Arshiya
Complex is simple

30th May, 2013
The National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Plot C/1, G-Block,
Bandra-Kurla Complex,
Bandra (East)
Mumbai – 400 051
Fax: 2659 8237/38

Corporate Relationship Department
The Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400 001
Fax No. 22772 3121/2037

Re: Arshiya International Limited - NSE Scrip Name: ARSHIYA
- BSE Scrip Code: 506074

Sub: Proceedings of Board Meeting held on 30th May, 2013

Dear Sirs,
This is to inform you that the Board of Directors of the Company at its meeting held today, have considered, approved and taken on record the Audited Financial Results (Standalone and Consolidated) for the financial year ended 31st March, 2013.

Pursuant to Clause 41 of the Listing Agreement enclosed please find the Audited Financial Results (Standalone and Consolidated) for your information and record.

Further please note:

1. the 32nd Annual General Meeting (AGM) of the Members of the Company is scheduled to be held on Wednesday, 28th August, 2013.

2. the Register of Members and Share Transfer Books will remain closed for the purpose of AGM from 17th August, 2013 to 28th August, 2013 (both days inclusive).

The Board of Directors has appointed Major Suhas Thakar as Executive Director of the Company with effect from 1st June, 2013.

Kindly acknowledge receipt

Thanking you.
Yours faithfully,
For Arshiya International Limited

Parind Badshah
Company Secretary

Encl: A/a

Arshiya International Limited
Registered Office: 6th Floor, C – Wing, Twin Arcade, Military Road,
Marol Maroshi, Andheri (East), Mumbai – 400 059, India.
T: +91 22 4049 5600/01 F: +91 22 42305555
info@arshiyainternational.com I www.arshiyainternational.com

Arshiya International Limited

Registered Office : 6th Floor, 'C' Wing, Twin Arcade, Military Road,Marol Maroshi, Andheri (East), Mumbai - 400 059

STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER/YEAR ENDED MARCH 31, 2013

(Rs In Lacs)

Sr.No.		Quarter Ended			Year Ended	
		31.03.2013 (Audited) Refer note 2	31.12.2012 (Unaudited)	31.03.2012 (Audited) Refer note 2	31.03.2013 (Audited)	31.03.2012 (Audited)
1	**Income from operations**					
	(a) Income from operations	10,061.44	20,078.75	16,859.47	70,097.09	58,556.58
	(b) Other operating income	17.97	-	2.29	17.97	706.45
	Total income from operations (net)	**10,079.41**	**20,078.75**	**16,861.76**	**70,115.06**	**59,263.03**
2	**Expenses**					
	(a) Cost of operations	9,307.88	13,948.91	11,006.43	49,662.18	38,680.31
	(b) Employee benefits expense	419.44	658.33	1,054.58	3,254.67	3,662.65
	(c) Depreciation and amortization expense	524.30	532.60	500.61	1,990.83	1,642.79
	(d) Other expenses	943.71	1,210.34	1,296.29	4,198.92	4,055.05
	Total expenses (a+b+c+d)	**11,195.33**	**16,350.18**	**13,857.91**	**59,106.61**	**48,040.80**
3	**Profit/ (Loss) from operations before other income, finance costs and exceptional items (1-2)**	**(1,115.93)**	**3,728.57**	**3,003.85**	**11,008.45**	**11,222.23**
4	Other Income	9.53	62.17	1,069.85	2,317.00	3,737.76
5	**Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)**	**(1,106.40)**	**3,790.74**	**4,073.70**	**13,325.45**	**14,959.99**
6	Finance costs	3,451.99	3,432.99	2,786.22	13,221.67	8,040.58
7	**Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5-6)**	**(4,558.39)**	**357.74**	**1,287.48**	**103.78**	**6,919.41**
8	Exceptional Items	1,094.82	448.13	-	1,542.95	-
9	**Profit / (Loss) from ordinary activities before tax (7-8)**	**(5,653.21)**	**(90.39)**	**1,287.48**	**(1,439.17)**	**6,919.41**
10	Tax expense (Current Tax, MAT Credit and Deferred Tax)	(1,502.87)	85.03	394.77	(38.67)	2,168.23
11	**Net profit/ (Loss) for the period (9-10)**	**(4,150.34)**	**(175.42)**	**892.71**	**(1,400.50)**	**4,751.18**
12	**Paid-up equity share capital (Face value per share Rs.2/-)**	**1,237.59**	**1,237.59**	**1,176.59**	**1,237.59**	**1,176.59**
13	**Reserves excluding Revaluation Reserves**				**53,784.56**	**54,081.41**
14	**Earning Per Share (EPS)**					
	EPS before & after Extraordinary items (not annualised)					
	- Basic	(6.71)	(0.29)	1.52	(2.33)	8.08
	- Diluted	(6.71)	(0.29)	1.52	(2.33)	8.08
15	**Public shareholding**					
	- Number of Shares	**39,009,247**	**32,594,762**	**33,394,762**	**39,009,247**	**33,394,762**
	- Percentage of Shareholding	**63.04%**	**52.67%**	**56.77%**	**63.04%**	**56.77%**
16	**Promoters & Promoter Group Shareholding**					
	a) Pledged/Encumbered					
	- Number of Shares	**4,610,000**	**19,159,000**	**14,919,000**	**4,610,000**	**14,919,000**
	- Percentage of shares (as a % of the total shareholding of promoter & promoter group)	**20.16%**	**65.42%**	**58.66%**	**20.16%**	**58.66%**
	- Percentage of shares (as a % of the total share capital of the company)	**7.45%**	**30.96%**	**25.36%**	**7.45%**	**25.36%**
	b) Non Encumbered					
	- Number of Shares	**18,260,225**	**10,125,710**	**10,515,710**	**18,260,225**	**10,515,710**
	- Percentage of shares (as a % of the total shareholding of promoter & promoter group)	**79.84%**	**34.58%**	**41.34%**	**79.84%**	**41.34%**
	- Percentage of shares (as a % of the total share capital of the company)	**29.51%**	**16.36%**	**17.87%**	**29.51%**	**17.87%**
17	**Investor Complaints**			**For the quarter ended March 31, 2013**		
	Pending at the beginning of the quarter			**Nil**		
	Received during the quarter			**1**		
	Disposed of during the quarter			**1**		
	Remaining unresolved at the end of the quarter			**Nil**		

Arshiya International Ltd Mumbai

Arshiya International Limited

Registered Office : 6th Floor, 'C' Wing, Twin Arcade,Military Road, Marol Maroshi, Andheri (East), Mumbai - 400 059

STANDALONE AUDITED SEGMENTWISE REPORT FOR THE QUARTER/YEAR ENDED MARCH 31, 2013

(Rs In Lacs)

Sr.No.		Quarter Ended			Year Ended	
		31.03.2013 (Audited) Refer note 2	31.12.2012 (Unaudited)	31.03.2012 (Audited) Refer note 2	31.03.2013 (Audited)	31.03.2012 (Audited)
1	**Segment Revenue**					
	Logistics	9,008.89	15,928.38	14,131.85	57,376.13	49,783.56
	Free Trade Warehousing Zones	1,070.52	4,150.37	2,729.91	12,738.93	9,479.47
	TOTAL	**10,079.41**	**20,078.75**	**16,861.76**	**70,115.06**	**59,263.03**
2	**Segment Results**					
	Profit Before Tax and Interest					
	Logistics	(389.85)	1,806.56	2,701.98	6,838.53	9,983.95
	Free Trade Warehousing Zones	570.17	3,232.64	1,635.48	9,369.46	6,236.23
	Unallocated	(1,466.16)	(1,373.90)	(1,557.32)	(5,658.04)	(4,956.16)
	TOTAL	**(1,285.84)**	**3,665.28**	**2,780.14**	**10,549.94**	**11,264.02**
	Less : Interest Expenses (Net)	3,272.64	3,307.54	1,492.66	10,446.17	4,344.61
	Profit /(Loss) Before Tax and exceptional items	**(4,558.48)**	**357.74**	**1,287.48**	**103.78**	**6,919.41**
3	**Capital Employed**					
	Logistics	31,340.18	31,589.85	24,840.13	31,340.18	24,840.13
	Free Trade Warehousing Zones	43,402.76	46,154.94	30,666.91	43,402.76	30,666.91
	Unallocated	(11,359.92)	(14,662.23)	(249.05)	(11,359.92)	(249.05)
	TOTAL	**63,383.02**	**63,082.55**	**55,258.00**	**63,383.02**	**55,258.00**

Arshiya International Ltd. Mumbai

Arshiya International Limited

Registered Office : 6th Floor, 'C' Wing, Twin Arcade, Military Road, Marol Maroshi, Andheri (East), Mumbai - 400 059.

STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31,

(Rs in lacs)

Sr.No.		STANDALONE	
		31.03.2013 (Audited)	31.03.2012 (Audited)
I	**EQUITY AND LIABILITIES**		
(1)	**Shareholders' funds**		
	(a) Share capital	1,237.59	1,176.59
	(b) Reserves and surplus	53,784.56	54,081.41
	(c) Money received against Share warrants	8,360.88	-
		63,383.02	**55,258.00**
(2)	**Non-current liabilities**		
	(a) Long-term borrowings	104,537.33	105,948.48
	(b) Deferred tax liabilities (net)	1,568.72	1,619.37
	(c) Other long-term liabilities	105.55	4,052.34
	(d) Long Term provisions	103.79	117.06
		106,315.39	**111,737.25**
	(3) Current liabilities		
	(a) Short-term borrowings	20,258.13	7,954.72
	(b) Trade payables	21,207.93	5,075.44
	(c) Other current liabilities	42,923.52	27,214.08
	(d) Short-term provisions	622.91	1,183.42
		85,012.49	**41,427.64**
	TOTAL	**254,710.90**	**208422.8899**
II	**ASSETS**		
	(1) Non-current assets		
	(a) Fixed assets	128,899.63	110,691.44
	(b) Non-current investments	49,879.53	16,386.81
	(c) Long-term loans and advances	36,073.47	57,768.31
	(d) Other non-current assets	2,118.01	2,460.31
		216,970.64	**187,306.87**
	(2) Current assets		
	(a) Trade receivables	31,799.73	12,113.09
	(b) Cash and bank balances	507.52	2,581.95
	(c) Short-term loans and advances	3,451.30	3,255.54
	(d) Other current assets	1,981.72	3,165.43
		37,740.26	**21,116.03**
	TOTAL	**254,710.90**	**208,422.89**

Arshiya International Ltd. Mumbai

Arshiya International Limited

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Notes to Standalone Results :

1) The above financial results for the quarter/year ended March 31, 2013 have been reviewed by the Audit Committee and approved by the Board of Directors at the meeting held on May 30, 2013.
2) The figures for the quarter ended March 31, 2013 and March 31, 2012 (being balancing figures between the audited figures) are arrived on the basis of audited results for the full financial year and published year to date unaudited figures for the nine months ended December 31, 2012 and December 31, 2011.
3) The Hon'ble High Court of Bombay has vide its order dated December 7, 2012 (filed with Registrar of Companies, Mumbai on January 4, 2013) sanctioned the Scheme of Amalgamation of Arshiya Domestic Distripark Limited and Arshiya FTWZ Limited with Arshiya International Limited and their respective shareholders and creditors with the appointed date April 1, 2012. The effect of the scheme has been given during the year as per AS-14.
4) The Company has allotted 1,36,00,000 convertible warrants at Rs. 145/- per warrant to Promoter/Promoter group on preferential basis pursuant to a special resolution passed by the members of the Company at their Extra Ordinary General Meeting held on October 18, 2012. Out of the above, 30,50,000 warrants have been converted into 30,50,000 Equity shares of Rs. 2/- each fully paid up at a premium of Rs. 143/- per share on November 3, 2012.
5) In view of the loss for the year, the remuneration paid/provided in respect of Chairman and Managing Director of the Company, has turned out to be in excess of the limits prescribed u/s 198 read with Schedule XIII to the Companies Act, 1956, which is subject to the approval of the Central Government.
6) The company is under severe financial stress which is reflected by increased trade receivables and payables and majority of them are overdue, the workforce downsized and full & final settlement of resigned employees is provided for and is in arrears of Rs. 232.53 Lacs, delayed and non-payment of dues (interest and repayment of borrowings) of Banks, a Non Banking Finance Company and a Financial Institution of Rs. 23,854.28 Lacs, short-term funds are used for long –term purposes, statutory dues i.e. income tax deducted at source, service tax and value added tax are in arrears for Rs. 1,761.90 Lacs and certain lenders have filed court cases against the company and directors, due to dishonour of cheques. The Corporate Debt Restructuring (CDR) plan of the company is admitted and is under consideration of the CDR cell.
7) The company's operations for the quarter /year ended March 31, 2013 suffered on account of major slowdown in operations which happened due to non-clarity in the FTWZ Rules and Regulations which were raised by certain Government Authorities in September, 2012 and the steep hike in rail haulage charges. As the company's operations are integrated in nature, the operations were affected across all operational divisions/subsidiaries.
8) Exceptional items include,
   - Rs. 542.77 Lacs in respect of Leasehold improvement written off and
   - Rs. 1,000.18 Lacs in respect of provision for diminution in the value of investment and provision for doubtful loans given to one of the subsidiaries of the Company.
9) The previous period figures have been regrouped /re-arranged, wherever necessary.

Notes to Consolidated Results :

1) The above Financial Results for the quarter/year ended March 31, 2013 have been reviewed by the Audit Committee and approved by the Board of Directors at the meeting held on May 30, 2013.
2) The figures for the quarter ended March 31, 2013 and March 31, 2012 (being balancing figures between the audited figures) are arrived on the basis of audited results for the full financial year and published year to date unaudited figures for the nine months ended December 31, 2012 and December 31, 2011.
3) The Hon'ble High Court of Bombay has vide its order dated December 7, 2012 (filed with Registrar of Companies, Mumbai on January 4, 2013) sanctioned the Scheme of Amalgamation of Arshiya Domestic Distripark Limited and Arshiya FTWZ Limited with Arshiya International Limited and their respective shareholders and creditors with the appointed date April 1, 2012. The effect of the scheme has been given during the year as per AS-14.
4) The Company has allotted 1,36,00,000 convertible warrants at Rs. 145/- per warrant to Promoter/Promoter group on preferential basis pursuant to a special resolution passed by the members of the Company at their Extra Ordinary General Meeting held on October 18, 2012. Out of the above, 30,50,000 warrants have been converted into 30,50,000 Equity shares of Rs. 2/- each fully paid up at a premium of Rs. 143/- per share on November 3, 2012.
5) In view of the loss for the year, the remuneration paid/provided in respect of Chairman and Managing Director of the Company, has turned out to be in excess of the limits prescribed u/s 198 read with Schedule XIII to the Companies Act, 1956, which is subject to the approval of the Central Government.
6) The Group is under severe financial stress which is reflected by increased trade receivables and payables and majority of them are overdue, the workforce downsized and full & final settlement of resigned employees is provided for and is in arrears of Rs. 550.54 Lacs, delayed and non-payment of dues (interest and repayment of borrowings) of Banks, Non Banking Finance Companies and a Financial Institution of Rs. 314,99.42 Lacs, short-term funds are used for long –term purposes, statutory dues i.e. income tax deducted at source, service tax, value added tax, etc are in arrears of Rs. 3,941.55 Lacs and certain lenders have filed court cases against the company and directors due to dishonour of cheques. The Corporate Debt Restructuring (CDR) plan of the company and three of its subsidiaries i.e. Arshiya Northern FTWZ Limited, Arshiya Rail Infrastructure Limited and Arshiya Industrial & Distribution Hub Limited are admitted and are under consideration of the CDR cell.
7) The Group's operations for the quarter/year ended March 31, 2013 suffered on account of major slowdown in operations which happened due to non-clarity in the FTWZ Rules and Regulations which were raised by certain Government Authorities in September, 2012 and the steep hike in rail haulage charges. As the Group's operations are integrated in nature, the operations were affected across all operational divisions/subsidiaries.
8) Exceptional items represent Rs. 542.77 Lacs in respect of Leasehold improvements written off
9) The previous period figures have been regrouped /re-arranged, wherever necessary.

Mumbai
May 30, 2013

Ajay S Mittal
Chairman and Managing Director

Arshiya International Ltd Mumbai

Arshiya International Limited

Registered Office : 6th Floor, 'C' Wing, Twin Arcade,Military Road, Marol Maroshi, Andheri (East), Mumbai - 400 059

CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER/YEAR ENDED MARCH 31, 2013

(Rs In Lacs)

		Quarter Ended			Year Ended	
		31.03.2013 (Audited) (refer note 2)	31.12.2012 (Unaudited)	31.03.2012 (Audited) (refer note 2)	31.03.2013 (Audited)	31.03.2012 (Audited)
1	**Income from operations**					
	(a) Net sales/income from operations	16,029.22	26,471.09	31,244.68	113,940.94	104,933.53
	(b) Other operating income	17.97	-	95.28	17.97	799.44
	Total income from operations (net)	**16,047.19**	**26,471.09**	**31,339.96**	**113,958.91**	**105,732.97**
2	**Expenses**					
	(a) Cost of operations	16,779.34	21,320.31	19,572.95	82,006.90	66,631.22
	(b) Employee benefits expense	1,191.91	2,075.59	1,935.14	7,591.27	6,599.82
	(c) Depreciation and amortization expense	1,948.73	1,667.94	928.27	6,024.22	3,135.97
	(d) Other expenses	1,908.00	1,757.19	1,722.46	6,711.41	5,336.25
	Total expenses (a+b+c+d)	**21,827.98**	**26,821.02**	**24,158.81**	**102,333.80**	**81,703.26**
3	**Profit/(Loss) from operations before other income, finance cost and exceptional items (1-2)**	**(5,780.79)**	**(349.93)**	**7,181.15**	**11,625.11**	**24,029.71**
4	Other Income	(8.51)	623.54	(434.53)	684.66	754.40
5	**Profit/ (Loss) from ordinary activities before finance costs and exceptional items (3+4)**	**(5,789.30)**	**273.61**	**6,746.62**	**12,309.77**	**24,784.11**
6	Finance costs	8,182.17	7,396.10	3,393.33	25,066.74	10,597.48
7	**Profit/ (Loss) from ordinary activities after finance costs but before exceptional items (5-6)**	**(13,971.47)**	**(7,122.48)**	**3,353.29**	**(12,756.97)**	**14,186.63**
8	Exceptional Items	94.64	448.13	-	542.77	-
9	**Profit / (Loss)from ordinary activities before tax (7-8)**	**(14,066.11)**	**(7,570.61)**	**3,353.29**	**(13,299.74)**	**14,186.63**
10	Tax expense (Current Tax, MAT Credit and Deferred Tax)	(1,908.79)	(7.12)	**266.57**	(584.42)	2,106.65
11	**Net Profit/ (Loss) from ordinary activities after tax (9-10)**	**(12,157.32)**	**(7,563.49)**	**3,086.72**	**(12,715.32)**	**12,079.98**
12	**Minority Interest**	-	-	-	-	-
13	**Extraordinary Item (net of tax expenses)**	-	-	-	-	-
14	**Net profit /(Loss) for the period (11-12-13)**	**(12,157.32)**	**(7,563.49)**	**3,086.72**	**(12,715.32)**	**12,079.98**
15	**Paid-up equity share capital (Face value per share Rs.2/-)**	**1,237.59**	**1,237.59**	**1,176.59**	**1,237.59**	**1,176.59**
16	**Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year**				**77,414.36**	**85,472.42**
17	**Earning Per Share (EPS)**					
	EPS before & after Extraordinary items (not annualised)					
	- Basic	(19.65)	(12.72)	5.25	(21.17)	20.53
	- Diluted	(19.65)	(12.72)	5.25	(21.17)	20.53
18	**Public shareholding**					
	- Number of Shares	**39,009,247**	**32,594,762**	**33,394,762**	**39,009,247**	**33,394,762**
	- Percentage of Shareholding	**63.04%**	**52.67%**	**56.77%**	**63.04%**	**56.77%**
19	**Promoters & Promoter Group Shareholding**					
	a) Pledged/Encumbered					
	- Number of Shares	**4,610,000**	**19,159,000**	**14,919,000**	**4,610,000**	**14,919,000**
	- Percentage of shares (as a % of the total shareholding of promoter & promoter group)	**20.16%**	**65.42%**	**58.66%**	**20.16%**	**58.66%**
	- Percentage of shares (as a % of the total share capital of the company)	**7.45%**	**30.96%**	**25.36%**	**7.45%**	**25.36%**
	b) Non Encumbered					
	- Number of Shares	**18,260,225**	**10,125,710**	**10,515,710**	**18,260,225**	**10,515,710**
	- Percentage of shares (as a % of the total shareholding of promoter & promoter group)	**79.84%**	**34.58%**	**41.34%**	**79.84%**	**41.34%**
	Percentage of shares (as a % of the total share capital of the company)	**29.51%**	**16.36%**	**17.87%**	**29.51%**	**17.87%**
20	**Investor Complaints**				**For the quarter ended March 31,2013**	
	Pending at the beginning of the quarter				**Nil**	
	Received during the quarter				**1**	
	Disposed of during the quarter				**1**	
	Remaining unresolved at the end of the quarter				**Nil**	

Arshiya International Ltd Mumbai

Arshiya International Limited

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CONSOLIDATED AUDITED SEGMENTWISE REPORT FOR THE QUARTER/ YEAR ENDED MARCH 31, 2013

(Rs In Lacs)

		Quarter Ended			Year Ended	
		31.03.2013 (Audited) (refer note 2)	31.12.2012 (Unaudited)	31.03.2012 (Audited) (refer note 2)	31.03.2013 (Audited)	31.03.2012 (Audited)
1	**Segment Revenue**					
	Logistics	9,005.71	16,043.28	17,154.85	62,613.56	61,340.69
	Free Trade Warehousing Zones / Distripark	1,194.37	3,797.72	5,756.25	21,140.06	17,156.11
	Containerised Rail Transport Operations	5,847.13	6,630.17	8,428.87	30,179.22	27,161.07
	Software/Others	(0.03)	(0.08)	-	26.08	75.10
	Unallocated	-	-	-	-	-
	TOTAL	**16,047.19**	**26,471.09**	**31,339.97**	**113,958.92**	**105,732.97**
2	**Segment Results**					
	Profit / (Loss) Before Tax & Interest					
	Logistics	(464.25)	1,676.80	3,434.99	7,355.88	12,723.44
	Free Trade Warehousing Zones / Distripark	(1,634.09)	(656.78)	3,606.42	8,934.50	12,459.62
	Containerised Rail Transport Operations	(2,413.70)	445.75	1,298.22	945.39	4,467.74
	Software/Others	(6.49)	(16.59)	(149.38)	(24.96)	(99.35)
	Unallocated	(1,468.68)	(1,373.90)	(1,554.30)	(5,660.55)	(5,226.07)
	TOTAL	**(5,987.20)**	**75.28**	**6,635.96**	**11,550.27**	**24,325.38**
	Less : Interest Expenses (Net)	7,984.27	7,197.77	3,282.67	24,307.24	10,138.75
	Profit / (Loss) Before Tax and Exceptional items	**(13,971.47)**	**(7,122.48)**	**3,353.29**	**(12,756.97)**	**14,186.63**
3	**Capital Employed**					
	Logistics	52,436.65	53,119.69	45,248.12	52,436.65	45,248.12
	Free Trade Warehousing Zones / Distripark	95,558.72	102,757.39	53,933.59	95,558.72	53,933.59
	Containerised Rail Transport Operations	10,550.24	14,714.44	15,377.73	10,550.24	15,377.73
	Software/Others	8,431.51	8,448.42	8,393.55	8,431.51	8,393.55
	Unallocated	(10,359.73)	(14,662.23)	(249.05)	(10,359.73)	(249.05)
	Inter Segmental Elimination	(69,604.55)	(69,593.34)	(36,054.93)	(69,604.55)	(36,054.93)
	TOTAL	**87,012.83**	**94,784.37**	**86,649.01**	**87,012.83**	**86,649.01**

Arshiya International Ltd Mumbai

Arshiya International Limited

Registered Office : 6th Floor, 'C' Wing, Twin Arcade,Military Road, Marol Maroshi, Andheri (East), Mumbai - 400 059

STATEMENT OF CONSOLIDATED ASSETS AND LIABILITIES AS AT

(Rs in Lacs)

Sr No		31.03.2013 (Audited)	31.03.2012 (Audited)
I	**EQUITY AND LIABLITIES**		
(1)	**Shareholders' funds**		
	(a) Share Capital	1,237.59	1,176.59
	(b) Reserves and surplus	77,414.36	85,472.42
	(c) Money Received against share warrant	8,360.88	
		87,012.83	**86,649.01**
			-
(2)	Non-current liabilities		
	(a) Long-term borrowings	204,384.64	209,599.74
	(b) Deferred tax liabilities (net)	791.48	1,374.45
	(c) Other long-term liabilities	95.47	52.33
	(d) Long-term provisions	198.62	195.08
		205,470.22	**211,221.61**
(3)	**Current liabilities**		
	(a) Short-term borrowings	32,966.74	9,964.33
	(b) Trade payables	26,670.18	7,232.05
	(c) Other current liabilities	55,213.65	30,159.70
	(d) Short-term provisions	973.45	2,070.04
		115,824.02	**49,426.12**
	TOTAL	**408,307.06**	**347,296.74**
II	**ASSETS**		
(1)	**Non-current assets**		
	(a) Fixed assets	317,773.63	277,044.73
	(b) Goodwill on consolidation	598.98	598.98
	(c) Long-term loans and advances	11,594.67	18,955.44
	(d) Other non-current assets	2,360.89	2,754.89
		332,328.18	**299,354.03**
(2)	**Current assets**		
	(a) Current investments	-	2,000.89
	(b) Inventories	23.14	-
	(c) Trade receivables	62,374.46	31,089.20
	(d) Cash and Bank balances	836.54	6,604.47
	(e) Short-term loans and advances	12,280.93	7,541.93
	(f) Other current assets	463.83	706.20
		75,978.88	**47,942.70**
	TOTAL	**408,307.06**	**347,296.74**

Arshiya International Ltd Mumbai

mgb & CO
Chartered Accountants

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Auditor's Report

To The Board of Directors of
Arshiya International Limited

1. We have audited the accompanying Statement of Financial Results ("the Statement") of **Arshiya International Limited** ("the Company") for the year ended 31 March 2013, being submitted by the Company pursuant to Clause 41 of the Listing agreements with the Stock Exchanges. This statement has been prepared by the Company on the basis of the related annual financial statements, which are the responsibility of the Company's management and have been approved by the Board of Directors. Our responsibility is to express an opinion on the Statement, based on our audit of the related annual financial statements, which have been prepared in accordance with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 and other accounting principles generally accepted in India.

2. We conducted our audit of the Statement in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the Statement. An audit also includes assessing the accounting principles used and the significant estimates made by the management, as well as evaluating the overall Statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3. Attention is invited to Note 2 of the Statement regarding figures for the quarter ended 31 March, being balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the relevant financial year.

4. We draw attention to Note 5 of the Statement, relating to remuneration paid/provided to Chairman and Managing Director of the Company, which turned out to be in excess of the limits prescribed under Section 198 read with Schedule XIII to the Companies Act 1956, hence is subject to the approval of the Central Government. Our Opinion is not qualified in this respect.

5. We draw attention to Note 6 of the Statement, regarding severe financial stress on the Company which is reflected by increased trade receivables and payables and majority of them are overdue, full and final settlement dues of resigned employees of Rs. 232.53 Lacs are in arrears, statutory dues i.e. income tax deducted at source, service tax and value added tax of Rs. 1,761.90 Lacs are in arrears, the dues (interest and repayment of borrowings) of banks, a financial institution and a non-banking finance company are delayed and Rs. 23,854.28 Lacs are overdue, short-term funds are used for long-term purposes and certain lenders have filed court cases against the company and directors due to dishonour of cheques. To mitigate financial stress, the Company has taken various steps including cost cutting exercise and opted for Corporate Debt Restructuring (CDR) plan which is admitted and under consideration of the CDR cell.

6. In our opinion and to the best of our information and according to the explanations given to us, on the basis of stated in paragraph 4 and 5, the Statement:

   (i) is presented in accordance with the requirements of Clause 41 of the Listing Agreements with the Stock Exchanges; and

   (ii) gives a true and fair view of the net loss and other financial information of the Company for the year ended 31 March 2013.

7. Further, we also report that we have traced from the details furnished by the Management/Registrars, the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding, pledged / encumbered shares and Non-encumbered shares of promoter and promoter group shareholding, in terms of Clause 35 of the Listing Agreements and the particulars relating to undisputed investor complaints.

For **MGB & Co.**
Chartered Accountants
Firm Registration No. 101169W

Mohanlal Bhandari
Partner
Membership Number 012912

Mumbai, 30 May 2013

mgb & CO
Chartered Accountants

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Auditors' Report

To
The Board of Directors of
Arshiya International Limited

1. We have audited the accompanying Statement of Consolidated Financial Results (the "Statement") of **Arshiya International Limited** ("the Company"), its subsidiaries (the Company and its subsidiaries constitute "the Group") for the year ended 31 March 2013, being submitted by the Company pursuant to Clause 41 of the Listing Agreements with the Stock Exchanges. This Statement has been prepared on the basis of the related annual consolidated financial statements, which are the responsibility of the Company's Management and have been approved by the Board of Directors. Our responsibility is to express an opinion on the Statement, based on our audit of the related annual consolidated financial statements, which have been prepared in accordance with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 and other accounting principles generally accepted in India.

2. We conducted our audit of the Statement in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statement is free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the Statement. An audit also includes assessing the accounting principles used and the significant estimates made by the Management, as well as evaluating the overall Statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3. Attention is invited to Note 2 of the Statement regarding figures for the quarter ended 31 March, being balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the relevant financial year.

4. We draw attention to Note 5 of the Statement, relating to remuneration paid/provided to Chairman and Managing Director of the Company, which turned out to be in excess of the limits prescribed under Section 198 read with Schedule [illegible] Government. Our Opinion is not qualified in this respect.

5. We draw attention to Note 6 of the Statement, regarding severe financial stress on the Group, which is reflected by increased trade receivables and payables and majority of them are overdue, full and final settlement dues of resigned employees of Rs. 550.54 lacs are in arrears, statutory dues i.e. income tax deducted at source, service tax, value added tax etc are in arrears of Rs.4,036.90 lacs, the dues (interest and repayment of borrowings) of banks, non-banking finance companies and a financial institution are delayed and Rs.31,499.42 lacs are overdue, short-term funds are used for long-term purposes and certain lenders have filed court cases against the company and directors due to dishonour of cheques. To mitigate financial stress, the group has taken various steps including cost cutting exercise and opted for the Corporate Debt Restructuring (CDR) plan which is admitted and under consideration of the CDR cell.

6. The Statement reflects the Group's share of Revenues of Rs. 56,459 Lacs and total Assets of Rs. 238,321 Lacs of subsidiaries whose financial statements have been considered in the consolidated financial statements. These financial statements have been audited by other auditors. Our opinion in so far as it relates to the amounts included in respect of those subsidiaries is based solely on the reports of such other auditors, which have been furnished to us.

7. In our opinion and to the best of our information and according to the explanations given to us, on the basis stated in paragraph 4, 5 and 6, the Statement:

   (a) is presented in accordance with the requirements of Clause 41 of the Listing Agreements with the Stock Exchanges and

   (b) gives a true and fair view of the net loss and other financial information of the Group for the year ended 31 March 2013.

8. Further, we also report that we have traced from the details furnished by the Management, the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding, pledged/encumbered shares and non-encumbered shares of promoter and promoter group shareholders, in terms of Clause 35 of the Listing Agreements and the particulars relating to the undisputed investor complaints.

For **MGB & Co**
Chartered Accountants
Firm Registration Number 101169W

Mohanlal Bhandari
Partner
Membership Number 012912

Mumbai, 30 May 2013