ARSS INFRASTRUCTURE PROJECTS LTD.

6th January, 2016

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

National Stock Exchange of India Ltd.,
Exchange Plaza,
BandraKurla Complex,
Bandra (E),
Mumbai-400051

Dear Sirs,

Sub: Submission of Un-audited Pro-forma Financial Results for the financial years ending on 31st March, 2013, 31st March, 2014 & 31st March, 2015.

Ref: NSE/LIST/18014 dated 30th October, 2014 &12th March, 2015 and our letter dated 28th March, 2015 to NSE and dated 30th June, 2015 to SEBI QARC (personal submission in QARC meeting)

This is with reference to the letter received from National Stock Exchange of India Limited (NSE) vide reference NSE/LIST/18014 dated 30th October, 2014 & 12th March, 2015, wherein we were informed that SEBI has directed the Exchange to advice the company to restate the financial statements pertaining to the Financial Year 2012-13 (with respect to the qualifications referred therein& as stated in paragraph 2 (b) (iii) & (iv) of "Basis for Qualified Opinion" in the Auditors Report dated 11th May, 2013) in terms of clause 5 (d) (ii) of the SEBI circulars dated 13th August, 2012 and 5th June, 2013.

During the meeting held at SEBI office on 30thJune, 2015, we represented to Qualified Audit Review Committee (QARC) / SEBI the facts of both the referred cases(i) provisioning against performance bank guarantee invoked & (ii) provisioning against sundry debtors disputed by the parties and referred for arbitration, as mentioned therein the NSE letter dated 30thOctober, 2014 & 12thMarch, 2015 and requested QARC/ SEBI not to insist upon publishing the pro-forma financials. We also had submitted written representation on 30th June, 2015.

SEBI after the due process of hearing has directed the Company, vide their letter No. CFD/DIL/HB/OW/31241/2015 dated 5th November, 2015 to provide only for amounts against encashment of performance bank guarantee invoked and to publish the pro-forma financials through the stock exchange.

Accordingly, we are submitting herewith the pro-forma financials for the financial years ending on 31st March, 2013, 31st March, 2014 & 31st March, 2015& for the quarter/ six months ending on 30th September, 2015 for the disclosure to the shareholders.

Please take the same on record.

Yours faithfully,
For ARSS Infrastructure Projects Limited

(Alka Khemka)
Company Secretary
Encl: as above

Signature :-
Name : Alka Khemka
Designation : Company Secretary
Address :Plot No-38,Sector-A,Zone-D
Mancheswar Ind.Estate,Bhubaneswar-751010
Membership No.F6288

PRO-FORMA FINANCIAL INFORMATION (UN-AUDITED)

(Rs. in Lakhs except for shares & EPS)

Particulars	Quarter ended				Half year ended			Year ended		
	30.09.2015	30.06.2015	30.09.2014	30.09.2013	30.09.2015	30.09.2014	30.09.2013	31.03.2015	31.03.2014	31.03.2013
PART I-STATEMENT OF FINANCIAL RESULTS										
1. Income from operations										
a) Net Sales/ Income from Operation	18,795.02	13,355.25	16,481.64	18,590.48	32,150.27	34,750.70	32,052.12	65,552.70	90,141.87	77,098.33
b) Other operating Income	53.82	109.50	75.60	101.84	163.32	197.75	169.81	455.04	587.61	713.21
Total Income from Operation (Net)	**18,848.83**	**13,464.75**	**16,557.24**	**18,692.32**	**32,313.58**	**34,948.45**	**32,221.93**	**66,007.73**	**90,729.48**	**77,811.54**
2. Income from Investments	4.00	(3.01)	(40.82)	92.64	0.99	34.07	118.79	90.66	95.76	153.15
3. Net Sales/ Income from Operations and Investments	18,852.83	13,461.74	16,516.42	18,784.96	32,314.57	34,982.51	32,340.72	66,098.40	90,825.23	77,964.69
4. Expenses										
a) Cost of materials consumed	2,118.81	3,070.50	3,574.23	4,036.44	5,189.31	7,784.58	6,237.75	12,261.62	18,492.93	22,792.65
b) Purchases of Stock-in-trade	-	-	-	-	-	-	-	-	-	-
c) Changes in Inventories of finished goods, work-in-progress and Stock-in-trade	7,622.98	380.13	932.53	930.04	8,003.11	1,749.29	5,723.48	638.19	7,564.70	6,362.99
d) Employee benefits expense	662.34	643.74	674.37	502.32	1,306.08	1,384.69	1,136.28	2,594.69	2,654.87	3,767.89
e) Power & Fuel	916.34	1,554.21	1,143.83	1,519.43	2,470.55	2,844.98	2,348.87	5,568.69	6,533.98	7,402.44
f) Depreciation & Amortisation	882.18	873.19	1,019.13	875.98	1,755.37	1,888.14	1,762.70	3,654.62	3,495.46	3,560.47
g) Other Expenses	3,730.85	2,872.81	5,696.80	9,540.68	6,603.66	11,906.13	12,578.42	25,264.77	36,380.74	27,122.33
Total Expenses	**15,933.51**	**9,394.58**	**13,040.88**	**17,404.89**	**25,328.09**	**27,557.82**	**29,787.50**	**49,982.59**	**75,122.68**	**71,008.77**
5. Profit from operations & investments before other	2,919.33	4,067.16	3,475.54	1,380.07	6,986.49	7,424.70	2,553.22	16,115.81	15,702.55	6,955.91
6. Other Income	1,400.25	6.93	220.98	0.96	1,407.18	343.84	1.51	359.40	8.34	85.46
7. Profit from ordinary activities before Finance	4,319.57	4,074.09	3,696.51	1,381.03	8,393.66	7,768.54	2,554.73	16,475.20	15,710.89	7,041.37
8. Finance Costs	4,402.58	4,165.32	3,734.47	3,268.18	8,567.90	7,883.29	6,779.11	16,696.28	16,310.86	13,381.99
9 Profit from ordinary activities after Finance	(83.01)	(91.23)	(37.96)	(1,887.15)	(174.24)	(114.75)	(4,224.38)	(221.08)	(599.96)	(6,340.61)
10. Exceptional item										
11. Profit from Ordinary Activities before Tax	(83.01)	(91.23)	(37.96)	(1,887.15)	(174.24)	(114.75)	(4,224.38)	(221.08)	(599.96)	(6,340.61)
12. Tax Expenses	81.43	6.79	(68.31)	(83.77)	88.22	(62.65)	(22.74)	(73.65)	(22.88)	456.07
13. Net Profit from Ordinary Activities after tax	(164.44)	(98.02)	30.35	(1,803.38)	(262.46)	(52.10)	(4,201.64)	(147.43)	(577.08)	(6,796.68)
14. Extraordinary items (net of tax expense)	-	-	-	-	-	-	-	-	-	-
15. Net Profit for the period	(164.44)	(98.02)	30.35	(1,803.38)	(262.46)	(52.10)	(4,201.64)	(147.43)	(577.08)	(6,796.68)
16. Paid up Equity Share Capital (Rs.10/- per share)	1,484.32	1,484.32	1,484.32	1,484.32	1,484.32	1,484.32	1,484.32	1,484.32	1,484.32	1,484.32
17. Reserves (excluding Revaluation Reserve)	32,611.69	32,776.14	32,969.47	29,397.01	32,611.69	34,424.46	30,099.88	32,874.14	33,021.57	33,598.65
18. Earnings per Share (Rs.)										
- Basic	(1.11)	(0.66)	0.20	(12.15)	(1.77)	(0.35)	(28.31)	(0.99)	(3.89)	(45.79)
- Diluted	(0.67)	(0.40)	0.12	(7.32)	(1.07)	(0.21)	(17.06)	(0.60)	(2.34)	(27.60)

ARSS INFRASTRUCTURE PROJECTS LIMITED

PRO-FORMA STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED)

(Rs. in Lakhs)

PARTICULARS	Half year ended			Year ended		
	30.09.2015	30.09.2014	30.09.2013	31.03.2015	31.03.2014	31.03.2013
A. EQUITY AND LIABILITIES						
(1) Shareholders' Funds						
(a) Share Capital	2,984	2,984	2,984	2,984	2,984	2,984
(b) Reserves & Surplus	32,612	34,424	30,100	32,874	33,022	33,599
Shareholders' Funds	35,596	37,409	33,084	35,858	36,006	36,583
(2) Non-Current Liabilities						
(a) Long-term borrowings	66,024	76,936	66,138	70,202	73,356	65,902
(b) Deferred Tax liabilities (Net)	2,865	3,019	3,173	2,953	3,143	3,196
Non-Current Liabilities	68,889	79,956	69,311	73,155	76,499	69,098
(3) Current Liabilities						
(a) Short term borrowings	90,527	78,105	82,142	86,251	72,187	68,251
(b) Trade Payables	7,040	10,931		8,719	11,051	
(c) Other Current Liabilities	27,158	23,619	26,437	23,599	28,611	31,742
(d) Short Term Provisions	286	84		110	30	-
Current Liabilities	125,011	112,739	108,579	118,679	111,880	99,994
TOTAL EQUITY AND LIABILITIES	229,496	230,104	210,974	227,692	224,385	205,675
B. ASSETS						
(1) Non-Current Assets						
(a) Fixed Assets	25,942	29,471	36,136	27,702	33,593	39,144
(b) Non-Current Investments	3,913	5,070	5,748	4,648	4,434	5,592
(c) Long terrm Loans & Advances	85,621	45,475	-	74,718	45,475	-
Non-Current Assets	115,476	80,015	41,884	107,069	83,502	44,736
(2) Current Assets						
(a) Inventories	50,104	55,606	59,993	58,240	58,060	66,239
(b) Trade Receivables	29,916	21,593	70,841	24,181	23,679	58,277
(c) Cash and cash equivalents	7,429	6,592	7,151	7,128	7,649	9,469
(d) Shorts term loans & advances	26,571	66,298	31,104	31,074	51,495	26,953
Current Assets	114,020	150,089	169,090	120,623	140,883	160,939
TOTAL ASSETS	229,496	230,104	210,974	227,692	224,385	205,675

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

ARSS INFRASTRUCTURE PROJECTS LTD. BBSR

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APPENDIX 1

The following table shows the breakdown of Bank guarantees encashed for the respective years/period which have been expensed and restated within the respective captions, as per notification from NSE in the Unaudited Proforma Financial Information with a corresponding impact on the Unaudited Proforma Statement of Assets and Liabilities of the respective years/periods.

Rs in Lakhs

Particulars	Quarter ended September 30, 2015	Quarter ended June 30, 2015	Quarter ended September 30, 2014	Quarter ended September 30, 2013	Six Month ended September 30, 2015	Six Month ended September 30, 2014	Six Month ended September 30, 2013	Year ended March 31st 2015	Year ended March 31st 2014	Year ended March 31st 2013
Provision for encashment of BG	192.37	192.37	192.37	185.97	384.73	384.73	371.95	769.47	743.9	338.03

The assumptions and calculations for arriving at the figures are as follows :

Rs in Lakhs

Particulars	Quarter ended September 30, 2015	Quarter ended June 30, 2015	Quarter ended September 30, 2014	Quarter ended September 30, 2013	Six Month ended September 30, 2015	Six Month ended September 30, 2014	Six Month ended September 30, 2013	Year ended March 31st 2015	Year ended March 31st 2014	Year ended March 31st 2013
Total Bank guarantee encashed	8,177.10	8,177.10	9337.12	4486.23	8,177.10	9337.12	4486.23	8283.44	8982.79	5940.68
Amount of BG considered good and receivable	7,089.10	7,089.10	8,249.12	3,398.23	7,089.10	8,249.12	3,398.23	7,195.44	7,894.79	5,685.68
Amount of BG considered doubtful	1,088.00	1,088.00	1,088.00	1,088.00	1,088.00	1,088.00	1,088.00	1,088.00	1,088.00	255.00
Provision for BG considered doubtful	192.37	192.37	192.37	185.97	384.73	384.73	371.95	769.47	743.9	338.03

Calculation of Provisions

Claim lodged on	Zero Date
Average period taken for settlement of claim including High Courts	5 Year
Average claim amount receivable of the total Claims amount	65%
Provision to be made :	
claim amount	100
Average Claim received in best scenario	70%
Av. Amount receivable in worst scenario	60%
Average of 2	65%
Period of litigation	5
Balance Uncovered to be provided	35%
Provision per year	7.00%

The reconciliation of the (loss) / profit after tax as per the financial results for the respective years/periods and Unaudited Proforma Financial Information for the respective years/periods reflecting the restatements discussed hereinabove is as follows :

Rs in Lakhs

Particulars	Quarter ended September 30, 2015	Quarter ended June 30, 2015	Quarter ended September 30, 2014	Quarter ended September 30, 2013	Six Month ended September 30, 2015	Six Month ended September 30, 2014	Six Month ended September 30, 2013	Year ended March 31st 2015	Year ended March 31st 2014	Year ended March 31st 2013
Net (loss)/Profit after tax as per the financial results	27.93	94.36	222.72	(1,617.40)	122.28	332.63	(3,829.70)	622.04	166.82	(6,458.65)
Less Adjustments pursuant to Paragraph 1 above	192.37	192.37	192.37	185.97	384.73	384.73	371.95	769.47	743.9	338.03
Net (loss)/Profit after tax as per the unaudited financial information (restated)	(164.44)	(98.02)	30.35	(1,803.38)	(262.46)	(52.10)	(4,201.64)	(147.43)	(577.08)	(6,796.68)

ASSS INFRASTRUCTURE PROJECTS LTD. RBSR

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Notes to the Unaudited Proforma Financial Information and Unaudited Proforma Statement of Assets and Liabilities.

ARSS Infrastructure Projects Limited (the Company) received a letter from the National Stock Exchange of India Limited ('NSE') whereby the Securities and Exchange Board of India ('SEBI') had directed NSE to advise the Company to restate the financial statements of the Company for the year ended 31.3.2013 for the qualification in the Auditors' Report for the year ended in respect of matters stated in paragraph 2 (b) (iii) & (iv) of 'Basis for Qualified Opinion ' in the same Auditors' Report dated 11th May 2013 pursuant to clause 5(d)(ii) of the SEBI Circular CIR/CFD/DIL/9/2013 dated June 5, 2013. On due representation made before the Qualified Audit Review Committee (QARC) / SEBI on 30th June, 2015, SEBI communicated to the Company on 17th November 2015 to comply with its directive dated 5th November 2015.

SEBI vide Circular CIR/CFD/DIL/9/2013 dated June 5, 2013 clarified that restatement of books of account shall mean that the Company is required to disclose the effect of revised financial accounts by way of revised Proforma financial results immediately to the shareholders through Stock Exchanges. However, the financial effects of the revision may be carried out in the annual accounts of the subsequent financial year as prior period item. Accordingly , the Company has prepared the Unaudited Proforma Financial information after adjusting for the qualification stated in paragraph 1 below:

1. The company executes contracts work under various government and corporate clients in their individual capacity and as member to JV. Under some of the contracts because of various reasons attributable to *Force Meajure*, unforeseeable events and lack of preparedness of the clients in fulfillment of its primary obligations the work progress got seriously affected. Resultantly, the very economy of our work execution and operation got disrupted.

   The Principal on the other hand has resorted to unilateral action and the Company has religiously protested the high handed actions of the clients through various disputes resolution forums such as Disputes Board (DB), Arbitration Tribunal (AT) and Court of Law.

   Since, the matter is *sub judice* the proper accounting effect will be given to performance guarantee value so encashed along with interest upon receipt from the clients. In the event some of amount of the encashed value of performance guarantee will remain un-recovered by operation orders from Arbitration Tribunal or the Court of Law the appropriate provision shall be given in relevant year.



As the act of encashing of Bank guarantees is not absolute and is subject to various reconciliatory proceedings and precedence dictates refund of the amount so encashed by the Principal.
The Management is confident of recovering substantial amount of such amounts so encashed and does not envisage any expenditure on this account.

The Statutory Auditors of the Company had qualified their audit /limited review reports for the respective periods as regards to non provision of the encashed Bank guarantee amounts and the uncertainty around the final outcome of the matter and its consequential impact on the financial results of the Company for the respective period .

The table, attached in Appendix 1, shows the breakdown of amount of Bank guarantee encashed for the respective year/periods and restated within the respective captions, as per the notification from NSE in the Unaudited Proforma Financial Information with a corresponding impact on the Unaudited Proforma Statement of Assets and Liabilities of the respective years/periods.

The unaudited Proforma Financial and the Unaudited Proforma Statement of assets and Liabilities have been prepared by the Company and have not been reviewed or audited by the Company's statutory auditors.

The unaudited Proforma Financial information and the Unaudited Statement of Assets and Liabilities should be read in conjunction with the Company's historical financial statements/results.

For ARSS Infrastructure Projects Limited

Managing Director