



ARSS INFRASTRUCTURE PROJECTS LTD.

Date: 17.07.2026

National Stock Exchange of India Limited,

Exchange Plaza, Plot No-C1, G Block

Bandra Kurla Complex,

Bandra (E),

Mumbai-400051

NSE Symbol: ARSSINFRA

Kind Attention

Sub: Clarification on Observations Raised in respect of Financial Results submitted on 30 May 2026

Dear Sir/Madam,

With reference to the Exchange's email dated 14 July 2026 regarding the Financial Results submitted by ARSS Infrastructure Projects Limited (the "Company") on 30 May 2026, we hereby submit our clarification in response to the observations raised by the Exchange. The clarification along with the revised documents are provided below.

Observation:

The Statement of Impact of Audit Qualifications in case of modified opinion(s)/Declaration of Unmodified Opinion submitted is not in the format prescribed by SEBI. -

Clarification:

We have reviewed the observation raised by the Exchange and would like to submit that the Company's Financial Statements for the financial year ended **31 March 2026** were issued with a **modified opinion**. While submitting the outcome of the Board Meeting along with the Financial Results on **30 May 2026** (Exchange acknowledgement time: **19:38:07**), the Statement of Impact of Audit Qualifications was inadvertently submitted without the signature of the Chairman of the



ARSS INFRASTRUCTURE PROJECTS LTD.

Audit Committee. This omission was purely inadvertent and unintentional and was not deliberate in any manner.

However, upon noticing the omission, the Company submitted the revised disclosure containing the duly signed Statement of Impact of Audit Qualifications through the **General Update** filing path on the Exchange portal on the **same day**, i.e., **30 May 2026** (Exchange acknowledgement time: **22:02:06**). The said disclosure is also available on the Exchange portal at the following path:

https://nsearchives.nseindia.com/corporate/ARSSINFRA_30052026220141_REVISIED_Board_Meeting_Outcome_31032026.pdf

For your ready reference and record, we are enclosing the Financial Statement along with Impact of Audit Qualifications in case of Modified Opinion(s) in the format prescribed by SEBI as **Annexure I**.

We request you to kindly take the above clarification on record.

Yours faithfully,
Thanking You

For ARSS Infrastructure Projects Limited

Gopal Krishna Dash
Managing Director
DIN: 10776309
Enclosed: As Above



Independent Auditors' Report on the Quarterly and Annual Audited Standalone Financial Results of the Company Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To the Board of Directors of ARSS Infrastructure Projects Limited

Qualified Opinion

We have audited the accompanying statement of quarterly and annual standalone financial results of **M/s ARSS INFRASTRUCTURE PROJECTS LIMITED** (the "Company") for the quarter ended March 31, 2026 and for the year ended March 31, 2026 ("the Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- a. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations; and
- b. 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 gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards ("Ind AS") and other accounting principles generally accepted in India of the net loss and total comprehensive income and other financial information of the Company for the quarter and year then ended March 31, 2026.

Basis for Qualified Opinion

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Statement 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 ('the ICAI') together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our opinion.

1. Non-compliance with IND AS 115 – Revenue from Contracts with Customers, in the absence of relevant contract-wise records and underlying project documentation, contract-wise surplus/deficit on construction contracts has neither been ascertained nor recognised in compliance with Ind AS 115 'Revenue from Contracts with Customers'.
2. During the year, the Company has recognised certain arbitration claims as income in the Statement of Profit and Loss and as Claims Receivable under Other Financial Assets in the Balance Sheet. These claims are subject to arbitration proceedings whose outcome is uncertain and the receivability of the same is not established. In our opinion, such recognition is not in accordance with applicable Indian Accounting Standards for the following reasons:
 - a. Under Ind AS 115, variable consideration including amounts subject to arbitration can be included in transaction price only when it is highly probable that a significant reversal of cumulative revenue recognised will not occur. The recognition of arbitration claims whose outcome is uncertain does not meet this threshold.



- b. Under Ind AS 109, recognition of a financial asset requires an unconditional contractual right to receive cash. Most of the arbitration claims that are yet to be adjudicated and where the counterparty's liability is neither admitted nor determined by a competent authority do not qualify for recognition as financial assets.
- c. Under Ind AS 37, such claims constitute contingent assets which are not to be recognised in financial statements until the inflow of economic benefits is virtually certain. Recognition of contingent assets is expressly prohibited under Ind AS 37 as it may result in recognition of income that may never be realised.

Consequently, in our opinion, the recognition of these arbitration claims to the tune of Rs. 70,831.96 Lakhs has resulted in overstatement of exceptional items in Profit and Loss, other financial assets and net worth of the Company as at 31st March 2026. Had these claims been appropriately disclosed as contingent assets in accordance with Ind AS 37 instead of being recognised, the exceptional items, other financial assets and net worth of the Company would each have been lower to that extent.

3. The Company has classified a loan received from Ocean Capital Market Limited (Successful Resolution Applicant), a related party as at reporting date, as a "Secured Borrowing" in the Balance Sheet as at 31st March 2026 and has accrued interest thereon at 9% per annum. We report the following concerns:
 - a. No security creation documents have been executed as at the balance sheet date and no charge has been registered with the Registrar of Companies.
 - b. The approved Resolution Plan sanctioned by the Hon'ble NCLT does not contemplate payment of interest on this loan. Accrual of interest at 9% per annum, although supported by loan sanction letter, creates a financial obligation beyond the scope of the approved Resolution Plan.
 - c. The requisite approvals for this related party transaction, including prior Audit Committee approval under Section 177 of the Companies Act, 2013 and Regulation 23 of SEBI (LODR) Regulations, 2015, and Board / shareholder approval under Section 188 of the Companies Act, 2013, have not been demonstrated to us.

The above matters have resulted in incorrect classification of borrowings and incorrect recognition of interest expense to the tune of Rs. 1,122.76 Lakhs.

Emphasis of Matter Paragraph:

We draw attention to:-

- i. Note No. 3 & Note No. 4 to the Statement, which describe the completion of the Corporate Insolvency Resolution Process ("CIRP") and the implementation of the Resolution Plan approved by the Hon'ble National Company Law Tribunal, Cuttack Bench ("NCLT"), vide order dated 29th August, 2025, in favour of M/s Ocean Capital Market Limited ("OCML" / "Successful Resolution Applicant" / "SRA"). The Resolution Plan has resulted in, inter alia, reconstitution of the Board of Directors, extinguishment of erstwhile promoter equity, settlement/restructuring of financial and operational creditor liabilities, conversion of unsustainable debt into equity, fresh equity infusion by the SRA, and recognition of net loss as Exceptional Items of ₹3,22,971.31 Lakhs in the Statement of Profit and Loss for the year. These transactions are complex, involve significant management judgement, and have had a material impact on the financial position and results of the Company for the year ended 31st March, 2026. Further, the financial statements for the year ended March 31, 2026 have been prepared on going concern considering the implementation of the Approved Resolution Plan. Our opinion is not modified in respect of this matter.
- ii. Note No. 9 to the Statement, as a result of the implementation of the approved Resolution Plan, the financial statements for the year ended 31st March 2026 reflect a substantially restructured



- statement, and recognition and measurement of assets and liabilities on the basis of the approved Resolution Plan and applicable Ind AS. The figures for the comparative period (year ended 31st March 2025) were prepared during the CIRP, when the powers of the Board of Directors were vested with the Resolution Professional. Accordingly, the current year's financial statements are not strictly comparable with the previous year. Our opinion is not modified in respect of this matter.
- iii. Note No. 4 (d) to the Statement, the company has written off Rs. 91,273.71 Lakhs of arbitration claim to the extent of award/expected realization amount previously stated as Claims Receivable under Other Financial Assets. Our opinion is not modified in respect of this matter.
- iv. Note No. 4(e) to the Statement, the company has identified certain arbitration claims amounting to Rs. 70,831.96 Lakhs which were not booked in the financial statements. During the year, the company has booked those claims in financial statements as Claims Receivable under Other Financial Assets. We have modified opinion in respect of recognizing new arbitration claims as mentioned in qualified opinion.
- v. Note No. 10 to the Statement, during the course of implementation, the Company has identified certain provisions in the approved Resolution Plan which require amendments, either on account of ambiguity, need for clarification, or inconsistency with the provisions of the Insolvency and Bankruptcy Code, 2016. The Company is in the process of filing necessary applications before the Hon'ble NCLT seeking amendments to the approved Resolution Plan within the stipulated period of one year from the effective date. The outcome of these applications and the consequential impact, if any, on the financial statements of the Company is presently not determinable. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Board of Directors for the Standalone Financial Results

This Statement, which includes the Standalone financial results is the responsibility of the Company's Board of Directors, and has been approved by them for the issuance. The Statement has been compiled from the related audited standalone financial statements for the three months and year ended March 31, 2026. This responsibility includes preparation and presentation of the Standalone Financial Results for the quarter and year ended March 31, 2026 that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Ind AS, prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 the 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 Standalone Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement



when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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

Materiality is the magnitude of misstatements in the interim condensed standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the interim condensed standalone 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 standalone financial statements.

We also 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.

Other Matter

The comparative financial information of the Company for the corresponding quarter and year ended March 31, 2025, included in these standalone financial results, were audited by the predecessor auditor who expressed an unmodified opinion on those financial information on May 28, 2025.



The Statement includes the financial results for the quarter ended 31 March 2026, being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us. Our report on the Statement is not modified in respect of this matter.

For A D V AND CO LLP
Chartered Accountants
Firm Regn. No. 003467N/N500463


CA Vipul Kumar Gupta
Membership No. 522310
UDIN: 165223/DUCXZTP7409

Dated: May 30th, 2026
Camp: Bhubaneswar

ARSS Infrastructure Projects Limited
CIN : L141030R2000PLC006230
Extract Of Standalone Audited Financial Results For The Quarter and Year Ended On March 31, 2026

Key numbers of Financial Results

Sl.No.	Particulars	Standalone				(Rs in Lakhs except for EPS)	
		Quarter ended		Year ended		March 31, 2026	March 31, 2025
		March 31, 2026 (Audited) (Refer Note-c)	December 31, 2025 (Un Audited)	March 31, 2025 (Audited) (Refer Note-c)	March 31, 2026 (Audited)		
1	Total Revenue from Operations	7,744.99	3,825.10	2,539.51	14,579.28	16,538.80	
2	Net Profit / (Loss) (before Tax, Exceptional and/or Extraordinary items)	(18.75)	104.36	(984.48)	(11,847.24)	(835.69)	
3	Net Profit / (Loss) before Tax (after Exceptional and/or Extraordinary items)	(21,113.19)	104.36	(984.48)	(3,55,260.30)	(835.69)	
4	Net Profit / (Loss) after Tax (after Exceptional and/or Extraordinary items)	(21,169.28)	(6.28)	(1,027.80)	(3,55,498.04)	(949.37)	
5	Total Comprehensive Income [Comprising Profit / (Loss) after tax and Other Comprehensive Income after tax]	(21,169.28)	(6.28)	(1,027.80)	(3,55,498.04)	(949.37)	
6	Equity Share Capital	9,011.85	9,011.85	2,273.80	9,011.85	2,273.80	
7	Earnings per share (of Rs 10/- each) Basic & Diluted (Not Annualised)	(23.49)	(0.01)	(4.52)	(394.48)	(4.18)	

Notes :

- a) The above Standalone audited financial results of the Company for the quarter and year ended March 31, 2026 have been reviewed by Audit Committee and approved by the Board of Directors of the Company at its meetings held on May 30, 2026. These results are being published in accordance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- b) The above is an extract of the detailed format of the Statement of Standalone Audited Financial Results for the quarter and year ended on March 31, 2026 filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The full format of the Statement of Standalone Audited Financial Results for the quarter and year ended on 31st March 2026, are available on the website of the Stock Exchanges - [www.bseindia.com](http://arssgroup.in/PDF/QuarterlyResult/Board%20Meeting%20Outcome%2031.03.2026.pdf) and [www.nseindia.com](http://arssgroup.in/PDF/QuarterlyResult/Board%20Meeting%20Outcome%2031.03.2026.pdf) as well as on the website of the Company - <http://arssgroup.in/PDF/QuarterlyResult/Board%20Meeting%20Outcome%2031.03.2026.pdf>
- c) The figures of the Last quarters ended March 31, 2026 and March 31, 2025 are the balancing figures between audited figures in respect of the full financial years and the audited published years to date figures up to December 31, 2025 for respective years which were subjected to limited review by statutory auditors.

The Results can be accessed through the following link or scanning the QR Code
<http://arssgroup.in/PDF/QuarterlyResult/Board%20Meeting%20Outcome%2031.03.2026.pdf>



Date : 30th May, 2026
Place: Bhubaneswar


(Gopal Krishna Dash)
Managing Director
DIN : 10776309





ARSS Infrastructure Projects Limited

ARSS Infrastructure Projects Limited

CIN : L14103OR2000PLC006230

Statement of Standalone Audited Financial Results for the Quarter and Year Ended On March 31, 2026

(Rs in Lakhs except for EPS)

Particulars	Standalone				
	Quarter Ended			Year Ended	
	March 31,2026	December 31,2025	March 31,2025	March 31,2026	March 31,2025
	(Audited) Refer Note-8	(Un Audited)	(Audited) Refer Note-8	(Audited)	(Audited)
I) Income					
a) Revenue From Operations	7,744.99	3,825.10	2,539.51	14,579.28	16,538.80
b) Other income	135.75	75.99	129.43	340.25	450.01
c) Other gains/(Losses)	117.03	289.52	-	406.55	183.68
Total Income	7,997.77	4,190.61	2,668.94	15,326.08	17,172.49
II) Expenses					
a) Cost of materials consumed	3,338.92	1,142.33	1,874.23	6,393.34	3,794.07
b) Cost Of Goods/Services Sold	1,886.61	1,912.58	2,152.59	6,191.15	12,842.37
c) Changes in Inventories of finished goods, work-in-progress and Stock-in-trade	513.41	18.24	(1,157.51)	(836.39)	(1,630.32)
d) Depreciation and Amortization expenses	35.11	26.86	24.43	111.79	97.83
e) Employee Benefit Expenses	596.97	321.51	390.81	1,445.69	1,225.26
f) Finance cost	1,132.25	0.14	-	1,164.19	45.23
g) Other Expenses	513.25	664.57	368.87	12,703.55	1,633.74
Total Expenses	8,016.52	4,086.25	3,653.42	27,173.32	18,008.18
III) Profit / (Loss) before exceptional items and tax (I-II)	(18.75)	104.36	(984.48)	-11,847.24	(835.69)
IV) Share of net profit of associates and joint ventures accounted using equity method	-	-	-	-	-
V) Exceptional items(refer note -4)	21,091.11	-	-	3,43,413.06	-
VI) Profit / (Loss) before tax (III+IV-V)	(21,113.19)	104.36	(984.48)	(3,55,260.30)	(835.69)
VII) Tax expense :					
a) Current tax	-	-	-	-	-
b) Deferred tax	56.09	110.64	43.32	237.74	113.68
c) Tax of Earlier Years	-	-	-	-	-
Total tax expenses	56.09	110.64	43.32	237.74	113.68
VIII) Profit / (Loss) for the period (VI-VII)	(21,169.28)	(6.28)	(1,027.80)	(3,55,498.04)	(949.37)
IX) Other Comprehensive income					
(a) Items that will not be reclassified to profit or loss :					
- Gain on fair value of defined benefit plans as per actuarial valuation	-	-	-	-	-
- Others	-	-	-	-	-
- Income tax effect on above	-	-	-	-	-
(b) Items to be reclassified subsequently to profit or loss					
-Changes in investments other than equity shares carried at Fair Value through OCI (FVOCI)	-	-	-	-	-
Other Comprehensive income for the year, net of tax	-	-	-	-	-
X) Total comprehensive income for the year, net of tax (VIII+IX)	(21,169.28)	(6.28)	(1,027.80)	(3,55,498.04)	(949.37)
XI) Paid up Equity Share Capital (Rs.10/- per share)	9,011.85	9,011.85	2,273.80	9,011.85	2,273.80
XII) Other Equity				86,956.30	(18,652.35)
XIII) Earnings per equity share :					
(1) Basic (Not Annualised)	(23.49)	(0.01)	(4.52)	(394.48)	(4.18)
(2) Diluted (Not Annualised)	(23.49)	(0.01)	(4.52)	(394.48)	(4.18)

Regd. Office : Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar, Odisha - 751010
 Corp. Office : ARSS Mall, Plot no-40, Community Centre, Block-A, Paschim Vihar, Opp-Jwalaheri Market, New Delhi - 110063
 E-mail : response@arssgroup.in, Website: www.arssgroup.in



**Selected Explanatory Notes to the Standalone Statement of Audited Financial Results for the Quarter and Year Ended On
March 31, 2026**

- 1 The above Audited Financial Results of the Company for the Quarter and Year ended March 31, 2026 have been reviewed by Audit Committee and approved by the Board of Directors of the Company at its meetings held on May 30, 2026. The Statutory Auditor of the company has audited the said result. These results are being published in accordance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 2 The above financial results of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended thereof.
- 3 Pursuant to the Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code, 2016 initiated on 30th November 2021, the National Company Law Tribunal (NCLT) on 29 August 2025 (NCLT Order date) approved, the Resolution Plan (the Plan) submitted by Ocean Capital Market Limited ('Successful Resolution Applicant' or 'SRA' or 'OCML'). As per the terms of Section 31 of the Code, the Approved Resolution Plan shall be binding on the Company, its employees, members, creditors, guarantors and other stakeholders involved in the Resolution Plan.

Pursuant to the Approved Resolution Plan, during the period between the NCLT Approval Date / Effective Date (i.e., 29 August, 2025) and the Closing Date (as defined in the Approved Resolution Plan) ("Interim Period"), a monitoring committee was constituted ("Monitoring Committee"), comprising two representatives of the Financial Creditors, two representatives of the Resolution Applicants and the Erstwhile Resolution Professional. Thus, for the period between the NCLT Approval Date (as defined in the Approved Resolution Plan) and the Closing Date [i.e., 29 September 2025] the date of payment of consideration towards Assignment of Debt with Securities Interest to Secured Financial Creditors], the Monitoring Committee was accordingly been formed to maintain the Company as a going concern and to supervise the implementation of the Approved Resolution Plan.

The following steps have been completed during the financial year ending as on 31 March, 2026 in relation to the implementation of the Approved Resolution Plan (Plan) and shall be deemed to be in compliance with the applicable accounting standard pursuant to order passed by the Hon'ble NCLT:

- a. The directors of the Company prior to approval of the Resolution Plan have stand replaced by the new Board of Directors from their office. The Board of Directors of the Company has been reconstituted on 29th September, 2025.
- b. Extinguishment of 1,06,19,468 equity shares of INR 10 each held by erstwhile promoters of the Company and the amount has been transferred to "Capital Reserve Account".
- c. As per the terms of approved Resolution Plan, the entire admittee claim of the Financial Creditors amounting to INR 4,940.14 crores has been assigned to SRA (i.e., OCML). The financial creditors were settled through a payment of INR 207.69 crore by the SRA. Pursuant to the settlement, the financial creditors assigned its outstanding debt to the Resolution Applicant in full satisfaction of the said liability. Further, as provided in the approved Resolution Plan, the Assenting Financial Creditors shall have right to receive 50% of the value received on receipt of proceeds from arbitration within 3 years from the Effective Date. In relation to the same, SRA has paid INR 10 crores to financial creditor, which shall be adjusted from the share of financial creditors in arbitration receipts.
- d. Unsustainable debt of INR 4,675.45 crores (being the difference between the admitted claim of INR 4,893.14 crores, excluding ICICI Bank's claim, and the cash payment of INR 217.69 crores) has been settled by way of issue of 7.5 crore equity shares [15,00,000 equity shares have been issued to Assenting Financial Creditors and balance 7,35,00,000 equity shares have been issued to the AIF assigned by SRA .
- e. Settlement of operational creditors (other than employees and workmen), for a sum of INR 0.47 Crores by the Company.
- f. Extinguishment of all contingent liabilities, commitments and other claims and obligations including all taxes and other government dues standing as on the effective date.
- g. The SRA has infused INR 3 crore for acquiring 30 Lakh equity shares of INR 10 each of the Company and the same has allotted to SRA on 29.09.2025 .

EXCEPTIONAL ITEMS

(Rs. in Lakhs)

Particulars	Period ended 31 March, 2026	Period ended 31 March, 2025
(a) Extinguishment of Operational Creditors (including the Central Government, State Government or local authority) as per the terms of Approved Resolution Plan (refer note (i) below)	(5,039.46)	-
(b) Interest expense payable to Financial Creditors as per claim submitted to erstwhile Resolution Professional (refer note (ii) below)	2,23,724.03	-
(c) Liability relating to Financial Creditors not recorded earlier in the books (refer note (iii) below)	1,04,286.74	-
Total(A)	3,22,971.31	-
(d) Provision for Arbitration claim written off (refer note (iv) below)	91,273.71	-
(e) Arbitration claim raised during the year(refer note (v) below)	(70,831.96)	-
Total(B)	20,441.75	-
Net Loss (A+B)	3,43,413.06	-



- i. With respect to other operational creditors outstanding as on the insolvency commencement date, the Company has recognized a gain of INR 50.39 crores on account of extinguishment of such liabilities as an exceptional item in these financial statements.
- ii. In respect of financial Creditors, the Company has recorded interest expense of INR 2237.24 crores for the period prior to the insolvency commencement date as per the terms of the approved Resolution Plan.
- iii. The Company has recorded liability of INR 1042.87 crores in the books of accounts which was not earlier recorded in the books of accounts of the company but admitted by the erstwhile Resolution Professional.
- iv. The management has revalued the arbitration claim resulting written off of INR 912.74 Crore during the year.
- v. The management has booked fresh arbitration claim of INR 708.32 Crore during the year.
- 5 Based on the principles set out under Ind-AS 108 "Operating Segments", the Company operates in Construction Contract which is the only reportable segment. Accordingly, the Company is operating in single segment.
- 6 The Company has continued to follow the same accounting policies in preparation of financial results for the quarter and year ended March 31, 2026 as followed in the previous financial year ended March 31, 2025. Further the Company has given effect as per the approved resolution plan mentioned above.
- 7 The Government of India notified the four Labour Codes – the Code on wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, Occupational Safety, Health and Working Conditions Code, 2020 (collectively referred to as the New Labour Codes). The Ministry of Labour Employment published draft Central rules and FAQs to enable assessment of the financial impact due to changes in regulations.
- The management continues to monitor developments if any, in Central / State Rules and clarifications from the Government on other aspects of the Labour Code and would provide appropriate accounting effect on the basis of such development as needed. The management has given effect of Rs. 49.45 Lakhs in gratuity for the year 2025-26 in respect of the above new labour code.
- 8 The figures of the Last quarters ended March 31, 2026 and March 31, 2025 are the balancing figures between audited figures in respect of the full financial years and the unaudited published years to date figures up to December 31 for respective years which were subjected to limited review by statutory auditors.
- 9 The Financial Statements, as a result of the implementation of the approved Resolution Plan, the financial statements for the year ended 31st March 2026 reflect a substantially restructured balance sheet, and recognition and measurement of assets and liabilities on the basis of the approved Resolution Plan and applicable Ind AS. The figures for the comparative period (year ended 31st March 2025) were prepared during the CIRP, when the powers of the Board of Directors were vested with the Resolution Professional. Accordingly, the current year's financial statements are not strictly comparable with the previous year.
- 10 The company is proposing various amendments identified during the implementations of approved resolution plan for which the company has time period of 1 year from the effective date.

By order of the Board
For ARSS Infrastructure Projects Ltd.


(Gopal Krishna Dash)
Managing Director
DIN : 10776309



Date : 30th May, 2026
Place: Bhubaneswar

Statement of standalone assets and liabilities as per Regulation 33(3)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended :

(Rupees in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
	(Audited)	(Audited)
I. ASSETS		
1. Non-current Assets		
(a) Property, Plant and Equipment	3,520.17	3,539.02
(b) Capital Work-in-progress	-	-
(c) Intangible Assets	25.04	25.66
(d) Financial Assets		
(i) Investments	3,458.11	3,458.11
(ii) Trade Receivables	-	-
(iii) Loans	-	-
(iv) Other Financial Assets	89,771.69	1,21,614.46
(e) Deferred Tax Assets (net)	265.38	503.12
(f) Other Non-Current Assets	-	-
2. Current Assets		
a. Inventories	6,360.88	6,639.38
b. Financial Assets		
(i) Investments	-	-
(ii) Trade Receivables	5,977.32	913.58
(iii) Cash & Bank Balance	1,620.10	1,951.91
(iv) Bank Balances Other Than Three Above	1,740.91	1,657.80
(v) Loans	-	-
(vi) Other Financial Assets	12,136.39	11,781.33
c. Current Tax Assets (Net)	1,369.24	2,195.92
d. Other Current Assets	1,485.82	4,435.26
TOTAL ASSETS	1,27,731.05	1,58,715.55
II. EQUITY AND LIABILITIES		
1. Equity		
a. Equity Share Capital	9,011.85	2,273.80
b. Other Equity	86,956.30	-18,652.35
2. Liabilities		
(i) Non-current Liabilities		
a. Financial Liabilities		
(i) Borrowings	25,812.22	-
(ii) Trade Payables		
Total Outstanding Dues of MSME	-	-
Total Outstanding Dues other than MSME	-	-
(iii) Other Financial Liabilities	-	-
b. Provisions	-	146.41
c. Deferred Tax Liabilities (net)	-	-
d. Other Non-current Liabilities	-	-
(ii) Current Liabilities		
a. Financial Liabilities		
(i) Borrowings	495.55	1,62,788.49
(ii) Trade Payables		
Total Outstanding Dues of MSME	-	-
Total Outstanding Dues other than MSME	2,035.12	3,826.15
(iii) Other Financial Liabilities	2,414.36	3,393.30
b. Provisions	-	-
c. Other Current Liabilities	1,005.65	4,939.75
d. Current Tax Liability (Net)	-	-
TOTAL EQUITY AND LIABILITIES	1,27,731.05	1,58,715.55



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ARSS Infrastructure Projects Limited
CIN : L141030R2000PLC006230
Standalone Statement of Cash Flows

	(Rupees in Lakhs)	
Particulars	Year Ended March 31, 2026 (Audited)	Year Ended March 31, 2025 (Audited)
Operating Activities		
Profit before exceptional items & tax from continuing operations	-11,847.24	-835.69
Profit/(loss) before tax from discontinuing operations	-	-
Profit before tax	-11,847.24	-835.69
Adjustments for		
Adjustments for depreciation and amortisation expense	111.79	97.83
Adjustments for fair value losses (gains) on sale of Assets	4.01	-
Interest received	-73.27	120.81
Interest paid	1,164.19	45.23
Other Adjustments for non cash items:		
Other Adjustments to Reconcile profit(loss)		
Forgiveness of Operational Creditors	5,039.48	-
Net Arbitration claim written off	-20,441.75	-
Profit/loss on sale of Property, Plant & Equipment	-378.96	-
Dividend Income	-	-
Operating profit / (loss) before working capital changes	-26,421.78	-571.82
Working capital adjustments:		
Adjustments for increase (decrease) in trade payables, current	-1,791.07	2,125.29
Adjustments for increase (decrease) in other current liabilities	-3,934.09	334.49
Adjustments for decrease (increase) in trade receivables, current	-5,063.74	-51.50
Adjustments for decrease (increase) in inventories	278.50	-1,134.74
Adjustments for provisions, current	-146.41	-
Adjustments for decrease (increase) in other current assets	2,949.44	-855.05
Adjustments for other bank balances	-83.11	204.44
Adjustments for decrease (increase) in other non-current assets	-	-
Adjustments for other financial assets, non-current	32,669.45	318.69
Adjustments for other financial assets, current	-355.06	427.32
Adjustments for other financial liabilities, non-current	-	-
Adjustments for other financial liabilities, current	-978.94	328.80
Income taxes paid (refund)	-2,876.77	-3,124.64
NET CASH INFLOW FROM OPERATING ACTIVITIES (A)	-2,876.77	-3,124.64
Investing Activities		
Proceeds from issuing shares (Application)	-	-
Purchase of property, plant and equipment	-114.18	-35.22
Purchase of Intangible Assets	-	-
Proceeds from Sale of Property, Plant and equipment	396.81	-
Purchase of investment property	-	-0.01
Interest received	73.27	-120.81
NET CASH OUTFLOW FROM INVESTING ACTIVITIES (B)	355.91	-156.05
Financing Activities		
Proceeds from issue of equity shares	300.00	-
Proceeds from securities premium	-	-
Interest paid	-1,164.19	-45.23
Proceeds from borrowings	26,307.77	-
Repayments of borrowings	-23,254.53	-
Dividends paid	-	-
NET CASH INFLOW (OUTFLOW) FROM FINANCING ACTIVITIES	2,189.05	-45.23
Net increase (decrease) in cash and cash equivalents (A+B+C)	-331.81	-3,325.91
Cash and cash equivalents at the beginning of the year	1,951.91	5,277.82
Cash and cash equivalents at year end	1,620.10	1,951.91

The above Statements of cash Flows have been prepared under the indirect method set out in the Indian Accounting Standard (Ind As- 7), Statement of Cash Flows.



Annexure I

Statement on Impact of Audit Qualifications (for audit report dated 30.05.2026 with modified opinion) submitted along-with Annual Audited Standalone Financial Results of ARSS Infrastructure Projects Limited for the Financial Year ended on 31st March, 2026.

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2026 [See Regulation 33 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	15326.08	15326.08
	2.	Total Expenditure	27173.32	26050.56
	3.	Net Profit/(Loss)	(355498.04)	(425207.93)
	4.	Earnings Per Share	(394.48)	(471.83)
	5.	Total Assets	127731.05	56899.09
	6.	Total Liabilities	31762.90	30640.14
	7.	Net Worth	95968.15	26258.95
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-
II.	Audit Qualification (each audit qualification separately):			
	a. Details of Audit Qualification: Non-compliance with IND AS 115 – Revenue from Contracts with Customers, in the absence of relevant contract-wise records and underlying project documentation, contract-wise surplus/deficit on construction contracts has neither been ascertained nor recognised in compliance with Ind AS 115 'Revenue from Contracts with Customers'.			
	b. Type of Audit Qualification : Qualified Opinion			
	c. Frequency of qualification: Qualification No. a) since Financial Year 2013-14			

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:

The new management of the company has started the implementation of the resolution plan taking necessary steps to comply with IND AS-115, for the said purpose the Board of Directors appoint necessary manpower. In absence of the certain material information as the contract were related to the period of erstwhile management, the compliance of IND AS-115 could not be done.

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.

(iii) Auditors' Comments on (i) or (ii) above:

As per our qualifications.

b.Details of Audit Qualification:

During the year, the Company has recognised certain arbitration claims as income in the Statement of Profit and Loss and as Claims Receivable under Other Financial Assets in the Balance Sheet. These claims are subject to arbitration proceedings whose outcome is uncertain and the receivability of the same is not established. In our opinion, such recognition is not in accordance with applicable Indian Accounting Standards for the following reasons:

- a. Under Ind AS 115, variable consideration including amounts subject to arbitration can be included in transaction price only when it is highly probable that a significant reversal of cumulative revenue recognised will not occur. The recognition of arbitration claims whose outcome is uncertain does not meet this threshold.
- b. Under Ind AS 109, recognition of a financial asset requires an unconditional contractual right to receive cash. Most of the arbitration claims that are yet to be adjudicated and where the counterparty's liability is neither admitted nor determined by a competent authority do not qualify for recognition as financial assets.
- c. Under Ind AS 37, such claims constitute contingent assets which are not to be recognised in financial statements until the inflow of economic benefits is virtually certain. Recognition of contingent assets is expressly prohibited under Ind AS 37 as it may result in recognition of income that may never be realised.

Consequently, in our opinion, the recognition of these arbitration claims to the tune of Rs.

	70,831.96 Lakhs has resulted in overstatement of exceptional items in Profit and Loss, other financial assets and net worth of the Company as at 31st March 2026. Had these claims been appropriately disclosed as contingent assets in accordance with Ind AS 37 instead of being recognised, the exceptional items, other financial assets and net worth of the Company would each have been lower to that extent.
	b. Type of Audit Qualification : Qualified Opinion
	c. Frequency of qualification: Qualification No. a) since Financial Year 2025-26
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: The new management has reviewed the Company's books of accounts for the period preceding the resolution plan's approval, alongside the ongoing arbitration proceedings. In alignment with the matching concept, revenue recognition for contract work performed earlier is crucial, as the corresponding expenses were already accounted for in prior periods, ensuring a true and fair view of the Company's financial performance. Furthermore, the Company has received favorable order in a significant portion of these arbitration proceedings. These orders unequivocally affirms the Company's right to receive the awarded claim amounts. Based on comprehensive advice from legal consultants, who have evaluated the strength of this order and the financial capacity of the counterparty, management is virtually certain that the full amount of these claims will be recovered. Our legal advisors have provided a high probability assessment of successful collection, significantly surpassing the 'probable' threshold, thereby justifying immediate recognition in accordance with the principles of accrual accounting rather than contingent disclosure
	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) Auditors' Comments on (i) or (ii) above: As per our qualifications.
	c.Details of Audit Qualification: 1. The Company has classified a loan received from Ocean Capital Market Limited (Successful Resolution Applicant), a related party as at reporting date, as a "Secured Borrowing" in the Balance Sheet as at 31st March 2026 and has accrued interest thereon at 9% per annum. We report the following concerns: a. No security creation documents have been executed as at the balance sheet date and no charge has been registered with the Registrar of Companies. b. The approved Resolution Plan sanctioned by the Hon'ble NCLT does not contemplate payment

	of interest on this loan. Accrual of interest at 9% per annum, although supported by loan sanction letter, creates a financial obligation beyond the scope of the approved Resolution Plan. c. The requisite approvals for this related party transaction, including prior Audit Committee approval under Section 177 of the Companies Act, 2013 and Regulation 23 of SEBI (LODR) Regulations, 2015, and Board / shareholder approval under Section 188 of the Companies Act, 2013, have not been demonstrated to us. The above matters have resulted in incorrect classification of borrowings and incorrect recognition of interest expense to the tune of Rs. 1,122.76 Lakhs.
	b. Type of Audit Qualification : Qualified Opinion
	c. Frequency of qualification: Qualification No. a) since Financial Year 2025-26
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: The amount received by the Monitoring Committee was pursuant to the Resolution Plan, as approved by the Hon'ble NCLT vide its order dated 29 August 2025, and was duly recorded in the books of accounts. Pursuant to the Resolution Plan, the entire security interest shall vest with the Successful Resolution Applicant (SRA), Ocean Capital Market Limited. However, the implementation of the Resolution Plan is under process. The matter was discussed in the Audit Committee Meeting as well as the Board Meeting. Consequently, the charge will be filed at the earliest. With regard to the levy of interest, it is noted that while the NCLT order does not explicitly mention interest, the same is clearly stipulated in the sanction letter received from Ocean Capital Market Limited. The absence of a specific reference to interest in the NCLT order does not constitute a violation, nor does it imply that interest is not chargeable. Silence on the matter in the NCLT order cannot be construed as a waiver of interest, considering the terms of the sanction letter and the applicable provisions of the Companies Act, 2013. Accordingly, management has charged interest in accordance with the sanction letter issued by Ocean Capital Market Limited. At the time of the related party transaction, i.e., the receipt of the loan pursuant to the Resolution Plan, there was neither a Board of Directors nor an Audit Committee in place, as the Company was under the control of the Resolution Professional, who was acting as the Chairman of the Monitoring Committee along with two members representative of the financial creditors. Subsequently, before the finalization of the financial statements for FY 2025-26, the Audit Committee and the Board of Directors duly considered and approved the aforesaid transaction.

	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification: Not Applicable
	(ii) If management is unable to estimate the impact, reasons for the same:
	(iii) Auditors' Comments on (i) or (ii) above: As per our qualifications.
III.	Signatories:
	 Gopal Krishna Dash (Managing Director) DIN : 10776309 
	 Mr. S. K. Pattanaik, Chief Financial Officer 
	Statutory Auditor CA Vipul Kumar Gupta Partner For A D V AND CO LLP Chartered Accountant FRN : 003467N/N500463 M.No.-522310 UDIN: 26522310Y4IUFC5887 
	Place: Bhubaneswar Date : 30.05.2026

Mrs. Payal Agarwal
 AUDIT COMMITTEE CHAIRMAN
 DIN - 01617065

Payal Agarwal

Independent Auditor's Report on the Quarterly and Annual Audited Consolidated Financial Results for the year ended March 31, 2026 of ARSS Infrastructure Projects Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

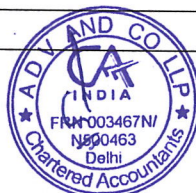
To the Board of Directors of ARSS Infrastructure Projects Limited

Qualified Opinion

1. We have audited the accompanying statement of Consolidated Financial Results ("the Statement") of M/s **ARSS INFRASTRUCTURE PROJECTS LIMITED**, its subsidiaries, and based on the consideration of reports of other auditors on separate audited financial statements of its associates and its joint ventures (the Company, its subsidiaries, its associates and its joint ventures together referred to as the "Group") for the three months and year ended 31st March, 2026 and the consolidated statement of assets and liabilities and the Consolidated statement of cash flows as at and for the year ended on that date, attached herewith, being submitted by the Holding company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of its subsidiaries and other auditors on separate audited financial statements/ financial information of the associates and Joint Ventures, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid Consolidated Annual Financial Results:
 - a. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in the regard.
 - b. except for the 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 Company as at March 31st, 2026, its consolidated loss and its consolidated total comprehensive income, its consolidated changes in equity and its consolidated cash flows for the year ended on that date.
3. The aforesaid consolidated annual financial results include the annual financial results of the following entities:

The Statement includes the audited results of the following entities

Name of Entity	Nature
ARSS Damoh Hirapur Tolls Private Limited	Subsidiary
ARSS Developers Limited	Associate
Atlanta-ARSS JV	Joint Venture
ARSS-SCPL JV	Joint Venture
ARSS LGPPL JV	Joint Venture
ARSS BDPL- JV	Joint Venture
ARSS Thakur JV	Joint Venture
ARSS SNKI JV	Joint Venture



ARSS Royal JV	Joint Venture
SCPL-ARSS JV	Joint Venture

The Statement includes the un-audited results of the following entities

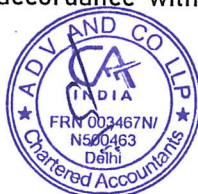
Name of Entity	Nature
ARSS-SIPS JV	Joint Venture
ARSS Technocom Priyashi Aashi JV	Joint Venture
ARSS-BMS JV	Joint Venture
ARSS-KKMPL JV	Joint Venture
ARSS-NTLLP JV	Joint Venture

Basis of Qualified Opinion:

We conducted our audit of the interim condensed Consolidated Financial Results in accordance with the Standards on Auditing ("SAs") specified under section 143 (10) of the Act. 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 in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Financial Results under the provisions of the Act and the Rules made thereunder, 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Results.

1. Non-compliance with IND AS 115 – Revenue from Contracts with Customers, , in case of the Company, in the absence of relevant contract-wise records and underlying project documentation, contract-wise surplus/deficit on construction contracts has neither been ascertained nor recognised in compliance with Ind AS 115 'Revenue from Contracts with Customers'.
2. During the year, the Company has recognised certain arbitration claims as income in the Statement of Profit and Loss and as Claims Receivable under Other Financial Assets in the Balance Sheet. These claims are subject to arbitration proceedings whose outcome is uncertain and the receivability of the same is not established. In our opinion, such recognition is not in accordance with applicable Indian Accounting Standards for the following reasons:
 - a. Under Ind AS 115, variable consideration including amounts subject to arbitration can be included in transaction price only when it is highly probable that a significant reversal of cumulative revenue recognised will not occur. The recognition of arbitration claims whose outcome is uncertain does not meet this threshold.
 - b. Under Ind AS 109, recognition of a financial asset requires an unconditional contractual right to receive cash. Most of the arbitration claims that are yet to be adjudicated and where the counterparty's liability is neither admitted nor determined by a competent authority do not qualify for recognition as financial assets.
 - c. Under Ind AS 37, such claims constitute contingent assets which are not to be recognised in financial statements until the inflow of economic benefits is virtually certain. Recognition of contingent assets is expressly prohibited under Ind AS 37 as it may result in recognition of income that may never be realised.

Consequently, in our opinion, the recognition of these arbitration claims to the tune of Rs. 70,831.96 Lakhs has resulted in overstatement of exceptional items in Profit and Loss, other financial assets and net worth of the Company as at 31st March 2026. Had these claims been appropriately disclosed as contingent assets in accordance with Ind AS 37 instead of being recognised, the



exceptional items, other financial assets and net worth of the Company would each have been lower to that extent.

3. The Company has classified a loan received from Ocean Capital Market Limited (Successful Resolution Applicant), a related party as at reporting date, as a "Secured Borrowing" in the Balance Sheet as at 31st March 2026 and has accrued interest thereon at 9% per annum. We report the following concerns:
- No security creation documents have been executed as at the balance sheet date and no charge has been registered with the Registrar of Companies.
 - The approved Resolution Plan sanctioned by the Hon'ble NCLT does not contemplate payment of interest on this loan. Accrual of interest at 9% per annum, although supported by loan sanction letter, creates a financial obligation beyond the scope of the approved Resolution Plan.
 - The requisite approvals for this related party transaction, including prior Audit Committee approval under Section 177 of the Companies Act, 2013 and Regulation 23 of SEBI (LODR) Regulations, 2015, and Board / shareholder approval under Section 188 of the Companies Act, 2013, have not been demonstrated to us.

The above matters have resulted in incorrect classification of borrowings and incorrect recognition of interest expense to the tune of Rs. 1,122.76 Lakhs.

Emphasis of Matter Paragraph:

We draw attention to:-

- Note No. 3 & Note No. 4 to the Statement, which describe the completion of the Corporate Insolvency Resolution Process ("CIRP") and the implementation of the Resolution Plan approved by the Hon'ble National Company Law Tribunal, Cuttack Bench ("NCLT"), vide order dated 29th August, 2025, in favour of M/s Ocean Capital Market Limited ("OCML" / "Successful Resolution Applicant" / "SRA"). The Resolution Plan has resulted in, inter alia, reconstitution of the Board of Directors, extinguishment of erstwhile promoter equity, settlement/restructuring of financial and operational creditor liabilities, conversion of unsustainable debt into equity, fresh equity infusion by the SRA, and recognition of net loss as Exceptional Items of ₹3,22,971.31 Lakhs in the Statement of Profit and Loss for the year. These transactions are complex, involve significant management judgement, and have had a material impact on the financial position and results of the Company for the year ended 31st March, 2026. Further, the financial statements for the year ended March 31, 2026 have been prepared on going concern considering the implementation of the Approved Resolution Plan. Our opinion is not modified in respect of this matter.
- Note No. 10 to the Statement, as a result of the implementation of the approved Resolution Plan, the financial statements for the year ended 31st March 2026 reflect a substantially restructured statement, and recognition and measurement of assets and liabilities on the basis of the approved Resolution Plan and applicable Ind AS. The figures for the comparative period (year ended 31st March 2025) were prepared during the CIRP, when the powers of the Board of Directors were vested with the Resolution Professional. Accordingly, the current year's financial statements are not strictly comparable with the previous year. Our opinion is not modified in respect of this matter.
- Note No. 4 (d) to the Statement, the company has written off Rs. 91,273.71 Lakhs of arbitration claim to the extent of award/expected realization amount previously stated as Claims Receivable under Other Financial Assets. Our opinion is not modified in respect of this matter.
- Note No. 4(e) to the Statement, the company has identified certain arbitration claims amounting to Rs. 70,831.96 Lakhs which were not booked in the financial statements. During the year, the company has booked those claims in financial statements as Claims Receivable under Other Financial Assets. We have modified opinion in respect of recognizing new arbitration claims as mentioned in qualified opinion.



- v. Note No. 11 to the Statement, during the course of implementation, the Company has identified certain provisions in the approved Resolution Plan which require amendments, either on account of ambiguity, need for clarification, or inconsistency with the provisions of the Insolvency and Bankruptcy Code, 2016. The Company is in the process of filing necessary applications before the Hon'ble NCLT seeking amendments to the approved Resolution Plan within the stipulated period which is not over at reporting period of financial statements. The outcome of these applications and the consequential impact, if any, on the financial statements of the Company is presently not determinable. Our opinion is not modified in respect of this matter.
- vi. Note No. 12 to the Statement, in case of ARSS Damoh - Hirapur Tolls Private Limited, wherein the Capital Work-in-Progress (CWIP), which has been carried at Rs. 6,694.70 Lakhs (Previous Year: Rs. 6,694.70 Lakhs) without any movement since a long period, has been disclosed under 'Other Non Current Financial Assets'. The said amount represents the Company's pending claim against MPRDC authority arising out of the termination of the DOT contract on 20.05.2013, which remains unresolved. In view of the classification of this amount as a financial asset representing the pending claim, physical verification of Capital Work-In-Progress is not applicable. Our opinion is not modified in respect of this matter.
- vii. Note No. 7 to the Statement, this consolidated financial statement include the financial results of ARSS-SIPS JV, ARSS Technocom Priyashi Aashi JV, ARSS-BMS JV, ARSS KKMPL JV and ARSS NTLLP JV, which have not been audited by their auditors but reviewed by the management of the respective entities, as considered in the statement. According to the information and explanations given to us by the Management of Holding Company, these financial information/financial results are not material to the Group. Further, these results were certified by the respective entities' management and accepted by the Board of Directors/Management. Our opinion is not modified in respect of this matter.

Responsibilities of Management, Board of Directors and Those Charged with Governance for the Consolidated Financial Results

The Company's Board of Directors/Management are responsible for the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with IND AS 34 and other accounting principles generally accepted in India. The respective Boards of Directors/Management of the entities included in the Group are responsible for maintenance of the adequate accounting records for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the respective financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Boards of Directors/ Management of the entities included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Boards of Directors/ Management either intend to liquidate their own respective entities or to cease operations, or have no realistic alternative but to do so.

The respective Boards of Directors/ Management of the entities included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Results

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary companies which are companies incorporated in India, has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Board of Directors/Management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated financial statements of which we are independent auditors. For the other entities included in the Statement, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.



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 of the Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

Other Matter

The comparative financial information of the Company for the corresponding quarter and year ended March 31, 2025, included in these standalone financial results, were audited by the predecessor auditor who expressed an unmodified opinion on those financial information on May 28, 2025.

The Statement includes the financial results for the quarter ended 31 March 2026, being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us. Our report on the statement is not modified in respect of this matter.

For A D V AND CO LLP
Chartered Accountants
Firm Regn. No. 003467N/N500463

CA Vipul Kumar Gupta
Membership No. 522310
UDIN: 26522310HBETQR7692

Dated: May 30th, 2026
Camp: Bhubaneswar

ARSS Infrastructure Projects Limited
CIN : L441030R2000PLC006230
Extract Of Consolidated Audited Financial Results For The Quarter and Year Ended On March 31, 2025

Key numbers of Financial Results		(Rs in Lakhs except for EPS)				
		Consolidated			Year ended	
		March 31, 2026	Quarter ended December 31, 2025	March 31, 2025	March 31, 2026	March 31, 2025
Sl.No.	Particulars	(Audited) (Refer Note-c)	(Un Audited)	(Audited) (Refer Note-c)	(Audited)	(Audited)
1	Total Revenue from Operations	7,744.99	3,825.10	2,539.51	14,579.28	16,538.80
2	Net Profit / (Loss) (before Tax, Exceptional and/or Extraordinary items)	(18.87)	103.76	(986.48)	(11,853.54)	(837.79)
3	Net Profit / (Loss) before Tax (after Exceptional and/or Extraordinary items)	(20,996.79)	98.56	(906.42)	(3,55,119.73)	(662.90)
4	Net Profit / (Loss) after Tax (after Exceptional and/or Extraordinary items)	(21,052.88)	(12.08)	(949.53)	(3,55,357.47)	(776.57)
5	Total Comprehensive Income [Comprising Profit / (Loss) after tax and Other Comprehensive Income after tax]	(21,052.88)	(12.08)	(949.53)	(3,55,357.47)	(776.57)
6	Equity Share Capital	9,011.85	9,011.85	2,273.30	9,011.85	2,273.80
7	Earnings per share (of Rs 10/- each) Basic & Diluted (Not Annualised)	(23.36)	(0.02)	(4.38)	(394.32)	(3.42)

Notes :

- The above Consolidated audited financial results of the Company for the quarter and year ended March 31, 2025 have been reviewed by Audit Committee and approved by the Board of Directors of the Company at its meetings held on May 30, 2026. These results are being published in accordance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- The above is an extract of the detailed format of the Statement of Consolidated Audited Financial Results for the quarter and year ended March 31, 2025 filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The full format of the Statement of Audited Consolidated Financial Results for the quarter and year ended on 31st March 2026, are available on the website of the Stock Exchanges - www.bseindia.com and www.nseindia.com as well as on the website of the Company - <http://arssgroup.in/PDF/QuarterlyResult/Board%20Meeting%20Outcome%2031-03-2026.pdf>
- The figures of the Last quarters ended March 31, 2026 and March 31, 2025 are the balancing figures between audited figures in respect of the full financial years and the audited published years to date figures up to December 31, 2025 for respective years which were subjected to limited review by statutory auditors.

The Results can be accessed through the following link or scanning the QR Code

<http://arssgroup.in/PDF/QuarterlyResult/Board%20Meeting%20Outcome%2031.03.2026.pdf>



Date : 30th May, 2026
Place: Bhubaneswar

By order of the Board
For ARSS Infrastructure Projects Ltd.


(Gopal Krishna Dash)
Managing Director
DIN : 10776809





ARSS Infrastructure Projects Limited

CIN : L14103OR2000PLC006230

Statement of Consolidated Audited Financial Results for the Quarter and Year Ended March 31, 2026

(Rs in Lakhs except for EPS)

Particulars	Consolidated				
	Quarter Ended			Year ended	
	March 31,2026	December 31,2025	March 31,2025	March 31,2026	March 31,2025
	(Audited) Refer Note-8	(Un Audited)	(Audited) Refer Note-8	(Audited)	(Audited)
I) Income					
a) Revenue From Operations	7,744.99	3,825.10	2,539.51	14,579.28	16,538.80
b) Other income	135.75	75.99	129.43	340.25	450.01
c) Other gains/(Losses)	117.03	289.52	-	406.55	183.68
Total Income	7,997.77	4,190.61	2,668.94	15,326.08	17,172.49
II) Expenses					
a) Cost of materials consumed	3,338.92	1,142.33	1,874.23	6,393.34	3,794.07
b) Cost Of Goods/Services Sold	1,886.61	1,912.58	2,152.59	6,191.15	12,842.37
c) Changes in Inventories of finished goods, work-in-progress and Stock-in-trade	513.41	18.24	(1,157.51)	(836.39)	(1,630.32)
d) Depreciation and Amortization expenses	35.11	26.86	24.43	111.79	97.83
e) Employee Benefit Expenses	597.57	322.10	392.01	1,449.77	1,226.46
f) Finance cost	1,132.25	0.14	-	1,164.19	45.23
g) Other Expenses	512.77	664.59	369.77	12,705.77	1,634.64
Total Expenses	8,016.64	4,086.85	3,655.52	27,179.62	18,010.28
III) Profit / (Loss) before exceptional items and tax (I-II)	(18.87)	103.76	(986.58)	(11,853.54)	(837.79)
IV) Share of net profit of associates and joint ventures accounted using equity method	116.52	(5.20)	79.95	146.87	174.88
V) Exceptional items (refer note-4)	21,091.11	-	-	0.40,410.06	-
VI) Profit / (Loss) before tax (III+IV-V)	(20,996.79)	98.56	(906.62)	(3,55,119.73)	(662.90)
VII) Tax expense :					
a) Current tax	-	-	-	-	-
b) Deferred tax	56.09	110.64	43.31	237.74	113.67
c) Tax of Earlier Years	-	-	-	-	-
Total tax expenses	56.09	110.64	43.31	237.74	113.67
VIII) Profit / (Loss) for the period (VI-VII)	(21,052.88)	(12.08)	(949.93)	(3,55,357.47)	(776.57)
IX) Other Comprehensive income					
(a) Items that will not be reclassified to profit or loss :					
- Gain on fair value of defined benefit plans as per actuarial valuation	-	-	-	-	-
- Others	-	-	-	-	-
- Income tax effect on above	-	-	-	-	-
(b) Items to be reclassified subsequently to profit or loss					
-Changes in investments other than equity shares carried at Fair Value through OCI (FVOCI)	-	-	-	-	-
Other Comprehensive income for the year, net of tax	-	-	-	-	-
X) Total comprehensive income for the year, net of tax (VIII+IX)	(21,052.88)	(12.08)	(949.93)	(3,55,357.47)	(776.57)
XI) Paid up Equity Share Capital (Rs.10/- per share)	9,011.85	9,011.85	2,273.80	9,011.85	2,273.80
XII) Other Equity				86,525.30	(19,223.91)
XIII) Earnings per equity share :					
(1) Basic (Not Annualised)	(23.36)	(0.02)	(4.18)	(394.32)	(3.42)
(2) Diluted (Not Annualised)	(23.36)	(0.02)	(4.18)	(394.32)	(3.42)

Regd. Office : Plot No-38, Sector-A, Zone-D, Mancheswar Industrial Estate, Bhubaneswar, Odisha - 751010
 Corp. Office : ARSS Mall, Plot no-40, Community Centre, Block-A, Paschim Vihar, Opp-Jwalaheri Market, New Delhi - 110063
 E-mail : response@arssgroup.in, Website: www.arssgroup.in



- 1 The above Audited Financial Results of the Company for the Quarter and Year ended March 31, 2026 have been reviewed by Audit Committee and approved by the Board of Directors of the Company at its meetings held on May 30, 2026. The Statutory Auditor of the company has audited the said result. These results are being published in accordance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 2 The above financial results of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended thereof.
- 3 Pursuant to the Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code, 2016 initiated on 30th November 2021, the National Company Law Tribunal (NCLT) on 29 August 2025 (NCLT Order date) approved, the Resolution Plan (the Plan) submitted by Ocean Capital Market Limited ('Successful Resolution Applicant' or 'SRA' or 'OCML'). As per the terms of Section 31 of the Code, the Approved Resolution Plan shall be binding on the Company, its employees, members, creditors, guarantors and other stakeholders involved in the Resolution Plan.

Pursuant to the Approved Resolution Plan, during the period between the NCLT Approval Date / Effective Date (i.e., 29 August, 2025) and the Closing Date (as defined in the Approved Resolution Plan) ("Interim Period"), a monitoring committee shall be constituted ("Monitoring Committee"), shall comprise two representatives of the Financial Creditors, two representatives of the Resolution Applicants and the Erstwhile Resolution Professional. Thus, for the period between the NCLT Approval Date (as defined in the Approved Resolution Plan) and the Closing Date [i.e., 29 September 2025 the date of payment of consideration towards Assignment of Debt with Securities Interest to Secured Financial Creditors], the Monitoring Committee has accordingly been formed to maintain the Company as a going concern and to supervise the implementation of the Approved Resolution Plan.

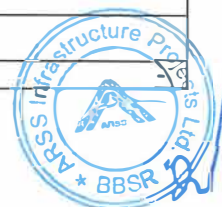
The following steps have been completed during the financial year ending as on 31 March, 2026 in relation to the implementation of the Approved Resolution Plan (Plan) and shall be deemed to be in compliance with the applicable accounting standard pursuant to order passed by the Hon'ble NCLT:

- a. The directors of the Company prior to approval of the Resolution Plan have stand replaced by the new Board of Directors from their office. The Board of Directors of the Company has been reconstituted on 29th September, 2025.
- b. Extinguishment of 1,06,19,468 equity shares of INR 10 each held by erstwhile promoters of the Company and the amount has been transferred to "Capital Reserve Account".
- c. As per the terms of approved Resolution Plan, the entire admitted claim of the Financial Creditors amounting to INR 4,940.14 crores has been assigned to SRA (i.e., OCML). The financial creditors were settled through a payment of INR 207.69 crore by the SRA. Pursuant to the settlement, the financial creditors assigned its outstanding debt to the Resolution Applicant in full satisfaction of the said liability. Further, as provided in the approved Resolution Plan, the Assenting Financial Creditors shall have right to receive 50% of the value received on receipt of proceeds from arbitration within 3 years from the Effective Date. In relation to the same, SRA has paid INR 10 crores to financial creditor, which shall be adjusted from the share of financial creditors in arbitration receipts.
- d. Unsustainable debt of INR 4,675.45 crores (being the difference between the admitted claim of INR 4,893.14 crores, excluding ICICI Bank's claim, and the cash payment of INR 217.69 crores) has been settled by way of issue of 7.5 crore equity shares [15,00,000 equity shares have been issued to Assenting Financial Creditors and balance 7,35,00,000 equity shares have been issued to the AIF assigned by SRA].
- e. Settlement of operational creditors (other than employees and workmen), for a sum of INR 0.47 crores by the Company.
- f. Extinguishment of all contingent liabilities, commitments and other claims and obligations including all taxes and other government dues standing as on the effective date.
- g. The SRA has infused INR 3 crores for acquiring 30 Lakh equity shares of INR 10 each of the Company and the same has allotted to SRA on 29.09.2025.

4 EXCEPTIONAL ITEMS

(Rs. in Lakhs)

Particulars	Period ended 31 March, 2026	Period ended 31 March, 2025
(a) Extinguishment of Operational Creditors (including the Central Government, State Government or local authority) as per the terms of Approved Resolution Plan (refer note (i) below)	(5,039.46)	-
(b) Interest expense payable to Financial Creditors as per claim submitted to erstwhile Resolution Professional (refer note (ii) below)	2,23,724.03	-
(c) Liability relating to Financial Creditors not recorded earlier in the books (refer note (iii) below)	1,04,286.74	-
Total(A)	3,22,971.31	
(d) Provision for Arbitration claim written off (refer note (iv) below)	91,273.71	
(e) Arbitration claim raised during the year (refer note (v) below)	(70,831.96)	
Total(B)	20,441.75	
Net Loss(A+B)	3,43,413.06	



i. With respect to other operational creditors outstanding as on the insolvency commencement date, the Company has recognized a gain of INR 50.39 crores on account of extinguishment of such liabilities as an exceptional item in these financial statements.

ii. In respect of financial creditors, the Company has recorded interest expense of INR 2237.24 crores for the period prior to the insolvency commencement date as per the terms of the approved Resolution Plan.

iii. The Company has recorded liability of INR 1042.87 crores in the books of accounts which was not earlier recorded in the books of accounts of the company but admitted by the erstwhile Resolution Professional.

iv. The management has revalued the arbitration claim resulting written off of INR 912.74 crores during the year.

v. The management has booked fresh arbitration claim of INR 708.32 Crores during the year.

5 Based on the principles set out under Ind-AS 108 "Operating Segments", the company operates in Construction Contract which is the only reportable segment. Accordingly, the company is operating in single segment.

6 As at 31st March 2026, the ARSS Group consolidation comprises of the following:

Sl. No.	Name of the Entity	Relationship
1	ARSS Infrastructure Projects Limited	Holding Company
2	ARSS Damoh Hirapur Tolls Private	Subsidiary Company
3	ARSS Developers Limited	Associate Company
4	ATLANTA-ARSS JV	Joint Venture
5	ARSS-SCPL JV	Joint Venture
6	ARSS LGPPL JV	Joint Venture
7	ARSS DDPL JV	Joint Venture
8	ARSS TILAKUR JV	Joint Venture
9	ARSS SNKI JV	Joint Venture
10	ARSS ROYAL JV	Joint Venture
11	SCPL ARSS JV	Joint Venture
12	ARSS BMS JV	Joint Venture
13	ARSS Technocom Priyashi Aashi JV	Joint Venture
14	ARSS SIPS JV	Joint Venture
15	ARSS KKMPL JV	Joint Venture
16	ARSS NTLLP JV	Joint Venture

7 The financials of ARSS BMS JV, ARSS Technocom Priyashi Aashi JV, ARSS SIPS JV, ARSS KKMPL JV & ARSS NTLLP JV is prepared by the JV partner, the profit/loss for the current period is considered in the statement as certified by the management.

8 The Company has continued to follow the same accounting policies in preparation of audited financial results for the quarter and year ended March 31, 2026 as followed in the previous financial year ended March 31, 2025. Further the Company has given effect as per the approved resolution plan mentioned above.

9 The Government of India notified the four Labour Codes – the Code on wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, Occupational Safety, Health and Working Conditions Code, 2020 (collectively referred to as the New Labour Codes). The Ministry of Labour Employment published draft Central rules and FAQs to enable assessment of the financial impact due to changes in regulations.

The management continues to monitor developments if any, in Central / State Rules and clarifications from the Government on other aspects of the Labour Code and would provide appropriate accounting effect on the basis of such development as needed. The management has given effect of Rs. 49.45 Lakhs in gratuity for the year 2025-26 in respect of the above new labour code.

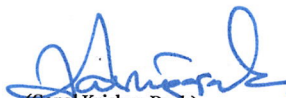
10 The Financial Statements, as a result of the implementation of the approved Resolution Plan, the financial statements for the year ended 31st March 2026 reflect a substantially restructured balance sheet, and recognition and measurement of assets and liabilities on the basis of the approved Resolution Plan and applicable Ind AS. The figures for the comparative period (year ended 31st March 2025) were prepared during the CIRP, when the powers of the Board of Directors were vested with the Resolution Professional. Accordingly, the current year's financial statements are not strictly comparable with the previous year.

11 The company is proposing various amendments identified during the implementations of approved resolution plan for which the company has time period of 1 year from the effective date.

12 The Claim of Rs. 6694.70 Lakhs raised by ARSS Damoh Hirapur Tolls Pvt Ltd (Subsidiary) is pending with MPRDC.

By order of the Board
For ARSS Infrastructure Projects Ltd.

Date : 30th May, 2026
Place: Bhubaneswar


(Gopal Krishna Dash)
Managing Director
DIN : 10776309



Statement of Consolidated assets and liabilities as per Regulation 33(3)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended :

(Rupees in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
	(Audited)	(Audited)
I. ASSETS		
1. Non-current Assets		
(a) Property, Plant and Equipment	3,520.17	3,539.02
(b) Capital Work-in-progress	-	-
(c) Right of use of Assets	25.04	25.66
(d) Financial Assets		
(i) Investments	832.09	685.22
(ii) Trade Receivables	-	-
(iii) Loans	-	-
(iv) Other Financial Assets	96,466.39	1,28,309.16
(e) Deferred Tax Assets (net)	265.38	503.12
(f) Other Non-Current Assets	-	-
2. Current Assets		
a. Inventories	6,360.88	6,639.38
b. Financial Assets		
(i) Investments	-	-
(ii) Trade Receivables	5,977.32	913.58
(iii) Cash & Bank Balance	1,620.39	1,952.37
(iv) Bank Balances Other Than Three Above	1,740.91	1,657.80
(v) Loans	-	-
(vi) Other Financial Assets	7,718.17	7,363.13
c. Current Tax Assets (Net)	1,369.24	2,195.92
d. Other Current Assets	1,487.47	4,436.91
TOTAL ASSETS	1,27,383.45	1,58,221.27
II. EQUITY AND LIABILITIES		
1. Equity		
a. Equity Share Capital	9,011.85	2,273.80
b. Other Equity	86,525.30	-19,223.91
Non-Controlling Interest	4.00	4.00
2. Liabilities		
(i) Non-current Liabilities		
a. Financial Liabilities		
(i) Borrowings	25,812.22	-
(ii) Trade Payables		
Total Outstanding Dues of MSME	-	-
Total Outstanding Dues other than MSME	-	-
(iii) Other Financial Liabilities	-	-
b. Provisions	-	146.41
c. Deferred Tax Liabilities (net)	-	-
d. Other Non-current Liabilities	-	-
(ii) Current Liabilities		
a. Financial Liabilities		
(i) Borrowings	565.74	1,62,856.62
(ii) Trade Payables		
Total Outstanding Dues of MSME	-	-
Total Outstanding Dues other than MSME	2,041.97	3,828.94
(iii) Other Financial Liabilities	2,416.72	3,395.66
b. Provisions	-	-
c. Other Current Liabilities	1,005.65	4,939.75
d. Current Tax Liability (Net)	-	-
TOTAL EQUITY AND LIABILITIES	1,27,383.45	1,58,221.27





ARSS Infrastructure Projects Limited
CIN : L141030R2000PLC006230
Consolidated Statement of Cash Flows

	(Rupees in Lakhs)	
Particulars	For the Year Ended March 31, 2026 (Audited)	For the Year Ended March 31, 2025 (Audited)
Operating Activities		
Profit before exceptional items & tax from continuing operations	-11,706.67	-662.90
Profit/(loss) before tax from discontinuing operations	-	-
Profit before tax	-11,706.67	-662.90
Adjustments for		
Adjustments for depreciation and amortisation expense	111.79	97.83
Adjustments for fair value losses (gains)	4.01	-
Re-measurement of Defined Benefits Plan	-	-
Interest received	-73.27	120.81
Interest paid	1,164.19	45.23
Other Adjustments for non cash items:		
Other Adjustments to Reconcile profit(loss)		
Extinguishment of Operational Creditors	5,039.46	-
Net Arbitration claim written off	80,441.73	-
Share of profit & loss from joint ventures	-146.87	-
Profit/loss on sale of Property, Plant & Equipment	-378.96	-
Dividend Income	-	-
Operating profit / (loss) before working capital changes	-26,428.08	-399.03
Working capital adjustments:		
Adjustments for increase (decrease) in trade payables, current	-1,786.97	-2,125.29
Adjustments for increase (decrease) in other current liabilities	-3,934.09	334.49
Adjustments for increase (decrease) in trade receivables, current	-5,063.74	-51.50
Adjustments for decrease (increase) in inventories	278.50	-1,134.74
Adjustments for provisions, current	-146.41	-
Adjustments for decrease (increase) in other current assets	2,949.44	-856.69
Adjustments for other bank balances	-83.11	204.44
Adjustments for decrease (increase) in other non-current assets	-	-
Adjustments for other financial assets, non-current	32,669.45	318.70
Adjustments for other financial assets, current	-355.04	427.32
Adjustments for other financial liabilities, non-current	-	-
Adjustments for other financial liabilities, current	-978.94	332.71
Income taxes paid	-2,878.99	-2,949.59
NET CASH INFLOW FROM OPERATING ACTIVITIES (A)	-2,878.99	-2,949.59
Investing Activities		
Purchase of property, plant and equipment	-114.18	-35.22
Proceeds/(Purchase) of Capital Work In Progress	-	-
Proceeds from Sale of Property, Plant and equipment	396.81	-
Purchase/(Sale) of Investments	-	-174.88
Interest received	73.27	-120.81
NET CASH OUTFLOW FROM INVESTING ACTIVITIES (B)	355.91	-330.91
Financing Activities		
Proceeds from issue of equity shares	300.00	-
Proceeds from securities premium	-	-
Interest paid	-1,164.19	-45.23
Proceeds from borrowings	26,309.82	-
Repayments of borrowings	-23,254.53	-
Dividends paid including Dividend Distribution Tax	-	-
NET CASH INFLOW (OUTFLOW) FROM FINANCING ACTIVITIES	2,191.10	-45.23
Net increase (decrease) in cash and cash equivalents (A+B+C)	-331.98	-3,325.73
Cash and cash equivalents at the beginning of the year	1,952.37	5,278.11
Cash and cash equivalents at year end	1,620.39	1,952.37

The above Statements of cash Flows have been prepared under the indirect method set out in the Indian Accounting Standard (Ind As- 7), Statement of Cash Flows.



Annexure I

Statement on Impact of Audit Qualifications (for audit report dated 30.05.2026 with modified opinion) submitted along-with Annual Audited Consolidated Financial Results of ARSS Infrastructure Projects Limited for the Financial Year ended on 31st March, 2026.

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2026 [See Regulation 33 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	15326.08	15326.08
	2.	Total Expenditure	27179.62	26056.86
	3.	Net Profit/(Loss)	(355357.47)	(425066.67)
	4.	Earnings Per Share	(394.32)	(471.67)
	5.	Total Assets	127383.45	56551.49
	6.	Total Liabilities	31842.30	30719.54
	7.	Net Worth	95541.15	25831.95
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-
II.	Audit Qualification (each audit qualification separately):			

a. Details of Audit Qualification:

Non-compliance with IND AS 115 – Revenue from Contracts with Customers, in the absence of relevant contract-wise records and underlying project documentation, contract-wise surplus/deficit on construction contracts has neither been ascertained nor recognised in compliance with Ind AS 115 'Revenue from Contracts with Customers'.

b. Type of Audit Qualification : Qualified Opinion

c. Frequency of qualification:

Qualification No. a) since Financial Year 2013-14

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:

The new management of the company has started the implementation of the resolution plan taking necessary steps to comply with IND AS-115, for the said purpose the Board of Directors appointed necessary manpower. In absence of the certain material information as the contract were related to the period of erstwhile management, the compliance of IND AS-115 could not be done.

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.

(iii) Auditors' Comments on (i) or (ii) above:

As per our qualifications.

b. Details of Audit Qualification:

During the year, the Company has recognised certain arbitration claims as income in the Statement of Profit and Loss and as Claims Receivable under Other Financial Assets in the Balance Sheet. These claims are subject to arbitration proceedings whose outcome is uncertain and the receivability of the same is not established. In our opinion, such recognition is not in accordance with applicable Indian Accounting Standards for the following reasons:

- a. Under Ind AS 115, variable consideration including amounts subject to arbitration can be included in transaction price only when it is highly probable that a significant reversal of cumulative revenue recognised will not occur. The recognition of arbitration claims whose outcome is uncertain does not meet this threshold.
- b. Under Ind AS 109, recognition of a financial asset requires an unconditional contractual right to receive cash. Most of the arbitration claims that are yet to be adjudicated and where the counterparty's liability is neither admitted nor determined by a competent authority do not qualify for recognition as financial assets.
- c. Under Ind AS 37, such claims constitute contingent assets which are not to be recognised in financial statements until the inflow of economic benefits is virtually certain. Recognition of contingent assets is expressly prohibited under Ind AS 37 as it may result in recognition of income that may never be realised.

Consequently, in our opinion, the recognition of these arbitration claims to the tune of Rs.

70,831.96 Lakhs has resulted in overstatement of exceptional items in Profit and Loss, other financial assets and net worth of the Company as at 31st March 2026. Had these claims been appropriately disclosed as contingent assets in accordance with Ind AS 37 instead of being recognised, the exceptional items, other financial assets and net worth of the Company would each have been lower to that extent.

b. Type of Audit Qualification : Qualified Opinion

c. Frequency of qualification:

Qualification No. a) since Financial Year 2025-26

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

The new management has reviewed the Company's books of accounts for the period preceding the resolution plan's approval, alongside the ongoing arbitration proceedings. In alignment with the matching concept, revenue recognition for contract work performed earlier is crucial, as the corresponding expenses were already accounted for in prior periods, ensuring a true and fair view of the Company's financial performance.

Furthermore, the Company has received favorable order in a significant portion of these arbitration proceedings. These orders unequivocally affirms the Company's right to receive the awarded claim amounts. Based on comprehensive advice from legal consultants, who have evaluated the strength of this order and the financial capacity of the counterparty, management is virtually certain that the full amount of these claims will be recovered. Our legal advisors have provided a high probability assessment of successful collection, significantly surpassing the 'probable' threshold, thereby justifying immediate recognition in accordance with the principles of accrual accounting rather than contingent disclosure

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) Auditors' Comments on (i) or (ii) above:

As per our qualifications.

c. Details of Audit Qualification:

1. The Company has classified a loan received from Ocean Capital Market Limited (Successful Resolution Applicant), a related party as at reporting date, as a "Secured Borrowing" in the Balance Sheet as at 31st March 2026 and has accrued interest thereon at 9% per annum. We report the following concerns:
 - a. No security creation documents have been executed as at the balance sheet date and no charge has been registered with the Registrar of Companies.
 - b. The approved Resolution Plan sanctioned by the Hon'ble NCLT does not contemplate payment of interest on this loan. Accrual of interest at 9% per annum, although supported by loan sanction letter, creates a financial obligation beyond the scope of the approved Resolution

Plan.

- c. The requisite approvals for this related party transaction, including prior Audit Committee approval under Section 177 of the Companies Act, 2013 and Regulation 23 of SEBI (LODR) Regulations, 2015, and Board / shareholder approval under Section 188 of the Companies Act, 2013, have not been demonstrated to us.

The above matters have resulted in incorrect classification of borrowings and incorrect recognition of interest expense to the tune of Rs.1,122.76 Lakhs.

b. Type of Audit Qualification : Qualified Opinion

c. Frequency of qualification:

Qualification No. a) since Financial Year 2025-26

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

The amount received by the Monitoring Committee was pursuant to the Resolution Plan, as approved by the Hon'ble NCLT vide its order dated 29 August 2025, and was duly recorded in the books of accounts.

Pursuant to the Resolution Plan, the entire security interest shall vest with the Successful Resolution Applicant (SRA), Ocean Capital Market Limited. However, the implementation of the Resolution Plan is under process. The matter was discussed in the Audit Committee Meeting as well as the Board Meeting. Consequently, the charge will be filed at the earliest.

With regard to the levy of interest, it is noted that while the NCLT order does not explicitly mention interest, the same is clearly stipulated in the sanction letter received from Ocean Capital Market Limited. The absence of a specific reference to interest in the NCLT order does not constitute a violation, nor does it imply that interest is not chargeable. Silence on the matter in the NCLT order cannot be construed as a waiver of interest, considering the terms of the sanction letter and the applicable provisions of the Companies Act, 2013. Accordingly, management has charged interest in accordance with the sanction letter issued by Ocean Capital Market Limited.

At the time of the related party transaction, i.e., the receipt of the loan pursuant to the Resolution Plan, there was neither a Board of Directors nor an Audit Committee in place, as the Company was under the control of the Resolution Professional, who was acting as the Chairman of the Monitoring Committee along with two members representative of the financial creditors. Subsequently, before the finalisation of the financial statements for FY 2025-26, the Audit Committee and the Board of Directors duly considered and approved the aforesaid transaction.

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

(i) Management's estimation on the impact of audit qualification: Not Applicable

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

(iii) Auditors' Comments on (i) or (ii) above:

As per our qualifications.

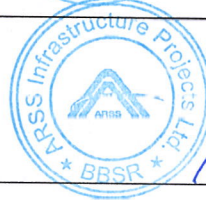
III. Signatories:

Gopal Krishna Dash
(Managing Director)
DIN : 10776309



[Signature]

Mr. S. K. Pattnaik,
Chief Financial Officer



[Signature]

Statutory Auditor
CA Vipul Kumar Gupta
Partner
For A D V AND CO LLP
Chartered Accountant
FRN : 003467N/N500463
M.No.-522310
UDIN: 26522310UA1YDU8119



Place: Bhubaneswar
Date: 30.05.2026

Mr. PAYAL AGARWAL
AUDIT COMMITTEE CHAIRMAN
DIN - 01617065

[Signature]