wise Investments:		
At Amortized Cost	5,625.42	4,518.34
At Fair value through Profit & Loss (FVPL)	0.40	0.40
At Fair value through Other Comprehensive Income (FVOCI)	-	-

Note 7: Trade receivables

Particulars	As at 31 st March'2020	As at 31 st March'2019
Unsecured, considered good		
(i) Non-Current	-	-
Sub-Total	-	-
(ii) Current		
Gross Trade Receivables	1,387.93	7,853.89
Less: Trade Receivable Written off	-	(448.00)
Sub-Total	<u>1,387.93</u>	<u>7,405.89</u>
Total	<u>1,387.93</u>	<u>7,405.89</u>

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.



(Rupees in INR' Lakhs)

Note 8: Loans

Particulars	As at 31 st March'2020	As at 31 st March'2019
UnSecured,considered good		
(i) Non Current		
Security Deposit-'Government authorities(Non Current)	14.84	14.84
Security Deposit-'Others	178.71	178.39
Sub-Total	193.55	193.23
(ii) Current		
Security Deposit-'Government authorities.(Current)	148.00	16.34
Security Deposit-'Others(Current)*	4,001.37	4,313.75
Earnest Money Deposits	1,781.65	823.42
Less; Impact of finance component of deferred revenue	(281.26)	(297.69)
Less: Amounts written off	-	-
Sub-Total	5,649.76	4,854.60
Total	5,843.31	5,047.83

*Others Includes Security Deposit & Withheld money receivable.

Note 9: Other Financial Assets

Particulars	As at 31 st March'2020	As at 31 st March'2019
(i) Non-Current		
Application Money Paid towards securities Pending Allotment (Refer Note For Details)	-	-
Claims Receivable *	133,043.61	133,043.61
Other advances	-	-
Sub-Total	133,043.61	133,043.61
(ii) Current		
Claims Receivable	-	-
Other advances (Includes related party)	6,611.32	2,280.61
Sub-Total	6,611.32	2,280.61
Total	139,654.92	135,324.22

*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 ₹ 1,33,043.61 Lakhs is accounted based on reasonable certainty of realization of the same and are considered good and realizable by the management.

(Rupees in INR' Lakhs)

Note 10: Other Assets

Particulars	As at 31 st March'2020	As at 31 st March'2019
(i) Non-Current		
Capital Advance	-	-
Lease Prepayments (Refer Below Note)	28.76	28.60
Sub-Total	28.76	28.60
(ii) Current		
Prepaid Expenses	94.56	195.20
Employee Advances	9.59	7.31
Vendor Advances	1,542.72	797.71
Lease Prepayments (Refer Below Note)	0.62	1.00
Sub-Total	1,647.49	1,001.22
Total	1,676.25	1,029.82

(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'2020	As at 31 st March'2019
Opening Lease Prepayments	34.00	34.00
Addition during the period	-	-
Deletion during the period	-	-
Closing Lease Prepayments (A)	34.00	34.00
Opening value of Amortized lease Prepayments	4.00	3.00
Amortization during the period	0.62	1.00
Deletion during the period	-	-
Closing value of Amortized lease Prepayments (B)	4.62	4.00
Net amount of Lease Prepayments (A- B)	29.38	30.00

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

Particulars	As at 31 st March'2020	As at 31 st March'2019
Property,plant and equipment	1,301.32	1,502.87
Lease Prepayments	(9.36)	(9.68)
Employee Benefit Obligation	50.35	38.61
Impairment loss/(gain) on financial assets	-	-
Minimum Alternate Tax(MAT)	127.00	127.00
Remeasurement of Defined Benefit Obligation	-	-
Brought forward losses	-	-
Total	1,469.31	1,658.80



(Rupees in INR' Lakhs)

Note 12: Inventories

Particulars	As at 31 st March'2020	As at 31 st March'2019
a. Materials at Site	1,176.96	1,044.49
b. Stores, Spares & Loose Tools	352.08	257.25
c. Work In Progress	5,245.34	2,993.31
d. Finished Goods	1,220.43	2,404.31
Total	7,994.81	6,698.46

Note 13: Cash and Bank Balance

Particulars	As at 31 st March'2020	As at 31 st March'2019
Balances with banks		
Cash at bank	2,003.93	7,794.33
Cash on hand	10.37	19.26
Less: Bank overdraft	-	-
Total	2,014.30	7,813.21
Balances In Bank Other Than Above*	2,200.03	2,319.83
	2,200.03	2,319.83

Details of Cash at Bank :

In Current Account	2,003.93	7,794.33
In Fixed Deposits	2,200.03	2,319.83

*Fixed deposit with carrying amount of INR 2,200.03 lakhs including interest accrued on the same (31st March, 2019: INR 2,319.83) are pledged against bank guarantees as security deposit, EMD and Margin account.

Note 14: Share Capital

Particulars	As at 31 st March'2020	As at 31 st March'2019
(A) Authorised Shares Capital		
Equity Shares :		
4,00,00,000 (As on 31st March 2019 4,00,00,000) Equity Shares of ₹10/- Each	4,000.00	4,000.00
Preference Shares :		
1,50,00,000 (As on 31st March 2019 1,50,00,00) Preference Shares of ₹ 10/- Each	1,500.00	1,500.00
(B) Issued, Subscribed and Paid Up		
Equity Shares:		
2,27,37,966 (As on 31st March 2019 2,27,37,966) equity shares of ₹ 10 each fully paid up	2,273.80	2,273.80
Total	2,273.80	2,273.80
(C) Reconciliation of Number of Shares		
Reconciliation of number of Equity shares are set out below:		
a) Shares outstanding at the beginning of the financial year.	22,737,966	22,737,966
b) Issued during the year	-	-
c) Shares forfeited/brought back/cancelled during the year	-	-
d) Shares outstanding at the end of the financial year	22,737,966	22,737,966

(Rupees in INR' Lakhs)

(D) Details of shareholders holding more than 5% of shares	As at 31 st March'2020		As at 31 st March'2019	
	Name of the Shareholders	% Held	No.of Shares	% Held
Equity Shares:				
Subash Agarwal	6.08%	1,381,608	6.08%	1,381,608
ARSS Developers Ltd	14.00%	3,183,480	14.00%	3,183,480
Sidhant Financial Services Limited	14.92%	3,393,031	14.92%	3,393,031
(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 31 st March'2020	As at 31 st March'2019
a. Securities Premium		
Opening Balance	19,947.00	19,947.00
Add:-Additions during the year	-	-
Sub Total	19,947.00	19,947.00
b. General Reserves		
Opening Balance	727.00	727.00
Add:-Addition during the Year	-	-
Less: Transferred to Retained Earnings	-	-
Sub Total	727.00	727.00
c. Retained Earnings		
Opening Balance/ As on Transition Date	(19,842.83)	(18,727.00)
Add:-Profit/(Loss) during the year	799.04	(1,121.30)
Add :Re-measurement of defined employee benefit plans through OCI	5.22	5.47
Sub Total	(19,038.58)	(19,842.83)
Grand Total	1,635.42	831.17



(Rupees in INR' Lakhs)

Note 16: Borrowings

Particulars	As at 31 st March'2020	As at 31 st March'2019
(i) Non-Current Borrowings		
Secured Loan		
Term Loan From Banks	-	478.53
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	-	478.53
(ii) Current Borrowings		
Cash Credit	98,341.42	103,120.83
Term Loan From Banks	65,078.25	64,054.53
Financial Lease Obligations	-	-
From Related Parties	-	-
From Others	1,098.50	1,333.44
Total current borrowings	164,518.17	168,508.80

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 ₹ 1,61,326 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.

Note-17: Trade Payables

Particulars	As at 31 st March'2020	As at 31 st March'2019
Non Current Trade Payables	-	-
Sub-Total	-	-
Current Trade Payables	3,406.72	5,374.99
Sub-Total	3,406.72	5,374.99
Grand Total	3,406.72	5,374.99

As at March 31, 2020 and March 31, 2019, there are no outstanding dues to Micro, Small and Medium Enterprises. There is no interest due or outstanding on the same.

(Rupees in INR' Lakhs)

Note-18: Other financial liabilities

Particulars	As at 31 st March'2020	As at 31 st March'2019
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	343.51	545.60
Outstanding Employee Benefit Cost	372.13	615.90
Liability For Expenses	59.55	399.80
Date : The 27 th day of August, 2020	-	427.80
Sub-Total	775.19	1,989.09
Total	775.19	1,989.09

Note-19: Provisions

Particulars	As at 31 st March'2020	As at 31 st March'2019
Provision for Employee Benefits	146.41	115.66
Provision for Tax	-	-
Total	146.41	115.66
Current	31.00	31.00
Non Current	115.41	84.66

Note-20: Other Liabilities

Particulars	As at 31 st March'2020	As at 31 st March'2019
Non- Current Liabilities		
Mobilization advance Received	-	-
Current Liabilities		
Payable to Statutory Authorities	839.20	548.59
Mobilization advance Received	15.16	-
Advance From Customers	3,446.23	3,341.18
Total	4,300.59	3,889.77

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

Particulars	As at 31 st March'2020	As at 31 st March'2019
Income tax payable	-	-
TDS receivable	(5,069.89)	(5,338.21)
Total	(5,069.89)	(5,338.21)



(Rupees in INR' Lakhs)

Note-22: Revenue from operations

Particulars	As at 31st March'2020	As at 31st March'2019
Revenue from Operation :		
Sale of Services	29,081.98	46,257.19
Sale of Products	-	8.12
Less: Impact of finance component of deferred revenue	(230.37)	(355.00)
Total	28,851.61	45,910.31

Note-23: Other income

Particulars	As at 31st March'2020	As at 31st March'2019
Interest Income From Financial Assets measured at Amortized Cost	130.77	937.70
Interest On Arbitration Cases	-	17.84
Liability Written-off	1,196.14	1,137.00
Miscellaneous Income	828.51	202.93
Total	2,155.43	2,295.47

Note-24: Other Gains/(Losses)

Particulars	As at 31st March'2020	As at 31st March'2019
Net gain on disposal of Property, Plant, Equipment & Others	4,184.67	18.03
Interest On Income Tax refund	-	-
Unwinding of finance component of deferred consideration	246.79	303.00
Total	4,431.46	321.03

Note-25: Cost of material consumed

Particulars	As at 31st March'2020	As at 31st March'2019
Material and components consumed		
Opening Stock	1,301.74	2,076.56
Add: Material Purchased during the year	7,120.22	14,720.43
Less: Closing Stock	1,529.04	1,301.74
Total	6,892.94	15,495.24

Note-26: Change in Inventories

Particulars	As at 31st March'2020	As at 31st March'2019
Opening Stock		
Work In Progress	2,993.31	1,032.00
Finished Goods	2,404.31	3,032.00
Sub-Total	5,397.62	4,064.00
Less:- Closing Stock		
Work In Progress	5,245.34	2,993.31
Finished Goods	1,220.43	2,404.31
Sub-Total	6,465.77	5,397.62
INCREASE(-)/DECREASE(+)	(1,068.15)	(1,333.62)

(Rupees in INR' Lakhs)

Note-27: Cost Of Goods/Services Sold

Particulars	As at 31st March'2020	As at 31st March'2019
Sub-Contract Expenses	10,488.64	8,295.57
Transportation	698.72	753.00
Wages & Salary	1,912.59	2,677.66
Hire Charges	128.12	196.85
Fuel Expenses	4,515.93	5,796.93
Rents, Rates and related Taxes	1,523.91	525.99
Total	19,267.91	18,246.01

Note-28: Employee Benefit Expenses

Particulars	As at 31st March'2020	As at 31st March'2019
Salary & Allowances	1,973.03	2,430.97
Managerial Remuneration	84.00	84.00
Contribution to PF & Other Funds	93.55	61.49
Staff Welfare	50.42	70.06
Total	2,201.01	2,646.52

Note-29: Finance Cost

Particulars	As at 31st March'2020	As at 31st March'2019
Interest On Borrowings	347.10	2,748.41
Interest on Deferred Payment Terms	97.21	5.07
Total	444.31	2,753.48

Note-30: Depreciation and Amortization expenses

Particulars	As at 31st March'2020	As at 31st March'2019
Depreciation Expenses	2,081.87	2,201.00
Amortization Expenses	0.62	1.00
Total	2,082.49	2,202.00



(Rupees in INR' Lakhs)

Note-31: Other expenses

Particulars	31st March, 2020	31st March, 2019
Repairs & maintenance:		
Plant & Machinery	1,760.47	2,684.96
Other repairs and maintenance	26.77	133.01
Bad Debt	642.79	1,175.00
De-Recognition of Investments in JV	-	12.00
Provision for Bank Guarantee Invoked	-	3,620.42
Legal & Professional Charges	411.40	447.33
Royalty	453.34	362.21
Travelling & Conveyance	204.41	414.35
Auditors Remuneration	12.30	23.90
Directors' Sitting fees	14.00	12.60
Bank Charges	15.98	190.54
Insurance Charges	198.40	293.52
Electricity Charges	25.81	38.03
Loss on Sale of Property, Plant & Equipment	111.10	128.85
Miscellaneous Expenses	752.69	663.78
	4,629.46	10,200.48

Note 32 : Details of Payment to Auditors

As Auditors	31st March, 2020	31st March, 2019
Audit Fees	10.00	19.04
Tax Audit Fee	2.00	5.00
In other Capacity		
Taxation Matters	-	-
Company Law Matters	-	-
Certification Fees	-	-
Re-imburement of Expenses	-	-
	12.00	24.04

Note 33: Corporate Social Responsibility Expenses :

	31st March, 2020	31st March, 2019
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	-	-

(Rupees in INR' Lakhs)

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, 2020	31 st March, 2019
(a) Income Tax Expenses		
Current Tax :		
Current Tax on profits for the year	-	-
Adjustments for current tax of prior periods	-	-
Total Current Tax Expenses	<u>-</u>	<u>-</u>
Deferred Tax :		
Decrease/(Increase) in deferred tax assets	189.49	(562.00)
(Decrease)/Increase in deferred tax liabilities	-	-
Adjustments for deferred tax of prior periods	-	-
Total Deferred tax expenses/(benefits)	<u>189.49</u>	<u>(562.00)</u>
Total Income Tax Expenses	<u>189.49</u>	<u>(562.00)</u>
Income Tax Expenses is attributable to :		
Current Tax	-	-
Deferred Tax	189.49	(562.00)
Total Tax Expenses Charged to SPL	<u>189.49</u>	<u>(562.00)</u>
Total Tax Expenses Charged against OCI	<u>2.61</u>	<u>2.74</u>
Total Tax Expenses	<u>186.88</u>	<u>(559.26)</u>

(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, 2020	31 st March, 2019
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	-	-
	<u>-</u>	<u>-</u>

(d) Tax losses

Particulars	31 st March, 2020	31 st March, 2019
Unused tax losses for which no deferred tax has been recognized	-	-
Potential tax benefits @ 33.38%	-	-



(Rupees in INR' Lakhs)

(e) Unrecognized temporary differences

Particulars	31 st March, 2020	31 st March, 2019
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	(Rupees in INR' Lakhs)			
	As at 31.03.2020		As at 31.03.2019	
	Through PL	Through OCI	Through PL	Through OCI
Property, plant and equipment	1,301.32	-	1,502.87	-
Lease Prepayments	(9.36)	-	(9.68)	-
Employee Benefit Obligation	50.35	-	38.61	-
Impairment loss/(gain) on financial assets	-	-	-	-
Minimum Alternate Tax(MAT)	127.00	-	127.00	-
Other Financial Liability	-	-	-	-
Brought forward losses	-	-	-	-
Impact /As on Transition Date	1,469.31	-	1,658.80	-

NOTE 36 : Employee benefit obligations

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Year Ended 31-03-2020	Year Ended 31-03-2019
Change in Defined Benefit Obligation :		
Defined Benefit Obligation at the beginning	234.10	205.35
Current Service Cost	31.05	28.40
Past Service Cost	-	-
(Gain) / Loss on settlements	-	-
Interest Expense	18.56	16.22
Benefit Payments from Plan Assets	(4.22)	(5.24)
Remeasurements - Due to Demographic Assumptions	74.81	-
Remeasurements - Due to Financial Assumptions	49.22	-
Remeasurements - Due to Experience Adjustments	(132.36)	(10.63)
Defined Benefit Obligation at the end	271.16	234.10
Change in Fair Value of Plan Assets :		
Fair Value of Plan Assets at the beginning	118.44	116.96
Interest Income	9.37	9.15
Benefit Payments from Plan Assets	(4.22)	(5.24)
Adjustment to Opening Balance Increase/ Decrease due to Plan Combination	1.66	-
Remeasurements - Return on Assets	(0.50)	(2.42)
Fair Value of Plan Assets at the end	124.75	118.44

(Rupees in INR' Lakhs)

Weighted Average Asset Allocations at the end of current period

Particulars	Year Ended 31-03-2020	Year Ended 31-03-2019
Equities	-	-
Bonds	-	-
Insurance Policies	100%	100%

Note 37 :Components of Defined Benefit Cost

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Year Ended 31-03-2020	Year Ended 31-03-2019
Current Service Cost	31.05	28.40
Past Service Cost	-	-
Total Service Cost	31.05	28.40
Total Net Interest Cost	9.19	7.07
Defined Benefit Cost included in P & L	40.24	35.48
Remeasurements - Due to Demographic Assumptions	74.81	-
Remeasurements - Due to Financial Assumptions	49.22	-
Remeasurements - Due to Experience Adjustments	(132.36)	(10.63)
(Return) on Plan Assets (Excluding Interest Income)	0.50	2.42
Total Remeasurements in OCI	(7.83)	(8.21)

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, 2020	31 st March, 2019
Defined Benefit Obligation	271.16	234.10
Fair value of plan assets	124.75	118.44
Deficit of funded plans	146.41	115.66
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	3.45
2	2.88
3	3.82
4	6.11
5	7.85
6	5.74
7	10.68
8	9.40
9	13.49
10	14.40



(Rupees in INR' Lakhs)

NOTE 40 :Significant estimates: actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

Particulars	31 st March, 2020	31 st March, 2019
Discount rate	8%	8%
Withdrawal Rate	-	15%
Salary growth rate	10%	10%
Disability Rate	-	5%

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	271.16	-
Salary Escalation - Up by 1%	319.00	17.60
Salary Escalation - Down by 1%	231.15	(14.80)
Withdrawal Rates - Up by 1%	259.71	(4.20)
Withdrawal Rates - Down by 1%	284.65	5.00
Discount Rates - Up by 1%	231.09	(14.80)
Discount Rates - Down by 1%	320.47	18.20

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	31 st March, 2020	31 st March, 2019
Current Liabilities	3.45	30.68
Non-Current Liabilities	267.71	203.42

(Rupees in INR' Lakhs)

NOTE 43 : Amounts recognised in the Statement of Financial Position

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	31st March, 2020	31 st March, 2019
Defined Benefit Obligation	271.16	234.10
Fair value of plan assets	124.75	118.44
Funded Status	146.41	115.66
Effect of Asset Ceiling/Onerous Liability	-	-
Net Defined Benefit Liability/(Asset)	146.41	115.66
Of which ,Short term Liability	3.45	30.68

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

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	31st March, 2020	31 st March, 2019
Net Defined Benefit Liability/(Asset) at the beginning	114.00	88.39
Defined Benefit Cost included in P & L	40.24	35.48
Total Remeasurements in OCI	(7.83)	(8.21)
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	146.41	115.66

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

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	31st March, 2020	31 st March, 2019
(Gain) / Loss on Plan Liabilities	(132.36)	(10.63)
% of Opening Plan Liabilities	-56.54%	-5.18%
Gain / (Loss) on Plan Assets	(0.50)	2.42
% of Opening Plan Assets	-0.42%	2.07%

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



(Rupees in INR' Lakhs)

NOTE 48 : Summary of Membership Status

Particulars	31st March, 2020	31st March, 2019
Number of Employees	286	468
Total Monthly Salary (₹)	3,009,539	45,04,891
Average Monthly Salary (₹)	10,523	9,626
Average Past Service	8.85	7.57
Average Age	39.18	37.6
Average Future Service	20.83	22.41
Adjusted Average Future Service	18.02	6.07

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

NOTE 49 : Age Analysis

Age	Count	Percentage
18 to 25	8	2.80%
25 to 30	25	8.74%
30 to 35	69	24.13%
35 to 40	68	23.78%
40 to 45	47	16.43%
45 to 50	34	11.89%
50 to 55	23	8.04%
> 55	12	4.20%
Total	286	100.00%

NOTE 50 : There were no Changes in Reimbursement Rights.

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

(Rupees in INR' Lakhs)

Note No. 52 Fair value measurements

(All Amounts in INR Lakhs, unless otherwise stated)

(i) Financial instruments by category:

Particulars	31-Mar-20			31-Mar-19		
	FVPL	FVOCI	Amortized cost	FVPL	FVOCI	Amortized cost
Financial assets						
Investments:						
Equity instruments	-	-	5,625.82	-	-	4,518.34
Trade receivables	-	-	1,387.93	-	-	7,405.89
Cash & Bank Balance	-	-	2,014.30	-	-	7,813.21
Bank Balance Other than above			2,200.03			2,319.83
Loans	-	-	5,649.76	-	-	4,854.60
Derivative financial assets	-	-	-	-	-	-
Others	-	-	139,654.92	-	-	135,325.00
Total financial assets	-	-	156,532.76	-	-	162,237.26
Financial liabilities						
Borrowings	-	-	164,518.17	-	-	168,508.80
Derivative financial liabilities	-	-	-	-	-	-
Trade payables	-	-	3,406.72	-	-	5,374.99
Other financial liabilities	-	-	775.19	-	-	1,989.09
Total financial liabilities	-	-	168,700.08	-	-	175,872.88

(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 March31, 2020

	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	-	-	-	-



(Rupees in INR' Lakhs)

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>

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

(Rupees in INR' Lakhs)

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.



(Rupees in INR' Lakhs)

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	31 st March 2020	31 st March 2019
Net Debt	162,503.82	161,175.00
Total Equity	3,909.21	3,104.99
Net debt to Equity Ratio	41.57	51.91

(b) Dividends

Particulars	31 st March 2020	31 st March 2019
(i) Equity shares		
Final dividend for the year ended 31.03.2020 of ₹ NIL (31.03.2019 ₹ NIL) per fully paid share	-	-
Interim dividend for the year ended 31.03.2020 of ₹ NIL (31.03.2019 ₹ 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 (31.03.2019 ₹ 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 2020	31 st March 2019
i) Net Profit after tax as per statement of Profit & Loss attributable to Equity Shareholders (₹ Lakhs)	804.26	(1115.83)
ii) Weighted Average number of equity shares used as denominator for calculating EPS	22737966.00	22737966.00
iii) Face Value per Equity Share (₹)	10.00	10.00
iv) Basic and Diluted Earnings per share (₹)	3.54	(4.93)

Note 56 :

EARNINGS IN FOREIGN EXCHANGE

	31 st March 2020	31 st March 2019
FOB Value of Exports	-	-
Billing Adjustment	-	-
Total	-	-

EXPENDITURE IN FOREIGN CURRENCY

Interest and finance charges	-	-
Commission on Sales	-	-
Legal and Professional fees	-	-
Others	-	-
	-	-
	-	-

(Rupees in INR' Lakhs)

NOTE - 57

CONTINGENT LIABILITIES	31st March 2020	31st March 2019
i. Guarantees given by Company's Bankers on behalf of the Company.	6044.12	9329.76
ii. Claims against the Company not acknowledged as debts:		
a) Central Sales Tax	791.11	791.11
b) VAT	89.07	71.89
c) Orissa Entry tax	143.59	143.59
d) Orissa Electricity Act	47.00	47.00
e) ITAT	5469.84	5469.84
f) CIT (A)	2890.42	2845.35
g) Recompense amount	18973.62	18973.62
iii. Corporate Guarantees given by Company *	-	8700.00

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

NOTE - 58

CAPITAL COMMITMENTS	31st March 2020	31st March 2019
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	
	2019-20	2018-19
Executive Engineer NH Division-Sambalpur	15.21%	15.62%

(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	
	2019-20	2018-19
Top 10 Customers	89.92%	87.28%



(Rupees in INR' Lakhs)

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

ARSS-LGPPL JV

ARSS-Technocom Priyashi Aashi JV

ARSS-SIPS JV

ARSS-SCPL JV

ARSS-BMS JV

ARSS-SNKI 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"

(Rupees in INR' Lakhs)

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
 Balabhadra Developers Limited
 Balabhadra Crusher Private 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	2019-20	2018-19
ARSS BMS JV	Consultancy Charges	29.71	29.98
ARSS GVR JV	Sale Of Services	-	-
Atlanta ARSS JV	Sale Of Services	1147.13	2275.84
ARSS LGPPL JV	Sale Of Services	42.05	100.08
ARSS Technocom Priyashi Aashi JV	Sale Of Services	12.78	7.18
HCIL Adhikarya JV	Sale Of Services	8.23	10.06
ARSS Damoh Hirapur Tolls Private Limited	Guarantee Commission	-	783.00
Shivam Condev Pvt Ltd (Material Sale)	Sale Of Services	-	-
Shivam Condev Pvt Ltd(Consultancy)	Sale Of Services	79.76	23.23
Shivam Condev Pvt Ltd(Crusher Rent)	Sale Of Services	47.25	10.00
Shivam Condev Pvt Ltd(Rent)	Sale Of Services	6.00	12.00
Shivam Condev Pvt Ltd(Asset Sold)	Sale Of Services	25.17	-
Shivam Condev Pvt Ltd	Sale Of Services	5721.66	-



(Rupees in INR' Lakhs)

b. Balance Sheet Items*

Name	Particulars	2019-20	2018-19
Som Dutt Builders ARSS JV	Advance From Customer	1697.80	1697.80
Backbone-Arss Jv.	Advance From Customer	139.81	139.81
Patel-Arss Jv.	Advance From Customer	1490.25	1490.25
Sidhant Financial Services Ltd	Finance received	-	202.44
Shivam Condev Private Limited	Receivables	(388.31)	5251.27
ARSS Damoh Hirapur Tolls Pvt Ltd	Finance provided	4417.70	400.00
ARSS Damoh Hirapur Tolls Pvt Ltd	Guarantee Commission	16.71	1593.20
Sunil Agarwal	Remuneration Payable	4.70	2.46

* 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	2019-20	2018-19
Anil Agarwal	42.00	42.00
Sunil Agarwal	42.00	42.00
Rajesh Agarwal	-	-
Subash Agarwal	-	-
Director Sitting Fees	14.00	13.00

NOTE 62

FINANCIAL HEDGING INSTRUMENTS

As at 31-Mar-20 **As at 31-Mar-19**

i) For hedging Currency Related Risks :

Forward Contracts - Outstanding Nominal Value	Nil	Nil
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NOTE - 63

ASSETS PROVIDED AS SECURITY

Particulars	As at 31-Mar-20	As at 31-Mar-19
Current Assets		
Financial Assets		
Trade Receivables	1387.93	7405.89
Other Financial Assets	7849.79	7174.43
Total Current assets provided as security	9237.72	14580.32
Non Financial Assets		
Non Current assets		
Property, Plant and Equipment :		
i. Tangible Assets	4119.73	6307.20
ii. Intangible Assets	-	-
Inventories	7994.81	6698.46
Other Financial Assets	133043.61	133043.61
Total Non - Current assets provided as security	145158.15	146049.27
Total Assets provided as Security	154395.86	160629.59

(Rupees in INR' Lakhs)

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-20	As at 31-Mar-19
Future minimum lease payable	-	-
Not Later than 1 year	-	-
Later than 1 year and not later than 5 years	-	-
Later than 5 year	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

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 resonable 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**

There are no Micro and Small enterprises to whom the Company owes dues which are outstanding for a period of more than 45 days as at the balance sheet 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 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.



(Rupees in INR' Lakhs)

NOTE -68

The operations of the company were temporarily impacted due to shutdown of its work sites following Nation wide lockdown imposed by the Central Govt. to control the spread of COVID -19. The Company is now resumed its operations in a phased manner as per the guidelines of the Central / State Govt. and is taking necessary steps to ensure smooth operations. The impact of the COVID-19 in our operation performance are not material as on the date of approval of the financial results. However it may affect our performance in going forward than the estimated.

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 ARMS & Associates

Chartered Accountants

FRN : 013019N

Sd/-
(CA. Manoj Kumar Gupta)
Proprietor
M.No.- 089677

Sd/-
(Subash Agarwal)
Chairman
DIN: 00218066

Sd/-
(Rajesh Agarwal)
Managing Director
DIN : 00217823

For and on behalf of the Board

Sd/-
(Prakash Chhajer)
Company Secretary

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

Place : Bhubaneswar

Date : The 27th day of August, 2020

Annexure I

Statement on Impact of Audit Qualifications (for audit report dated 27.08.2020 with modified opinion) submitted along with Annual Audited Standalone Financial Results of ARSS Infrastructure Projects Limited for the Financial Year ended on 31st March, 2020.

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2020 [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	35438.50	35438.50
	2.	Total Expenditure	34449.97	34449.97
	3.	Net Profit/(Loss)	804.26	804.26
	4.	Earnings Per Share	3.54	3.54
	5.	Total Assets	177056.31	177056.31
	6.	Total Liabilities	173147.08	173147.08
	7.	Net Worth	3909.21	3909.21
	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'.				
b) The company has overdue accumulated secured debts amounting to ₹ 1613.26 Crores out of which ₹ 121.03 Crores subject to interest reconciliation from 01.10.2018 and ₹ 1492.23 Crores subject to reconciliation of interest thereon from 01.07.2016. 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, Various Secured Lenders have moved to National Company Law Tribunal towards their recovery of dues under Insolvency & Bankruptcy Code, and their application is still pending for acceptance at NCLT Level.				
c) Bank statements of Various Accounts has not been provided to us due to same has been classified as Non-Performing Assets by Respective Banks. So 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 various banks and However the Bank of India declined the proposal and moved to NCLT but the case is not yet admitted.</p> <p>For Qualification No- (c): the accounts became NPA 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:
	● CEO/Managing Director	
	● CFO	
	● Audit Committee Chairman	
	● Statutory Auditor	
	Place: Bhubaneswar Date: 27.08.2020	

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 Consolidated Financial Statements

Qualified Opinion

We have audited the accompanying consolidated financial statements of ARSS Infrastructure Projects Limited (hereinafter referred to as the "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 31st, 2020, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows for the year ended on that date, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information (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 ("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 consolidated state of affairs of the Group, its associates and jointly controlled entities as at March 31st, 2020, the consolidated loss, consolidated changes in equity and its consolidated 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 ₹ 1613.26 Crores out of which ₹ 121.03 Crores subject to interest reconciliation from 01.10.2018 and ₹ 1492.23 Crores subject to reconciliation of interest thereon from 01.07.2016. 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, Various Secured Lenders have moved to National Company Law Tribunal towards their recovery of dues under Insolvency & Bankruptcy Code, and their application is still pending for acceptance at NCLT Level.
- c) Bank statements of Various Accounts has not been provided to us due to same has been classified as Non-Performing Assets by Respective Banks. So we are unable to ascertain balances and transaction with these banks.
- d) 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.
- 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 ₹ 84.68 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 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 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 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 consolidated 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

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 company included in the group are 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 group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors 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 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 consolidated 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:

- I) 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 control.
- II) 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 which are incorporated in India have adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- III) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- IV) 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 group'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 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 report. However, future events or conditions may cause the group to cease to continue as a going concern.
- V) Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- VI) Obtain sufficient appropriate audit evidence regarding the financial information of the entity or business activities of 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 consolidated 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 consolidated 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 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 relating to preparation of the consolidated statement have been kept by the Company 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, 2020 taken on record by the Board of Directors of the company and its subsidiaries incorporated in India and reports of the statutory auditors of the subsidiary company incorporated in India, none of the directors of group incorporated in India is disqualified as on 31st March, 2020 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 company 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 Company has disclosed the impact of pending litigations on its consolidated financial position in its financial statements – Refer Note 9 and Note 57 to the consolidated 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 and its subsidiaries incorporated in India.
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 ARMS & Associates
Chartered Accountant
FRN:- 013019N

Sd/-
CA. Manoj Kumar Gupta
Proprietor
M. No.-: 089677

Date:- 27.08.2020
Place : Gurgaon
UDIN : 20089677AAAADD1506

‘Annexure – A’ 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 consolidated financial statements of the Company for the year ended March 31, 2020.]

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, 2020, We have audited the internal financial controls over financial reporting of M/s. ARSS Infrastructure Projects Limited (‘the Company’), and its subsidiary company which are incorporated in India as of 31 March 2020.

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 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 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”) 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 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 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 consolidated 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 consolidated 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 31st March 2020, 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 ARMS & Associates
Chartered Accountant
FRN:- 013019N

Sd/-
CA. Manoj Kumar Gupta
Proprietor
M. No.-: 089677

Date:- 27.08.2020
Place : Gurgaon
UDIN : 20089677AAAADD1506

Consolidated Balance Sheet

(Rupees in INR' Lakhs)

Particulars	Note No.	As at 31 st -Mar-20	As at 31 st -Mar-19
I. ASSETS			
1. Non-current Assets			
(a) Property, Plant and Equipment	5	4,119.73	6,307.00
(b) Capital Work-in-progress	5	8,468.06	10,436.00
(c) Intangible Assets	5	-	-
(d) Financial Assets			
(i) Investments	6	2,464.44	1,247.00
(ii) Trade Receivables	7	-	-
(iii) Loans	8	193.55	193.23
(iv) Other Financial Assets	9	133,043.61	133,043.61
(e) Deferred Tax Assets (net)	11	1,469.31	1,659.00
(f) Other Non-Current Assets	10	28.76	45.00
2. Current Assets			
a. Inventories	12	7,994.81	6,697.55
b. Financial Assets			
(i) Investments	6	-	-
(ii) Trade Receivables	7	1,387.93	7,406.49
(iii) Cash & Bank Balance	13	2,019.76	7,819.10
(iv) Bank Balances Other Than Three Above	13	2,200.03	2,319.53
(v) Loans	8	5,649.76	4,855.27
(vi) Other Financial Assets	9	522.12	659.61
c. Current Tax Assets (Net)	21	5,069.89	5,338.21
d. Other Current Assets	10	1,647.48	1,000.22
TOTAL ASSETS		176,279.23	189,026.82
II. EQUITY AND LIABILITIES			
1. Equity			
a. Equity Share Capital	14	2,273.80	2,273.80
b. Other Equity	15	681.04	-230.21
Non-Controlling Interest		4.00	4.00
2. Liabilities			
(i) Non-current Liabilities			
a. Financial Liabilities			
(i) Borrowings	16	-	478.53
(ii) Trade Payables	17	-	-
Total Outstanding Dues of MSME			
Total Outstanding Dues other than MSME			
(iii) Other Financial Liabilities	18	-	-
b. Provisions	19	115.41	84.66
c. Deferred Tax Liabilities (net)	11	-	-
d. Other Non-current Liabilities	20	-	-
(ii) Current Liabilities			
a. Financial Liabilities			
(i) Borrowings	16	164,688.07	175,050.80
(ii) Trade Payables	17	-	-
Total Outstanding Dues of MSME		-	-
Total Outstanding Dues other than MSME		3,410.13	5,373.99
(iii) Other Financial Liabilities	18	775.19	1,992.79
b. Provisions	19	31.00	31.00
c. Other Current Liabilities	20	4,300.59	3,967.47
d. Current Tax Liability (Net)	21	-	-
TOTAL EQUITY AND LIABILITIES		176,279.23	189,026.82

As per our report of even date attached.

For ARMS & Associates

Chartered Accountants

FRN : 013019N

Sd/-
(CA. Manoj Kumar Gupta)
Proprietor
M.No.- 089677

Sd/-
(Subash Agarwal)
Chairman
DIN: 00218066

Sd/-
(Rajesh Agarwal)
Managing Director
DIN : 00217823

For and on behalf of the Board

Sd/-
(Prakash Chhajer)
Company Secretary

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

Place : Bhubaneswar

Date : The 27th day of August, 2020



Consolidated Statement of Profit and Loss

(Rupees in INR' Lakhs)

Particulars	Note No.	For the year ended 31 st -Mar-20	For the year ended 31 st -Mar-19
Income			
I. Revenue From Operations	22	28,851.61	45,910.31
II. Other Income	23	2,155.43	2,295.47
III. Other Gains/(Losses)	24	4,431.46	321.03
Total Income		35,438.50	48,526.80
IV. Expenses			
(a) Cost of Materials Consumed	25	6,892.93	15,495.00
(b) Cost of Services Sold	27	19,267.90	18,246.01
(c) Change in Inventories (Increase) /Decrease	26	(1,068.14)	(1,333.00)
(d) Depreciation and Amortization expenses	30	2,082.49	2,202.00
(e) Employee Benefit Expenses	28	2,201.01	2,646.52
(f) Finance cost	29	444.31	2,753.48
(g) Other Expenses	31	4,629.46	10,200.48
Total Expenses		34,449.96	50,210.48
V. Profit Before Exceptional Items and Tax		988.54	(1,683.68)
Share of net profit or associates and joint ventures accounted using equity method		106.99	(60.00)
Exceptional Items		-	-
VI. Profit Before Taxes		1,095.52	(1,743.68)
VII. Tax Expenses			
(a) Current Tax		-	-
(b) Tax of Earlier Years		-	-
(c) Deferred Tax	11	189.49	(562.00)
VIII. Profit (Loss) for the Period		906.03	(1,181.68)
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		7.82	8.21
(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		(2.61)	(2.74)
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		5.21	5.47
XI. Total comprehensive income for the period		911.24	(1,176.21)
XII. Earnings per equity share:			
(1) Basic		4.01	(5.20)
(2) Diluted		4.01	(5.20)

As per our report of even date attached.

For ARMS & Associates

For and on behalf of the Board

Chartered Accountants

FRN : 013019N

Sd/-
(CA. Manoj Kumar Gupta)
Proprietor
M.No.- 089677

Sd/-
(Subash Agarwal)
Chairman
DIN: 00218066

Sd/-
(Rajesh Agarwal)
Managing Director
DIN : 00217823

Sd/-
(Prakash Chhajjer)
Company Secretary

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

Place : Bhubaneswar

Date : The 27th day of August, 2020

Consolidated Statement of Changes in Equity

(Rupees in INR' Lakhs)

A. Equity Share Capital

Particulars	Amount
As at 31 March 2019	2,273.80
Changes in equity share capital	-
As at 31 March 2020	2,273.80

B. Other Equity

Particulars	Share Application Money	Reserves & Surplus			Total other equity
		General Reserves	Securities premium reserve	Retained earnings	
Balance at 31 March 2019	-	727.00	19,947.00	(20,904.21)	(230.21)
Profit for the year	-	-	-	906.03	906.03
Other comprehensive income	-	-	-	5.22	5.22
Total comprehensive income for the year	-	-	-	911.25	911.25
Issue of equity shares	-	-	-	-	-
Balance at 31 March 2020	-	727.00	19,947.00	(19,992.96)	681.04

As per our report of even date attached.

For ARMS & Associates

For and on behalf of the Board

Chartered Accountants

FRN : 013019N

Sd/-
(CA. Manoj Kumar Gupta)
Proprietor
M.No.- 089677

Sd/-
(Subash Agarwal)
Chairman
DIN: 00218066

Sd/-
(Rajesh Agarwal)
Managing Director
DIN : 00217823

Sd/-
(Prakash Chhajer)
Company Secretary

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

Place : Bhubaneswar

Date : The 27th day of August, 2020



Consolidated Statement of Cash Flows

Particulars	(Rupees in INR' Lakhs)	
	Year Ended 31 st March'2020	Year Ended 31 st March'2019
Operating Activities		
Profit before tax from continuing operations	1,095.52	(1,743.48)
Profit/(loss) before tax from discontinuing operations	-	-
Profit before tax	1,095.52	(1,743.48)
Adjustments for		
Depreciation on Property, plant and equipment	2,081.87	2,202.00
Loss/Gain on Sale of Property, plant and equipment	111.10	110.85
Re-measurement of Defined Benefits Plan	5.21	5.47
Interest Income	130.77	(956.00)
Interest Expense	444.31	2,753.48
Assets held for disposal	-	-
Dividend Income	-	-
Operating profit / (loss) before working capital changes	3,868.79	2,372.31
Working capital adjustments:		
Increase/(decrease) in short-term Borrowings	(10,362.73)	72,899.00
Increase/(decrease) in Trade payables	(1,963.65)	392.00
Increase/(decrease) in other current liabilities	333.13	2,312.00
Increase/(decrease) in other long-term liabilities	-	-
Decrease/(increase) in trade receivables	6,018.56	(2,326.00)
Decrease/(increase) in inventories	(1,297.25)	(523.00)
Decrease/(increase) in provisions	30.75	27.66
Decrease/(increase) in other current assets	(647.26)	456.00
Decrease/(increase) in bank balances with maturity greater than 3 months	119.50	1,043.00
Decrease/(increase) in other non-current assets	16.24	1.00
Decrease/(increase) in other non-current financial assets	-	1.00
Decrease/(increase) in other current financial assets	137.50	(370.00)
Decrease/(increase) in assets held for disposal	-	-
Increase/(decrease) in other non-current liabilities	-	(108.00)
Increase/(decrease) in other current financial liabilities	(1,217.60)	(7,098.00)
Decrease/(increase) in short-term loans and advances	(794.49)	110.00
Decrease/(increase) in Long-term loans and advances	(0.32)	2.00
	(5,758.85)	69,190.97
Income taxes paid	268.32	(320.00)
NET CASH INFLOW FROM OPERATING ACTIVITIES (A)	(5,490.53)	68,870.97
Investing Activities		
Purchase of property, plant and equipment	(18.52)	(59.00)
Proceeds/(Purchase) of Capital Work In Progress	1,967.94	253.00
Proceeds from Sale of Property, Plant and equipment	12.82	151.00
Purchase/(Sale) of Investments	(1,217.44)	(283.00)
Interest received (finance income)	(130.77)	956.00
NET CASH OUTFLOW FROM INVESTING ACTIVITIES (B)	614.03	1,018.00
Financing Activities		
Proceeds from issue of equity shares	-	-
Proceeds from securities premium	-	-
Interest paid	(444.31)	(2,753.48)
Proceeds/(Repayment) from borrowings	(478.53)	(65,827.00)
Dividends paid including Dividend Distribution Tax	-	-
NET CASH INFLOW (OUTFLOW) FROM FINANCING ACTIVITIES	(922.85)	(68,580.48)
Net increase (decrease) in cash and cash equivalents (A+B+C)	(5,799.34)	1,309.09
Cash and cash equivalents at the beginning of the year	7,819.10	6,510.00
Cash and cash equivalents at year end	2,019.76	7,819.09

As per our report of even date attached.

For ARMS & Associates

For and on behalf of the Board

Chartered Accountants

FRN : 013019N

Sd/-
(CA. Manoj Kumar Gupta)
Proprietor
M.No.- 089677

Sd/-
(Subash Agarwal)
Chairman
DIN: 00218066

Sd/-
(Rajesh Agarwal)
Managing Director
DIN : 00217823

Sd/-
(Prakash Chhajer)
Company Secretary

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

Place : Bhubaneswar

Date : The 27th day of August, 2020

Notes to the Financial Statements for the year ended 31st March, 2020

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 maintainance are charged to profit and loss during the reporting period in which they are incurred.

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

ii) 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:

- i) 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;
- ii) the company can identify each party's rights regarding the goods or services to be transferred;
- iii) the company can identify the payment terms for the goods or services to be transferred;
- iv) 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
- v) 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.

2.4 Other Incomes

- i) Insurance claims has been recognized as revenue on cash basis.
- ii) Dividends shall be recognised as revenue when the shareholder's right to receive payment is established.
- iii) Interest shall be recognised as revenue using the effective interest method as set out in Ind AS 109.
- iv) 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.

2.5 Inventories :

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

Inventories are valued as under –

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

2.6 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:

#Those to be measured subsequently at fair value (either through other comprehensive income or through profit and loss)

#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:

measured at amortized cost

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

measured at fair value through other comprehensive income

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

measured at fair value through profit or loss

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

Equity instruments :

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

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



c) Impairment of Financial Assets :

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

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

d) Derecognition of Financial Assets :

A financial asset is derecognized only when :

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

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

2.7 Financial Liabilities

i) Borrowings :

- a) 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.
- b) 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).
- c) 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.

ii) 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.

iii) 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.

iv) Offsetting of Financial Instruments:

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

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

2.8 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.

2.9 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.



2.10 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.

2.11 Cash and cash equivalents :

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

2.12 Borrowing costs :

- i) 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.
- ii) Other borrowing costs are expensed in the period in which they are incurred.

2.13 Provisions & Contingent Liabilities:

- i) 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.

- ii) Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

2.14 Contributed equity :

i) 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.

ii) Dividends :

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

2.15 Earning Per Share

i) 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.

ii) 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.

2.16 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.



2.17 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 :

i) Ind AS 116 Leases :

On March 31, 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.

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

On March 31, 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.

iii) Amendment to Ind AS 12 – Income taxes

On March 31, 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.

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

On March 31, 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:

i) 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.

ii) Critical Accounting Estimates :

a) 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.

b) 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.

c) 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.

d) 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

(Rupees in INR' Lakhs)

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, 2018	737.00	367.00	170.00	26,052.00	308.00	1,482.00	29,116.00	10,689.18	-
Additions/Adjustments during the year	-	-	3.00	45.00	10.00	1.00	59.00	-	-
Disposals/Adjustment during the year	0.00	20.00	-	631.00	-	11.00	662.00	-	-
At 31st March, 2019	737.00	347.00	173.00	25,466.00	318.00	1,472.00	28,513.00	10,689.18	-
Additions/Adjustments during the year	0.00	0.00	7.91	7.91	10.61	-	18.52	130.84	-
Disposals/Adjustment during the year	-	-	-	389.87	-	435.28	825.16	-	-
At 31st March, 2020	737.00	347.00	173.00	25,084.03	328.61	1,036.72	27,706.37	10,820.02	-
Accumulated Depreciation and Impairment									
At 1st April, 2018	-	52.00	112.00	18,561.00	303.00	1,436.00	20,464.00	-	-
Depreciation charge for the year	-	6.00	16.00	2,173.00	5.00	1.00	2,201.00	-	-
Disposals/Adjustment during the year	-	3.00	-	445.00	-	11.00	459.00	253.00	-
At 31st March, 2019	-	55.00	128.00	20,289.00	308.00	1,426.00	22,206.00	253.00	-
Depreciation charge for the year	-	5.55	16.43	2,051.25	-	8.64	2,081.87	-	-
Disposals/Adjustment during the year	-	-	-	269.83	-	431.41	701.24	2,098.96	-
At 31st March, 2020	-	60.55	144.43	22,070.43	308.00	1,003.23	23,586.63	2,351.96	-
Net Book Value At 31st March, 2020	737.00	286.45	28.57	3,013.61	20.61	33.49	4,119.73	8,468.06	-
Net Book Value At 31st March, 2019	737.00	292.00	45.00	5,177.00	10.00	46.00	6,307.00	10,436.18	-

(Rupees in INR' Lakhs)

Note 6: Investments

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Investment in Equity Instruments		
Unquoted at Cost		
Investment in Subsidiary Entities		
2,20,83,730 (31, March 2019:2,20,83,730) Equity Shares of ₹ 10/- each fully paid up in ARSS Damoh-Hirapur Tolls Private Limited	-	-
Investments in Company under same management		
Nil (31, March 2019:4,999) Equity Shares of ₹ 10/- each fully paid up in ARSS E to E Private Limited	-	0.49
Investment in Associate Entities		
25,00,000(31, March 2019:25,00,000) Equity Shares of ₹ 10/- issued at ₹ 30/- each fully paid up in ARSS Developers Ltd	-	-
Investment in Joint Ventures	2,464.04	1,246.51
Other Investments :		
Investment in Mutual Funds	0.40	0.40
Total	<u>2,464.44</u>	<u>1,247.40</u>
(i) Non-current	2,464.44	1,247.40
(ii) Current	-	-
Category wise Investments:		
At Amortized Cost	2,464.04	1,247.00
At Fair value through Profit & Loss (FVPL)	0.40	0.40
At Fair value through Other Comprehensive Income (FVOCI)	-	-

Note 7: Trade receivables

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Unsecured, considered good		
(i) Non-Current	-	-
Sub-Total	-	-
(ii) Current		
Gross Trade Receivables	1,387.93	7,853.89
Less: Trade Receivable Written off	-	(447.40)
Sub-Total	<u>1,387.93</u>	<u>7,406.49</u>
Total	<u>1,387.93</u>	<u>7,406.49</u>

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.



(Rupees in INR' Lakhs)

Note 8: Loans

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Secured, considered good		
(i) Non Current		
Security Deposit-'Government authorities(Non Current)	14.84	14.84
Security Deposit-'Others	178.71	178.39
Sub-Total	193.55	193.23
(ii) Current		
Security Deposit-'Government authorities.(Current)	148.00	16.34
Security Deposit-'Others(Current)*	4,001.37	4,313.75
Earnest Money Deposits	1,781.65	(297.69)
Less; Impact of finance component of deferred revenue	(281.26)	823.42
Less: Amounts written off	-	-
Sub-Total	5,649.76	4,855.27
Total	5,843.31	5,048.50

*Others Includes Security Deposit & Withheld money receivable.

Note 9: Other Financial Assets

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
(i) Non-Current		
Application Money Paid towards securities Pending Allotment (Refer Note For Details)	-	-
Claims Receivable *	133,043.61	133,043.61
Other advances	-	-
Sub-Total	133,043.61	133,043.61
(ii) Current		
Claims Receivable	-	-
Other advances (Includes related party)	522.12	659.61
Sub-Total	522.12	659.61
Total	133,565.72	133,703.22

*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 ₹ 1,33,043.61 Lakhs is accounted based on reasonable certainty of realization of the same and are considered good and realizable by the management.

(Rupees in INR' Lakhs)

Note 10: Other Assets

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
(i) Non-Current		
Capital Advance	-	15.00
Lease Prepayments (Refer Below Note)	28.76	30.00
Sub-Total	28.76	45.00
(ii) Current		
Prepaid Expenses	94.56	195.20
Employee Advances	9.59	7.31
Vendor Advances	1,542.72	797.71
Lease Prepayments (Refer Below Note)	0.62	-
Sub-Total	1,647.48	1,000.22
Total	1,676.24	1,045.22

(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, 2020	As at 31 st March, 2019
Opening Lease Prepayments	34.00	34.00
Addition during the period	-	-
Deletion during the period	-	-
Closing Lease Prepayments (A)	34.00	34.00
Opening value of Amortized lease Prepayments	4.00	3.00
Amortization during the period	0.62	1.00
Deletion during the period	-	-
Closing value of Amortized lease Prepayments (B)	4.62	4.00
Net amount of Lease Prepayments (A- B)	29.38	30.00

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

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Property, plant and equipment	1,301.32	1,503.00
Lease Prepayments	(9.36)	(10.00)
Employee Benefit Obligation	50.35	39.00
Impairment loss/(gain) on financial assets	-	-
Minimum Alternate Tax(MAT)	127.00	127.00
Remeasurement of Defined Benefit Obligation	-	-
Brought forward losses	-	-
Total	1,469.31	1,659.00



(Rupees in INR' Lakhs)

Note 12: Inventories

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
a. Materials at Site	1,176.96	1,044.49
b. Stores, Spares & Loose Tools	352.08	257.25
c. Work In Progress	5,245.34	2,993.31
d. Finished Goods	1,220.43	2,404.31
Total	7,994.81	6,697.55

Note 13: Cash and Bank Balance

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Balances with banks		
Cash at bank	2,007.23	7,798.33
Cash on hand	12.53	21.26
Less: Bank overdraft	-	-
Total	2,019.76	7,819.10
Balances In Bank Other Than Above*	2,200.03	2,319.83
	2,200.03	2,319.53

Details of Cash at Bank :

In Current Account	2,003.93	7,798.33
In Fixed Deposits	2,200.03	2,319.83

*Fixed deposit with carrying amount of INR 2,200.03 lakhs including interest accrued on the same (31st March, 2019: INR 2319.83) are pledged against bank guarantees as security deposit, EMD and Margin account.

Note 14: Share Capital

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
(A) Authorised Shares Capital		
Equity Shares :		
4,00,00,000 (As on 31st March 2019 4,00,00,000) Equity Shares of ₹10/- Each	4,000.00	4,000.00
Preference Shares :		
1,50,00,00 (As on 31st March 2019 1,50,00,00) Preference Shares of ₹ 10/- Each	1,500.00	1,500.00
(B) Issued, Subscribed and Paid Up		
Equity Shares:		
2,27,37,966 (As on 31st March 2019 2,27,37,966) equity shares of ₹ 10 each fully paid up	2,273.80	2,273.80
Total	2,273.80	2,273.80
(C) Reconciliation of Number of Shares		
Reconciliation of number of Equity shares are set out below:		
a) Shares outstanding at the beginning of the financial year.	22,737,966	22,737,966
b) Issued during the year	-	-
c) Shares forfeited/brought back/cancelled during the year	-	-
d) Shares outstanding at the end of the financial year	22,737,966	22,737,966

(Rupees in INR' Lakhs)

(D) Details of shareholders holding more than 5% of shares**Name of the Shareholders****As at 31st March, 2020****As at 31st March, 2019****% Held****No. of
Shares****% Held****No. of
Shares****Equity Shares:**

Subash Agarwal	6.08%	1,381,608	6.08%	1,381,608
ARSS Developers Ltd	14.00%	3,183,480	14.00%	3,183,480
Sidhant Financial Services Limited	14.92%	3,393,031	14.92%	3,393,031

- (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, 2020	As at 31st March, 2019
a. Securities Premium		
Opening Balance	19,947.00	19,947.00
Add:-Additions during the year	-	-
Sub Total	19,947.00	19,947.00
b. General Reserves		
Opening Balance	727.00	727.00
Add:-Addition during the Year	-	-
Less: Transferred to Retained Earnings	-	-
Sub Total	727.00	727.00
c. Retained Earnings		
Opening Balance	(20,904.21)	(19,728.00)
Add: Profit/(Loss) during the year	906.03	(1,181.68)
Add :Re-measurement of defined employee benefit plans through OCI	5.22	5.47
Sub Total	(19,992.96)	(20,904.21)
Grand Total	681.04	(230.21)



(Rupees in INR' Lakhs)

Note 16: Borrowings

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
(i) Non-Current Borrowings		
Secured Loan		
Term Loan From Banks	-	478.53
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	-	478.53
(ii) Current Borrowings		
Cash Credit	98,341.42	103,120.83
Term Loan From Banks	65,078.25	69,895.53
Financial Lease Obligations	-	-
From Related Parties	-	-
From Others	1,268.40	2,034.44
Total current borrowings	164,688.07	175,050.80

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 ₹1,61,326 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.

Note 17 : Trade Payables

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Non Current Trade Payables	-	-
Sub-Total	-	-
Current Trade Payables	3,410.13	5,373.99
Sub-Total	3,410.13	5,373.99
Grand Total	3,410.13	5,373.99

As at March 31, 2020 and March 31, 2019, there are no outstanding dues to Micro, Small and Medium Enterprises. There is no interest due or outstanding on the same.

(Rupees in INR' Lakhs)

Note 18: Other financial liabilities

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
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	-	-
Financial Lease Obligations	-	-
Retention Money	343.51	545.60
Outstanding Employee Benefit Cost	372.13	615.90
Liability For Expenses	59.55	401.80
Excess Drawings From JV	-	428.00
Sub-Total	<u>775.19</u>	<u>1,992.79</u>
Total	<u>775.19</u>	<u>1,992.79</u>

Note 19: Provisions

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Provision for Employee Benefits	146.41	115.66
Provision for Tax	-	-
Total	<u>146.41</u>	<u>115.66</u>
Current	31.00	31.00
Non Current	115.41	84.66

Note 20: Other Liabilities

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Non- Current Liabilities		
Mobilization advance Received	-	-
Current Liabilities		
Payable to Statutory Authorities	839.20	626.59
Mobilization advance Received	15.16	-
Advance From Customers	3,446.23	3,341.18
Total	<u>4,300.59</u>	<u>3,967.47</u>

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

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Income tax payable	-	-
TDS receivable	(5,069.89)	(5,338.21)
Total	<u>(5,069.89)</u>	<u>(5,338.21)</u>



(Rupees in INR' Lakhs)

Note 22 : Revenue from operations

Particulars	31st March, 2020	31st March, 2019
Revenue from Operation :		
Sale of Services	29,081.98	46,257.19
Sale of Products	-	8.12
Less: Impact of finance component of deferred revenue	(230.37)	(355.00)
Total	28,851.61	45,910.31

Note 23 : Other income

Particulars	31st March, 2020	31st March, 2019
Interest Income From Financial Assets measured at Amortized Cost	130.77	937.70
Interest On Arbitration Cases	-	17.84
Liability Written-off	1,196.14	1,137.00
Miscellaneous Income	828.51	202.93
Total	2,155.43	2,295.47

Note 24 : Other Gains/(Losses)

Particulars	31st March, 2020	31st March, 2019
Net gain on disposal of Property, Plant, Equipment & Others	4,184.67	18.03
Interest On Income Tax refund	-	-
Unwinding of finance component of deferred consideration	246.79	303.00
Total	4,431.46	321.03

Note 25: Cost of material consumed

Particulars	31st March, 2020	31st March, 2019
Material and components consumed		
Opening Stock	1,301.74	2,077.00
Add: Material Purchased during the year	7,120.22	14,720.00
Less: Closing Stock	1,529.04	1,302.00
Total	6,892.93	15,495.00

Note 26 : Change in Inventories

Particulars	31st March, 2020	31st March, 2019
Opening Stock		
Work In Progress	2,993.31	1,032.00
Finished Goods	2,404.31	3,032.00
Sub-Total	5,397.62	4,064.00
Less:- Closing Stock		
Work In Progress	5,245.34	2,993.00
Finished Goods	1,220.43	2,404.00
Sub-Total	6,465.76	5,397.00
INCREASE(-)/DECREASE(+)	(1,068.14)	(1,333.00)

(Rupees in INR' Lakhs)

Note 27 : Cost Of Goods/Services Sold

Particulars	31st March, 2020	31st March, 2019
Sub-Contract Expenses	10,488.64	8,295.57
Transportation	698.72	753.00
Wages & Salary	1,912.59	2,677.66
Hire Charges	128.12	196.85
Fuel Expenses	4,515.93	5,796.93
Rents, Rates and related Taxes	1,523.91	525.99
Total	19,267.90	18,246.01

Note 28 : Employee Benefit Expenses

Particulars	31st March, 2020	31st March, 2019
Salary & Allowances	1,973.03	2,430.97
Managerial Remuneration	84.00	84.00
Contribution to PF & Other Funds	93.55	61.49
Staff Welfare	50.42	70.06
Total	2,201.01	2,646.52

Note 29 : Finance Cost

Particulars	31st March, 2020	31st March, 2019
Interest On Borrowings	347.10	2,748.41
Interest on Deferred Payment Terms	97.21	5.07
Total	444.31	2,753.48

Note 30: Depreciation and Amortization expenses

Particulars	31st March, 2020	31st March, 2019
Depreciation Expenses	2,081.87	2,201.00
Amortization Expenses	0.62	1.00
Total	2,082.49	2,202.00



(Rupees in INR' Lakhs)

Note 31: Other expenses

Particulars	31st March, 2020	31st March, 2019
Repairs & maintenance:		
Plant & Machinery	1,760.47	2,684.96
Other repairs and maintenance	26.77	133.01
Bad Debt	642.79	1,175.00
De-Recognition of Investments in JV	0.00	12.00
Provision for Bank Guarantee Invoked	0.00	3,620.42
Legal & Professional Charges	411.40	447.33
Royalty	453.34	362.21
Travelling & Conveyance	204.41	414.35
Auditors Remuneration	12.30	23.90
Directors' Sitting fees	14.00	12.60
Bank Charges	15.98	190.54
Insurance Charges	198.40	293.52
Electricity Charges	25.81	38.03
Loss on Sale of Property, Plant & Equipment	111.10	128.85
Miscellaneous Expenses	752.69	663.78
	<u>4,629.46</u>	<u>10,200.48</u>

Note 32 : Details of Payment to Auditors

As Auditors

	31st March, 2020	31st March, 2019
Audit Fees	10.00	19.04
Tax Audit Fee	2.00	5.00

In other Capacity

Taxation Matters	-	-
Company Law Matters	-	-
Certification Fees	-	-
Re-imburement of Expenses	-	-
	<u>12.00</u>	<u>24.04</u>

Note 33: Corporate Social Responsibility Expenses :

	31st March, 2020	31st March, 2019
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	-	-

(Rupees in INR' Lakhs)

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.

Particulars	31 st March, 2020	31 st March, 2019
(a) Income Tax Expenses		
Current Tax :		
Current Tax on profits for the year	-	-
Adjustments for current tax of prior periods	-	-
Total Current Tax Expenses	<u>-</u>	<u>-</u>
Deferred Tax :		
Decrease/(Increase) in deferred tax assets	189.49	(562.00)
(Decrease)/Increase in deferred tax liabilities	-	-
Adjustments for deferred tax of prior periods	-	-
Total Deferred tax expenses/(benefits)	<u>189.49</u>	<u>(562.00)</u>
Total Income Tax Expenses	<u>189.49</u>	<u>(562.00)</u>
Income Tax Expenses is attributable to :		
Current Tax	-	-
Deferred Tax	189.49	(562.00)
Total Tax Expenses Charged to SPL	<u>189.49</u>	<u>(562.00)</u>
Total Tax Expenses Charged against OCI	<u>2.61</u>	<u>2.74</u>
Total Tax Expenses	<u>186.88</u>	<u>(559.26)</u>

(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, 2020	31 st March, 2019
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	-	-
	<u>-</u>	<u>-</u>

(d) Tax losses

Particulars	31 st March, 2020	31 st March, 2019
Unused tax losses for which no deferred tax has been recognized	-	-
Potential tax benefits @ 33.38%	-	-



(Rupees in INR' Lakhs)

(e) Unrecognized temporary differences

Particulars	31 st March, 2020	31 st March, 2019
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 31.03.2020		As at 31.03.2019	
	Through PL	Through OCI	Through PL	Through OCI
Property, plant and equipment	1,301.32	-	1,502.87	-
Lease Prepayments	(9.36)	-	(9.68)	-
Employee Benefit Obligation	50.35	-	38.61	-
Impairment loss/(gain) on financial assets	-	-	-	-
Minimum Alternate Tax(MAT)	127.00	-	127.00	-
Other Financial Liability	-	-	-	-
Brought forward losses	-	-	-	-
Impact /As on Transition Date	1,469.31	-	1,658.80	-

Note 36 : Employee benefit obligations

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Year Ended 31-03-2020	Year Ended 31-03-2019
Change in Defined Benefit Obligation :		
Defined Benefit Obligation at the beginning	234.10	205.35
Current Service Cost	31.05	28.40
Past Service Cost	-	-
(Gain) / Loss on settlements	-	-
Interest Expense	18.56	16.22
Benefit Payments from Plan Assets	(4.22)	(5.24)
Remeasurements - Due to Demographic Assumptions	74.81	-
Remeasurements - Due to Financial Assumptions	49.22	-
Remeasurements - Due to Experience Adjustments	(132.36)	(10.63)
Defined Benefit Obligation at the end	271.16	234.10
Change in Fair Value of Plan Assets :	-	-
Fair Value of Plan Assets at the beginning	118.44	116.96
Interest Income	9.37	9.15
Benefit Payments from Plan Assets	(4.22)	(5.24)
Adjustment to Opening Balance Increase/ Decrease due to Plan Combination	1.66	-
Remeasurements - Return on Assets	(0.50)	(2.42)
Fair Value of Plan Assets at the end	124.75	118.44

(Rupees in INR' Lakhs)

Weighted Average Asset Allocations at the end of current period

Particulars	Year Ending 31-03-2020	Year Ending 31-03-2019
Equities	-	-
Bonds	-	-
Insurance Policies	100%	100%

Note 37 :Components of Defined Benefit Cost

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Year Ending 31-03-2020	Year Ending 31-03-2019
Current Service Cost	31.05	28.40
Past Service Cost	-	-
Total Service Cost	31.05	28.40
Total Net Interest Cost	9.19	7.07
Defined Benefit Cost included in P & L	40.24	35.48
Remeasurements - Due to Demographic Assumptions	74.81	-
Remeasurements - Due to Financial Assumptions	49.22	-
Remeasurements - Due to Experience Adjustments	(132.36)	(10.63)
(Return) on Plan Assets (Excluding Interest Income)	0.50	2.42
Total Remeasurements in OCI	(7.83)	(8.21)

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	31-3-2020	31-3-2019
Defined Benefit Obligation	271.16	234.10
Fair value of plan assets	124.75	118.44
Deficit of funded plans	146.41	115.66
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	3.45
2	2.88
3	3.82
4	6.11
5	7.85
6	5.74
7	10.68
8	9.40
9	13.49
10	14.40



(Rupees in INR' Lakhs)

Note 40 :Significant estimates: actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

Particulars	31-3-2020	31-3-2019
Discount rate	8%	8%
Withdrawal Rate	-	15%
Salary growth rate	10%	10%
Disability Rate	-	5%

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	271.16	-
Salary Escalation - Up by 1%	319.00	17.60
Salary Escalation - Down by 1%	231.15	(14.80)
Withdrawal Rates - Up by 1%	259.71	(4.20)
Withdrawal Rates - Down by 1%	284.65	5.00
Discount Rates - Up by 1%	231.09	(14.80)
Discount Rates - Down by 1%	320.47	18.20

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 under per form 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

Particulars	31 st March, 2020	31 st March, 2019
Current Liabilities	3.45	30.68
Non-Current Liabilities	267.71	203.42

(All amounts in INR lakhs, unless otherwise stated)

Note 43 : Amounts recognised in the Statement of Financial Position

Particulars	31st March, 2020	31st March, 2019
Defined Benefit Obligation	271.16	234.10
Fair value of plan assets	124.75	118.44
Funded Status	146.41	115.66
Effect of Asset Ceiling/Onerous Liability	-	-
Net Defined Benefit Liability/(Asset)	146.41	115.66
Of which ,Short term Liability	3.45	30.68

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

Particulars	31st March, 2020	31st March, 2019
Net Defined Benefit Liability/(Asset) at the beginning	114.00	88.39
Defined Benefit Cost included in P & L	40.24	35.48
Total Remeasurements in OCI	(7.83)	(8.21)
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	146.41	115.66

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

Particulars	31st March, 2020	31st March, 2019
(Gain) / Loss on Plan Liabilities	(132.36)	(10.63)
% of Opening Plan Liabilities	-56.54%	-5.18%
Gain / (Loss) on Plan Assets	(0.50)	2.42
% of Opening Plan Assets	-0.42%	2.07%

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



(Rupees in INR' Lakhs)

Note 48 : Summary of Membership Status

Particulars	31 st March, 2020	31 st March, 2019
Number of Employees	286	468
Total Monthly Salary (₹)	3,009,539	45,04,891
Average Monthly Salary (₹)	10,523	9,626
Average Past Service	8.85	7.57
Average Age	39.18	37.6
Average Future Service	20.83	22.41
Adjusted Average Future Service	18.02	6.07

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

Note 49 : Age Analysis

Age	Count	Percentage
18 to 25	8	2.80%
25 to 30	25	8.74%
30 to 35	69	24.13%
35 to 40	68	23.78%
40 to 45	47	16.43%
45 to 50	34	11.89%
50 to 55	23	8.04%
> 55	12	4.20%
Total	286	100.00%

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-20			31-Mar-19		
	FVPL	FVOCI	Amortized cost	FVPL	FVOCI	Amortized cost
Financial assets						
Investments:						
Equity instruments	-	-	2,464.44	-	-	1,247.00
Trade receivables	-	-	1,387.93	-	-	7,405.89
Cash & Bank Balance	-	-	2,019.76	-	-	7,819.10
Bank Balance Other than above			2,200.03			2,319.83
Loans	-	-	5,843.31	-	-	5,048.50
Derivative financial assets	-	-	-	-	-	-
Others	-	-	133,565.72	-	-	133,703.22
Total financial assets	-	-	147,481.19	-	-	157,543.94
Financial liabilities						
Borrowings	-	-	164,688.07	-	-	175,529.33
Derivative financial liabilities	-	-	-	-	-	-
Trade payables	-	-	3,410.13	-	-	5,373.99
Other financial liabilities	-	-	775.19	-	-	1,992.79
Total financial liabilities	-	-	168,873.39	-	-	182,896.11

(Rupees in INR' Lakhs)

(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, 2020

	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	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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.



(Rupees in INR' Lakhs)

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.

(Rupees in INR' Lakhs)

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	31 st March, 2020	31 st March, 2019
Net Debt	162,668.31	167,710.23
Total Equity	2,954.83	2,043.58
Net debt to Equity Ratio	55.05	82.05

(b) Dividends

Particulars	31 st March, 2020	31 st March, 2019
(i) Equity shares		
Final dividend for the year ended 31.03.2020 of ₹ NIL (31.03.2019 ₹ NIL) per fully paid share	-	-
Interim dividend for the year ended 31.03.2020 of ₹ NIL (31.03.2019 ₹ 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 (31.03.2019 ₹ 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, 2020	31 st March, 2019
i) Net Profit after tax as per statement of Profit & Loss attributable to Equity Shareholders (₹ Lakhs)	911.24	(1,181.68)
ii) Weighted Average number of equity shares used as denominator for calculating EPS	22,737,966	22,737,966
iii) Face Value per Equity Share (₹)	10.00	10.00
iv) Basic and Diluted Earnings per share (₹)	4.01	(5.20)



(Rupees in INR' Lakhs)

Note - 56

EARNINGS IN FOREIGN EXCHANGE

	31st March, 2020	31 st March, 2019
FOB Value of Exports	-	-
Billing Adjustment	-	-
Total	<u>-</u>	<u>-</u>

EXPENDITURE IN FOREIGN CURRENCY

Interest and finance charges	-	-
Commission on Sales	-	-
Legal and Professional fees	-	-
Others	-	-
	<u>-</u>	<u>-</u>

Note - 57

CONTINGENT LIABILITIES

	31st March, 2020	31 st March, 2019
i. Guarantees given by Company's Bankers on behalf of the Company.	6,044.12	9,329.76
ii. Claims against the Company not acknowledged as debts:		
a) Central Sales Tax	791.11	791.11
b) VAT	89.07	71.89
c) Orissa Entry tax	143.59	143.59
d) Orissa Electricity Act	47.00	47.00
e) ITAT	5,469.84	5,469.84
f) CIT (A)	2,890.42	2,845.35
g) Recompense amount	18,973.62	18,973.62
iii. Corporate Guarantees given by Company *	-	8,700.00

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

Note - 58

CAPITAL COMMITMENTS

	31st March, 2020	31 st March, 2019
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.

(Rupees in INR' Lakhs)

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	
	2019-20	2018-19
Executive Engineer NH Division-Sambalpur	15.21%	15.62%

(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	
	2019-20	2018-19
Top 10 Customers	89.92%	87.28%

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

ARSS-LGPPL JV

ARSS-Technocom Priyashi Aashi JV



(Rupees in INR' Lakhs)

ARSS-SIPS JV
ARSS-SCPL JV
ARSS-BMS JV
ARSS-SNKI 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
Balabhadra Developers Limited
Balabhadra Crusher Private 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.

(Rupees in INR' Lakhs)

(II) Balances and Transactions with Related parties

a. Statement Of Profit And Loss Items	Net Transaction During the Period		
	Name	Particulars	2019-20
ARSS BMS JV	Consultancy Charges	29.71	29.98
ARSS GVR JV	Sale Of Services	-	-
Atlanta ARSS JV	Sale Of Services	1,147.13	2,275.84
ARSS LGPPL JV	Sale Of Services	42.05	100.08
ARSS Technocom Priyashi Aashi JV	Sale Of Services	12.78	7.18
HCIL Adhikarya JV	Sale Of Services	8.23	10.06
ARSS Damoh Hirapur Tolls Private Limited	Guarantee Commission	-	783.00
Shivam Condev Pvt Ltd (Material Sale)	Sale Of Services	-	-
Shivam Condev Pvt Ltd(Consultancy)	Sale Of Services	79.76	23.23
Shivam Condev Pvt Ltd(Crusher Rent)	Sale Of Services	47.25	10.00
Shivam Condev Pvt Ltd(Rent)	Sale Of Services	6.00	12.00
Shivam Condev Pvt Ltd(Asset Sold)	Sale Of Services	25.17	-
Shivam Condev Pvt Ltd	Sale Of Services	5,721.66	-

b. Balance Sheet Items*

Name	Particulars	2019-20	2018-19
Som Dutt Builders ARSS JV	Advance From Customer	1,697.80	1,697.80
Backbone-Arss Jv.	Advance From Customer	139.81	139.81
Patel-Arss Jv.	Advance From Customer	1,490.25	1,490.25
Sidhant Financial Services Ltd	Finance received	-	202.44
Shivam Condev Private Limited	Receivables	(388.31)	5,251.27
ARSS Damoh Hirapur Tolls Pvt Ltd	Finance provided	4,417.70	400.00
ARSS Damoh Hirapur Tolls Pvt Ltd	Guarantee Commission	16.71	1,593.20
Sunil Agarwal	Remuneration Payable	4.70	2.46

* 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	2019-20	2018-19
Anil Agarwal	42.00	42.00
Sunil Agarwal	42.00	42.00
Rajesh Agarwal	-	-
Subash Agarwal	-	-
Director Sitting Fees	14.00	13.00

(Rupees in INR' Lakhs)

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

There are no Micro and Small enterprises to whom the Company owes dues which are outstanding for a period of more than 45 days as at the balance sheet 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 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 operations of the company were temporarily impacted due to shutdown of its work sites following Nation wide lockdown imposed by the Central Govt. to control the spread of COVID -19. The Company is now resumed its operations in a phased manner as per the guidelines of the Central / State Govt. and is taking necessary steps to ensure smooth operations. The impact of the COVID-19 in our operation performance are not material as on the date of approval of the financial results. However it may affect our performance in going forward than the estimated.

Note - 69

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



(Rupees in INR' Lakhs)

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 ARMS & Associates

Chartered Accountants

FRN : 013019N

Sd/-
(CA. Manoj Kumar Gupta)
Proprietor
M.No.- 089677

Sd/-
(Subash Agarwal)
Chairman
DIN: 00218066

Sd/-
(Rajesh Agarwal)
Managing Director
DIN : 00217823

For and on behalf of the Board

Sd/-
(Prakash Chhajer)
Company Secretary

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

Place : Bhubaneswar

Date : The 27th day of August, 2020

Annexure I

Statement on Impact of Audit Qualifications (for audit report dated 27.08.2020 with modified opinion) submitted along with Annual Audited Consolidated Financial Results of ARSS Infrastructure Projects Limited for the Financial Year ended on 31st March, 2020.

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2020 [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	35438.50	35438.50
	2.	Total Expenditure	34449.96	34449.96
	3.	Net Profit/(Loss)	911.24	911.24
	4.	Earnings Per Share	4.01	4.01
	5.	Total Assets	176279.23	176279.23
	6.	Total Liabilities	173320.40	173320.40
	7.	Net Worth	2958.83	2958.83
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-

II.	Audit Qualification (each audit qualification separately):
	<p>a. Details of Audit Qualification:</p> <p>a) 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>b) The company has overdue accumulated secured debts amounting to ₹ 1613.26 Crores out of which ₹ 121.03 Crores subject to interest reconciliation from 01.10.2018 and ₹ 1492.23 Crores subject to reconciliation of interest thereon from 01.07.2016. 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, Various Secured Lenders have moved to National Company Law Tribunal towards their recovery of dues under Insolvency & Bankruptcy Code, and their application is still pending for acceptance at NCLT Level.</p> <p>c) Bank statements of Various Accounts has not been provided to us due to same has been classified as Non-Performing Assets by Respective Banks. So we are unable to ascertain balances and transaction with these banks.</p> <p>d) In the absence of audited books of accounts of ARSS-SIPS JV, ARSS TechnocomPriyashiAashi JV and ARSS-BMS JV, financial data from these entity have not been included in consolidation of financial statement.</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 ₹ 84.68 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 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 2018-19 Qualification No. d) since Financial Year 2016-17 Qualification No. e) since Financial Year 2016-17 Qualification No. f) since Financial Year 2016-17 Qualification No. g) since Financial Year 2018-19
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Nil
	e. For Audit Qualification(s) where the impact is not quantified by the auditor: (i) Management's estimation on the impact of audit qualification: Nil (ii) If management is unable to estimate the impact, reasons for the same: For Qualification No-(a): During the work execution period there is escalation claim, revision of contract value, extension of completion period, etc due to which unpredictable variation in reliable estimation of revenue and cost. Also the allocation of combine Operating overhead, Head office overhead and Financial Cost is not possible due to combine use or high swapping of resources, size of the Contracts. Hence financial implication of the qualification is not quantifiable. For Qualification No -(b): The Company has not provided interest on NPA accounts, Since the outstanding amount is not quantifiable and the company is in the process for one time settlement with the various banks and However the Bank of India declined the proposal and moved to NCLT but the case is not yet admitted. 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. For Qualification No- (d): The accounts of the JVs are under the control of respective JV Partners i.e. Shyam Indus Power Solutions Pvt Ltd, BMS Projects and M/s. Technocom. 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- (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): 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.		
	<ul style="list-style-type: none"> ● Managing Director ● CFO ● Audit Committee Chairman ● Statutory Auditor 	
	Place: Bhubaneswar Date: 27.08.2020	

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	2,212.37
5.	Reserves & surplus	-
6.	Total assets	8,473.52
7.	Total Liabilities	8,473.52
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	31.03.2020
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	1,000.00
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	Nil
ii. Not Considered in Consolidation	Nil

For ARMS & Associates**For and on behalf of the Board****Chartered Accountants**

FRN : 013019N

Sd/-
(CA. Manoj Kumar Gupta)
 Proprietor
 M.No.- 089677

Sd/-
(Subash Agarwal)
 Chairman
 DIN: 00218066

Sd/-
(Rajesh Agarwal)
 Managing Director
 DIN : 00217823

Sd/-
(Prakash Chhajer)
 Company Secretary

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

Place : Bhubaneswar

Date : The 27th day of August, 2020

ARSS INFRASTRUCTURE PROJECTS LIMITED

Registered Office: Plot No-38, Sector-A, Zone-D Mancheswar Industrial Estate

Bhubaneswar-751010, Odisha, India

CIN: L14103OR2000PLC006230

Tel No.: +91-0674-2602763

E-mail: cs@arssgroup.in, Website: www.arssgroup.in

NOTICE

NOTICE is hereby given that the 20th Annual General Meeting of the Members of the company will be held on Tuesday, 29th September, 2020 at 11.00 a.m. IST through video conferencing ('VC')/ other audio visual means ('OAVM') to transact the following business:

ORDINARY BUSINESS:

1. Adoption of financial statements

To receive, consider and adopt the audited financial statements (including the consolidated financial statements) of the Company for the financial year ended March 31, 2020 and the reports of the Board of Directors ('the Board') and auditors thereon.

2. Appointment of Mr. Rajesh Agarwal as a director liable to retire by rotation

To appoint a Director in place of Mr. Rajesh Agarwal (DIN: 00217823), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

ORDINARY RESOLUTIONS

3. Ratification of Remuneration to Cost Auditor the Financial Year 2020-21

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 2020-2021, amounting to ₹ 50,000/- (₹ 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 are hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

SPECIAL RESOLUTIONS

4. Approval for continuation of directorship of Mr. Krishna Chandra Raut as Non Executive Nominee Director on attainment of 75 years of age and, in this regard, pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to Section 161 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 ('the Act') & rules made there under and in accordance with the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, consent be and is hereby accorded for continuation of directorship of Mr. Krishna Chandra Raut (DIN: 03592433) as Non Executive Nominee Director (who has attained the age of 75 (seventy five) years and above and was nominated by the State Bank of India (Lead bank of consortium bankers) and approved by the Board of director in its meeting held on 11th May, 2013."

5. Re-appointment of Mr. Rajesh Agarwal (DIN-00217823) as Managing Director

To consider and if thought fit, to pass, the following resolution as Special Resolution:-

“RESOLVED THAT pursuant to the provisions of section 196, 197, 198, 203 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification thereto from time to time or any re-enactment thereof for the time being in force) (the “Act”) read with Schedule V to the said Act and, as per Article 138 of the Articles of Association of the Company, the consent of the Company be and is hereby accorded for the re-appointment of Mr. Rajesh Agarwal (DIN: 00217823), (whose term of office as Managing Director expires on 31st March, 2021, and the company may not have any EGM before this period to reappoint him) as Managing Director of the Company without any remuneration for a further period of five years with effect from 1st April, 2021 to 31st March, 2026 and he shall have the right to manage the day –to day business affairs of the company subject to the superintendence, guidance, control and direction of the Board of Directors of the Company.”

“RESOLVED FURTHER THAT Mr. Rajesh Agarwal (DIN: 00217823), shall have the right to exercise such powers of Management of the Company as may be delegated to him by the Board of Directors, from time to time”

“RESOLVED FURTHER THAT any one of the Directors or Company Secretary of the Company be and are hereby authorized to do all necessary acts, deeds and things, which may be usual, expedient or proper to give effect to the above resolution.”

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

Place: Bhubaneswar
Date: 27th August, 2020

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

NOTES:

- In view of the COVID-19 pandemic, the Ministry of Corporate Affairs (‘MCA’) has vide its General Circular No. 20/2020 dated May 5, 2020 in relation to ‘Clarification on holding of annual general meeting (‘AGM’) through video conferencing (‘VC’) or other audio visual means (‘OAVM’) read with General Circular No. 14/2020 dated April 8, 2020 and General Circular No. 17/2020 dated April 13, 2020 in relation to ‘Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid-19’ (collectively referred to as ‘MCA Circulars’) and the Securities and Exchange Board of India (‘SEBI’) vide its circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 in relation to ‘Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 – Covid-19 pandemic’ (‘SEBI Circular’) permitted the holding of the Annual General Meeting (‘AGM’/‘the Meeting’) through VC/OAVM, without the physical presence of the members at a common venue. In compliance with the provisions of the Companies Act, 2013 (the ‘Act’), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘SEBI Listing Regulations’) and MCA **Circulars, the 20th AGM of the Company is being held through VC/OAVM on Tuesday, September 29, 2020 at 11.00 a.m. (IST)**. The deemed venue for the AGM shall be the registered office of the company i.e. Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar-751010, Odisha, India
- As per the provisions of clause 3.A.II. of the General Circular No. 20/ 2020 dated May 5, 2020, issued by the MCA, the matters of Special Business as appearing at item nos. 3 to 5 of the accompanying Notice, are considered to be unavoidable by the Board and hence, form part of this Notice.
- Members will be provided with a facility of electronic voting (e-voting) and for attending the AGM through VC/OAVM by the National Securities Depository Limited (NSDL) e-voting system i.e. www.evoting.nsdl.com
- The relative Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, setting out the material facts relating to Special Businesses to be transacted at the AGM, as set out in this Notice, is annexed hereto.

Further, additional information pursuant to Regulations 26(4) and 36(3) of SEBI Listing Regulations and Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India (ICSI), in respect of Directors seeking appointment / re- appointment at this AGM as mentioned in Item No. 2, 4 and 5 of this AGM Notice is also annexed hereto.

5. The Register of Members and the Share Transfer Books of the Company will remain closed from Tuesday, 22nd September, 2020 to Tuesday, 29th September, 2020 (both days inclusive) for the purpose of the Annual General Meeting of the Company.
6. PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC/OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS AND THE SEBI CIRCULAR, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.
7. In case of joint holders, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
8. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
9. The members can join the AGM in the VC/OAVM mode 30 minutes before and 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. Members will be able to view the proceedings on e-voting website of National Securities Depository Limited ('NSDL') at www.evoting.nsdl.com. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 members on a first come first served basis as per the MCA Circulars. This will not include large shareholders (holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, auditors, etc. who are allowed to attend the AGM without restriction on account of first come first served basis and can connect with Company at cs@arssgroup.in for participating at the AGM without such restriction.
10. In line with the General Circular No. 20/2020 dated May 5, 2020, issued by the MCA and the SEBI Circular, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those members whose email addresses are registered with the Company/Depositories. The Notice of AGM and Annual Report 2019-20 are available on the Company's website viz. www.arssgroup.in and may also be accessed from the relevant section of the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also on the website of NSDL at www.evoting.nsdl.com
11. Members holding shares in physical mode and who have not registered / updated their email addresses with the Company are requested to update their email addresses with the Registrar and Transfer Agents of the Company, viz., Bigshare Services Pvt. Ltd. on <https://bigshareonline.com/InvestorRegistration.aspx> In case of any queries / difficulties in registering the e-mail address, such Members may write to investor@bigshareonline.com. Members holding shares in dematerialized mode are requested to register / update their e-mail addresses with the relevant Depository Participant(s).
12. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the notice will also be available for electronic inspection without any fee by the members from the date of circulation of this notice up to the date of AGM, i.e. 29th September, 2020 during business hours. Members seeking to inspect such document may send a request on the email id cs@arssgroup.in atleast 2 working day before the date on which they intend to inspect the document.
13. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Notices & Forms section available on the Company's website under Investor relation. Members are requested to submit the said details to their Depository Participants in case the shares are held by them in electronic form and to the Company's Registrar and Transfer Agent ('RTA') in case the shares are held by them in physical form, quoting your folio number.
14. Members may please note that Securities and Exchange Board of India (SEBI) has made Permanent Account Number (PAN) as the sole identification number for all participants transacting in the securities market, irrespective of the amount of such transactions.

Members may please note that SEBI has also made it mandatory for submission of PAN in the following cases, viz (i) Deletion of name of the deceased shareholder(s) (ii) Transmission of shares to the legal heir(s) and (iii) Transposition of shares.

23. 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: 0674-2602763

Or

Registrar and 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

24. The Company has made special arrangement with the RTA and NSDL for registration of e-mail addresses in terms of the MCA Circulars for members who wish to receive the Annual Report along with the AGM Notice electronically and to cast the vote electronically. Eligible members whose e-mail addresses are not registered with the Company/ DPs are required to provide the same to RTA on or before 5:00 p.m. IST on Monday, September 21, 2020 pursuant to which, any member may receive on the e-mail address provided by the member the Notice of this AGM along with the Annual Report 2019-20 and the procedure for remote e-voting along with the login ID and password for remote e-voting.

(i) Process for registration of email addresses with RTA is as under:

i. For members who hold shares in demat mode:

- a) Visit the link <https://bigshareonline.com//InvestorRegistration.aspx>
- b) Enter the DP ID & Client ID, PAN details and captcha code.
- c) System will verify the Client ID and PAN details.
- d) On successful verification, system will allow you to enter your e-mail address and mobile number.
- e) Enter your e-mail address and mobile number.
- f) The system will then confirm the e-mail address for the limited purpose of servicing the Notice of this AGM along with the Annual Report 2019-20.

*Members holding shares in dematerialized mode are however requested to register/ update their e-mail address with the relevant Depository Participants (s) for permanent registration.

ii. For members who hold shares in physical mode:

- a) Visit the link <https://bigshareonline.com//InvestorRegistration.aspx>
- b) Enter the physical Folio Number, PAN details and captcha code.
- c) In the event the PAN details are not available on record, member to enter one of the share certificate's number.
- d) System will verify the Folio Number and PAN details or the share certificate number.
- e) On successful verification, system will allow you to enter your e-mail address and mobile number.
- f) Enter your e-mail address and mobile number.
- g) If PAN details are not available, the system will prompt the member to upload a self-attested copy of the PAN card.
- h) The system will then confirm the e-mail address for the purpose of servicing the Notice of this AGM along with the Annual Report 2019-20.

Bigshare Services Private Limited, RTA of the company will e-mail the Notice of this AGM along with the Annual Report 2019-20 as also the remote e-voting user ID and password, within 48 hours of successful registration of the e-mail address by the member. In case of any queries, members may write to investor@bigshareonline.com

(ii) Registration of e-mail address permanently with RTA/DP:

Members are requested to register the email address with their concerned DPs, in respect of shares held in demat mode and with RTA, in respect of shares held in physical mode, by writing to them. Further, those members who have already registered their e-mail addresses are requested to keep their e-mail addresses validated/updated with their DPs / RTA to enable servicing of notices / documents /Annual Reports and other communications electronically to their e-mail address in future.

(iii) Alternatively, those members who have not registered their email addresses are required to send an email request to evoting@nsdl.co.in along with the following documents for procuring user id and password for e-voting for the resolutions set out in this Notice:

- In case shares are held in physical mode, please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), self-attested scanned copy of PAN card, self-attested scanned copy of Aadhar Card.
- In case shares are held in demat mode, please provide DPID-Client ID (8 digit DPID + 8 digit Client ID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, self-attested scanned copy of PAN card, self-attested scanned copy of Aadhar Card.

25. VOTING BY MEMBERS

- A. In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Regulation 44 of the SEBI Listing Regulations (as amended), MCA Circulars and the SEBI Circular, the Company is providing its members the facility to exercise their right to vote on resolutions proposed to be considered at the AGM by electronic means (by using the electronic voting system provided by NSDL) either by (a) remote e-voting prior to the AGM (as explained at 'para E' herein below) or (b) remote e-voting during the AGM (as explained at 'para F' below) or (c) Instructions for members for attending the AGM through VC/OAVM are explained at 'para G' below.
- B. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on Tuesday, September 22, 2020 ('the cut-off date'), shall be entitled to vote in respect of the shares held, by availing the facility of remote e-voting prior to the AGM or remote e-voting during the AGM.
- C. The members can opt for only one mode of remote e-voting i.e. either prior to the AGM or during the AGM. The members present at the Meeting through VC/OAVM who have not already cast their vote by remote e-voting prior to the Meeting shall be able to exercise their right to cast their vote by remote e-voting during the Meeting. The members who have cast their vote by remote e-voting prior to the AGM are eligible to attend the Meeting but shall not be entitled to cast their vote again.
- D. 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, in a fair and transparent manner.

E. INSTRUCTIONS FOR REMOTE E-VOTING PRIOR TO THE AGM

Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holding shares as of the cut-off date i.e. Tuesday, September 22, 2020, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.

The remote e-voting period starts on Saturday, September 26, 2020 (9.00 a.m. IST) and ends on Monday, September 28, 2020 (5.00 p.m. IST). Remote e-voting shall be disabled by NSDL at 5:00 p.m. on September 28, 2020 and members shall not be allowed to vote through remote e-voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

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

- i. Visit the e-voting website of NSDL. Open web browser by typing the URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- ii. Once the home page of e-voting system is launched, click on the icon 'Login' which is available under 'Shareholders' section.
- iii. 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.

- iv. Your User ID details will be as per details 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 001*** and EVEN is 101456 then user ID is 101456001***

- v. 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'?

If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. 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'.

If your email id is not registered, please follow steps mentioned below in the process for those shareholders whose email ids are not registered.

- vi. 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?' option available on www.evoting.nsdl.com (If you are holding shares in your demat account with NSDL or CDSL).
 - b) Click on 'Physical User Reset Password?' option available on www.evoting.nsdl.com (If you are holding shares in physical mode).



c)

G. INSTRUCTIONS FOR MEMBERS FOR ATTENDING AGM THROUGH VC / OAVM

- i. Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-voting system and they may access the same at [https:// www.evoting.nsdl.com](https://www.evoting.nsdl.com) under the Shareholders/ members login by using the remote e-voting credentials, where the EVEN of the Company will be displayed. On clicking this link, the members will be able to attend and participate in the proceedings of the AGM. Please note that the members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the notice to avoid last minute rush. Further, members may also use the OTP based login for logging into the e-voting system of NSDL.
- ii. Members may join the Meeting through Laptops, Smartphones, Tablets and iPads for better experience. Further, members will be required to use Internet with a good speed to avoid any disturbance during the Meeting. Members will need the latest version of Chrome, Safari, Internet Explorer 11, MS Edge or Firefox. Please note that participants connecting from Mobile Devices or Tablets or through Laptops connecting via mobile hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any glitches.
- iii. Members are encouraged to submit their questions in advance with regard to the financial statements or any other matter to be placed at the AGM, from their registered email address, mentioning their name, DP ID and Client ID number /folio number and mobile number, to reach the Company's email address cs@arssgroup.in on or before 5.00 p.m. (IST) on Tuesday, September 22, 2020. Queries that remain unanswered at the AGM will be appropriately responded by the Company at the earliest post the conclusion of the AGM.
- iv. Members who would like to express their views/ ask questions as a speaker at the Meeting may preregister themselves by sending a request from their registered email address mentioning their names, DP ID and Client ID/ folio number, PAN and mobile number at cs@arssgroup.in between Wednesday, September 23, 2020 (9:00 a.m. IST) and Saturday, September 26, 2020 (5:00 p.m. IST). Only those members who have pre-registered themselves as a speaker will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
- v. Members who need assistance before or during the AGM may contact NSDL on evoting@nsdl.co.in or 1800-222-990 or contact Mr Amit Vishal, Senior Manager – NSDL at amitv@nsdl.co.in or call on +91 22 2499 4360 .

26. DECLARATION OF RESULTS ON THE RESOLUTIONS:

- The Scrutinizer shall, immediately after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes cast through remote e-voting), not later than 48 hours from the conclusion of the AGM, submit a consolidated Scrutinizer's report of the total votes cast in favour and against the resolution(s), invalid votes, if any, and whether the resolution(s) has/have been carried or not, to the Chairman or a person authorized by him in writing.
- The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.arssgroup.in and on the website of NSDL www.evoting.nsdl.com immediately after the result is declared. The Company shall simultaneously forward the results to BSE Limited and National Stock Exchange of India Ltd., where the securities of the Company are listed.
- Subject to the receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting i.e. September 29, 2020.

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

Place: Bhubaneswar
Date: 27th August, 2020

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

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 5 of the accompanying Notice dated 27th August, 2020.

ITEM NO. 3

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 ₹ 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, 2021.

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 2020-2021 as set out in the Resolution for the aforesaid services to be rendered by them.

Accordingly, Ordinary Resolution is submitted at item no. 3 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. 3 of the Notice.

ITEM NO. 4

Members may note that SEBI vide its notification dated 9th May, 2018 amended Regulation 17 of SEBI (LODR), 2015 by insertion of sub regulation 1A effective from 1st April, 2019, which read as under-

“No listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five years unless a special resolution is passed to that effect, in which case the explanatory statement annexed to the notice for such motion shall indicate justification for appointing such a person.”

Mr. Krishna Chandra Raut (DIN: 03592433), retired CGM of State Bank of India had been nominated by the bank as their nominee director of ARSS Infrastructure Projects Limited. Consequently he was appointed by the board of directors in its meeting held on 11th May, 2013 as Non Executive Nominee Director of the Company.

He is senior member of the Board of Directors of the Company and the Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee of the Company.

In terms of the recently notified Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, consent of the Members by way of Special Resolution is required for continuation of a Non-Executive Director beyond the age of seventy five years and Mr. Krishna Chandra Raut has attained the age of 75 years (seventy five years and above).

The Nomination & Compensation Committee (‘the Committee’) and the Board of Directors of the Company (‘the Board’) are of the view that in order to take advantage of Mr. Raut counsel and advice, it would be appropriate that he continues to serve on the Board. Accordingly, the Board at the meeting held on 27.08.2020, on the recommendation of the Committee, recommended for the approval of the Members, continuation of Mr. K. C. Raut as Non-executive Nominee Director of the Company, on the existing terms and conditions.

Accordingly, Special Resolution is submitted to the meeting for the consideration and approval of Members.

None of the Directors or Key Managerial Personnel including their relatives, except Mr. Raut for whom the Resolution relates is concerned or interested, financially or otherwise, in the said resolution.

ITEM NO. 5**Re- appointment & remuneration of Mr. Rajesh Agarwal, Managing Director**

The present term of appointment of Mr. Rajesh Agarwal would be expiring on 31st March, 2021, and the company may not have any EGM before that period to reappoint him. Taking into account the recommendation of Nomination and Remuneration committee, The Board of Directors of the Company in its meeting held on August 27, 2020 extended the term of appointment of Mr. Rajesh Agarwal as Managing Director, of the Company without any remuneration for a period of 5 years from April 01, 2021 to March 31, 2026.

The main terms and conditions of appointment (including payment of remuneration for the period of 5 years effective from 1st April, 2021 to 31st March, 2026 of Mr. Rajesh Agarwal, as Managing Director of the Company are given below:

1. **Period of Appointment:** 5 years with effect from 1st April, 2021 to 31st March, 2026.
2. **Remuneration:** Nil
3. The Managing Director shall have the right to manage the day-to-day business and affairs of the Company subject to the superintendence, guidance, control and direction of the Board of Directors of the Company.
4. The Managing Director shall act in accordance with the Articles of Association, of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of Directors.
5. The Managing Director shall adhere to the Company's Code of Conduct for Directors and Senior Management Personnel.
6. Mr. Rajesh Agarwal satisfies all the conditions set out in Part-I of Schedule V of the Act and also conditions set out under Section 196 (3) of the Act for being eligible for his reappointment.
7. He is not disqualified from being appointed as Directors in terms of Section 164 of the Act.

The above may be treated as a written memorandum setting out the terms of re-appointment of Mr. Rajesh Agarwal under Section 190 of the Act.

In terms of the requirements as per sub-clause (iv) of the proviso of Section II of Part II of Schedule V to the Act, the information is as furnished below:

I. GENERAL INFORMATION:

- | | |
|---|----------------|
| (1) Nature of Industry | Construction |
| (2) Date of Commencement of commercial Production | Not Applicable |
| (3) In case of new Companies, expected date of commencement of activities as per project approved by Financial Institutions appearing in the Prospectus | Not Applicable |
| (4) Financial Performance: | |

Financial parameters of the Company for the last five financial years:

(₹ in Cr.)

Sl. No	Particulars	Year				
		2015-16	2016-17	2017-18	2018-19	2019-20
1	Paid-up Capital	29.84	29.84	22.74	22.74	22.74
2	Reserves and Surplus	352.27	21.64	19.47	8.31	16.35
3	Turnover	644.89	865.71	603.40	485.27	354.38
4	PBT	6.22	(336.22)	(78.77)	(16.83)	9.88
5	PAT	5.01	(330.62)	(54.80)	(11.16)	8.04

- (5) Foreign investments or collaborations, if any: Not Applicable

II. INFORMATION ABOUT THE APPOINTEE:

- (1) Background details:

Mr. Rajesh Agarwal holds degree in B. Tec. (Civil Engg.) and having experience of 25 years in construction Industries.

- (2) Past Remuneration: Since the account of the Company is NPA, no remuneration was paid to Mr. Rajesh Agarwal since 2012-13.
- (3) Recognition/Awards: Not Applicable
- (4) Job Profile and Suitability: Mr. Rajesh Agarwal is Managing Director of the Company since 2000.
- (5) Remuneration proposed: Nil

- (6) Comparative Remuneration Profile with respect to Industry, Size of the Company, Profile of the position and person: Not Applicable
- (7) Pecuniary Relationship, directly or indirectly, with the Company or relationship with the Managerial Personnel, if any: Promoter of the company.

III OTHER INFORMATION:

- (1) Reasons for loss or inadequate profits: Not Applicable
- (2) Steps taken or proposed to be taken for improvement: Not Applicable
- (3) Expected increase in productivity and profits in measurable terms: As per economic scenario.

Accordingly, Special Resolution is submitted to the meeting for the consideration and approval of members.

Except Mr. Subash Agarwal, Mr. Anil Agarwal & Mr. Sunil Agarwal (being his relatives), none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested in any way, financial or otherwise, in the said resolution.

By Order of the Board
For ARSS Infrastructure Projects Limited

Place: Bhubaneswar
Date: 27th August, 2020

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. Rajesh Agarwal	Mr. K. C. Raut
DIN	00217823	03592433
Date of Birth	12 th January, 1973	25 th April, 1945
Date of Appointment	17 th May, 2000	11 th May, 2013
Qualifications	B.E (Civil)	M.A. (English)
Expertise in specific functional areas	Civil Construction	Over 50 years of experience in Banking Sector (Retired CGM, SBI)
Position in the company	Managing Director	Non Executive Nominee Director
Listed company (other than ARSS Infrastructure Projects Limited) in which director hold directorship and committee membership	Nil	1 (Balasore Alloys Limited)
Directors inter-se relation	He is the brother of Chairman	Nil
Number of equity shares held in the Company (as on 31.03.2020)	5,38,745	Nil



ARSS INFRASTRUCTURE PROJECTS LIMITED