

Ref: AL/SE/0819/03

Date: 09/08/2019

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra- Kurla Complex,
Bandra (East),
Mumbai - 400051.
Fax No. 2659 8237 / 38

Corporate Relationship Department
Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers,
2nd Floor, Dalal Street,
Mumbai – 400 001
Fax No. 2272 3121/ 2037

Re.: - Arshiya Limited – **NSE Scrip Name: ARSHIYA**
BSE Scrip Code: 506074`

Sub: Outcome of the Board Meeting held today i.e. Friday, 9th August, 2019.

Dear Sir/Madam,

This is to inform you that the Board of Directors of the Company at its meeting held today i.e. Friday, the 9th August, 2019, has *inter-alia* to Considered, approved and taken on record the Unaudited Financial Results (Standalone and Consolidated) for the 1st quarter ended 30th June, 2019, which was reviewed by the Audit Committee and considered and approved by the Board of the Company.

Pursuant to Regulation 33 and 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Unaudited Financial Results (Standalone and Consolidated) along with Limited Review Report of the Statutory Auditors is enclosed herewith for your reference and records.

Kindly take the above on your records.

The Meeting of the Board of Directors commenced at 14:30 hours and ended at 20:00 hours.

Thanking you.

Yours faithfully,

For ARSHIYA LIMITED

Savita Dalal

Company Secretary & Compliance Officer



Arshiya Limited

Arshiya Limited

CIN: L93000MH1981PLC024747

Registered Office: 302, Level 3, Ceejay House, Shiv Sagar Estate, F-Block,

Dr. Annie Besant Road, Worli, Mumbai- 400 018

Phone No. 022 42305500 # Email id: info@arshiyalimited.com # website: www.arshiyalimited.com

UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2019

(Rs. in Lakhs)

Sr.No.	Particulars	Quarter Ended			Year Ended
		30.06.2019	31.03.2019	30.06.2018	31.03.2019
		(Unaudited)	(Refer note no.2)	(Unaudited)	(Audited)
1	Income				
	(a) Revenue from operations	6,731.16	4,913.35	1,510.46	13,139.98
	(b) Other Income	212.55	428.48	431.49	2,192.48
	Total Income	6,943.71	5,341.83	1,941.95	15,332.46
2	Expenses				
	(a) Cost of Inventories (Leased Land)	1,806.65	1,207.44	-	2,583.34
	(b) Material Handling and Other Charges	12.65	20.79	21.82	87.63
	(c) Employee benefits expense	400.29	446.76	394.59	1,720.28
	(d) Finance costs	3,141.24	2,893.92	2,968.02	11,236.53
	(e) Depreciation and amortization expense	368.35	366.11	383.54	1,482.22
	(f) Other expenses	161.58	172.12	205.45	1,038.20
	Total Expenses (a+b+c+d+e+f)	5,890.76	5,107.14	3,973.42	18,148.20
3	Profit/(Loss) before exceptional items and Tax (1-2)	1,052.95	234.69	(2,031.47)	(2,815.74)
4	Exceptional Items (Net) (Refer note no. 13)	-	700.75	-	700.75
5	Profit/(Loss) before tax (3-4)	1,052.95	(466.06)	(2,031.47)	(3,516.49)
6	Tax expense	-	-	-	-
7	Net profit/(Loss) after Tax (5-6)	1,052.95	(466.06)	(2,031.47)	(3,516.49)
8	Other Comprehensive Income				
	Items that will not be reclassified to profit and loss:				
	Remeasurement of net defined benefit plan	2.03	9.55	(0.48)	8.11
9	Total Comprehensive Income	1,054.98	(456.51)	(2,031.95)	(3,508.38)
10	Paid-up equity share capital (Face value per share Rs. 2/-)	4,872.29	4,872.29	4,594.34	4,872.29
11	Other Equity excluding Revaluation reserve				1,66,643.28
12	Earnings Per Equity Share (EPS) in Rs.				
	- Basic	0.43*	(0.19)*	(0.89)*	(1.48)
	- Diluted	0.43*	(0.19)*	(0.89)*	(1.48)
	(*not annualised)				



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Arshiya Limited

CIN: L93000MH1981PLC024747

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Phone No. 022 42305500 # Email id: info@arshiyalimited.com # website: www.arshiyalimited.com

UNAUDITED STANDALONE SEGMENT INFORMATION FOR THE QUARTER ENDED 30TH JUNE, 2019

Sr. No.	Particulars	Quarter Ended			(Rs. in Lakhs)
		30.06.2019	31.03.2019	30.06.2018	Year Ended 31.03.2019
		(Unaudited)	(Refer note no.2)	(Unaudited)	(Audited)
1	Segment Revenue				
	FTWZ	6,699.66	4,882.35	1,480.46	13,018.98
	Domestic Warehousing	31.50	31.00	30.00	121.00
	Total Revenue from Operations	6,731.16	4,913.35	1,510.46	13,139.98
2	Segment Results Before Tax and Interest				
	FTWZ	3,955.10	2,717.61	630.16	6,329.30
	Domestic Warehousing	29.03	29.59	30.00	119.34
	Total	3,984.13	2,747.20	660.16	6,448.64
	Less: Unallocated Expenses net of Income	(210.06)	(381.41)	(276.39)	(1,972.15)
	Less: Finance Costs	3,141.24	2,893.92	2,968.02	11,236.53
	Less: Exceptional Items (Net) (Refer note no. 13)	-	700.75	-	700.75
	Profit/(Loss) before tax	1,052.95	(466.06)	(2,031.47)	(3,516.49)
3	Segment Assets				
	FTWZ	1,02,552.74	1,00,216.60	95,633.00	1,00,216.60
	Domestic Warehousing	7,598.78	7,564.07	7,534.75	7,564.07
	Unallocated	1,70,959.98	1,66,739.30	1,63,887.26	1,66,739.30
	TOTAL	2,81,111.50	2,74,519.97	2,67,055.01	2,74,519.97
4	Segment Liabilities				
	FTWZ	4,807.53	3,833.02	3,403.34	3,833.02
	Domestic Warehousing	2.39	2.22	-	2.22
	Unallocated	1,03,731.03	99,169.16	1,00,753.99	99,169.16
	TOTAL	1,08,540.95	1,03,004.40	1,04,157.33	1,03,004.40



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Notes to Standalone Financial Results:

1. The Audit Committee has reviewed the above results and the Board of Directors has approved these results at their meeting held on 9th August, 2019. The Statutory Auditors of the Company have carried out the limited review for the quarter ended 30th June, 2019.
2. The figure of the quarter ended 31st March, 2019 are the balancing figures between the Audited figures in respect of the full financial year ended 31st March 2019 and unaudited figures for the nine months ended 31st December, 2018.
3. The Board of Directors of the Company in their meeting held on 24th May, 2018, has approved a scheme to further reorganize its corporate structure spread across various group companies and in order to integrate / consolidate it's operations.

The above proposed scheme of arrangement is in addition and conditional to an ongoing scheme of three subsidiaries i.e. merger of Arshiya Rail Infrastructure Limited, Arshiya Industrial and Distribution Hub Limited and Arshiya Transport & Handling Limited, which is pending with NCLT. The meeting of the creditors was held on 6th May, 2019. The Scheme(s) shall be given effect after receipt of necessary approvals.

4. In view of the focussed emphasis of the Government on logistics infrastructure sector, the proposed restructuring (as mentioned in above note no. 3) and considering the fact that the facilities are yet to achieve full operational potential besides the strategic locations of the facilities, the management's future outlook of its business is very promising. Accordingly, the financials have been prepared on going concern basis even though the Company have accumulated loss.
5. Certain creditors have initiated legal proceedings against the Company and its Directors, and the Company has defaulted in payment of instalments of consent terms for which the Company is in process of negotiating and finalising the revised consent terms and/or making representations to the respective forum. Majority of the creditors have been settled over the past few years and some of the creditors have also shown interest and faith in the logistics infrastructure sector and are being allotted Compulsory Convertible Debenture (CCDs) of the Company.
6. One of the Public Financial Institution (PFI) has assigned its debt to Edelweiss Asset Reconstruction Company (EARC) during the previous year ended 31st March 2019. The Company continues to provide interest in line with major terms negotiated with EARC, till the finalisation of the restructuring agreement.
7. During the quarter ended 30th June, 2019, one of the Non-Banking Financial Company (NBFC) has assigned its debt to EARC. The Company continues to provide



interest in line with major terms negotiated with EARC, till the finalisation of the restructuring agreement.

8. During the current quarter, pursuant to deed of assignment dated 19th April, 2019, entered into between Arshiya Limited with its wholly owned subsidiaries namely Arshiya Rail Infrastructure Limited, Arshiya Industrial & Distribution Hub Limited and Arshiya Northern FTWZ Limited, liabilities amounting to Rs. 362.88 Lakhs, Rs. 83.41 Lakhs and Rs. 3699.00 Lakhs respectively, are transferred/ assigned to Arshiya Limited. Against these liabilities Compulsorily Convertible Debentures (CCDs) of Arshiya Limited, are being issued to the respective creditors.
9. Subsequent to current quarter ended on 30th June, 2019, the shareholders of the Company have approved the following with majority:
 - a) Reclassification of the authorised share capital from existing Authorised Share Capital of Rs. 6050.00 Lakhs divided into 24,75,00,000 equity shares of Rs. 2/- each and 1,10,00,000 Zero Percent Optionally Convertible Redeemable Preference Shares (OCRPS) of Rs. 10 each has been reclassified into Rs. 6050.00 Lakhs divided into 28,75,00,000 equity shares of Rs. 2/- each and 30,00,000 Zero Percent Optionally Convertible Redeemable Preference Shares of Rs. 10 each.
 - b) Issuance of CCDs of the Company upto Rs. 4,557.72 Lakhs, on preferential basis convertible into equity shares of the Company, towards settlement of dues of various creditors of the Company and its subsidiaries.
 - c) Issuance of Zero Percent Optionally Convertible Redeemable Preference Shares 2019 Series 1 of the Company upto Rs. 800.00 Lakhs towards settlement of dues of EARC.

The allotment of the aforesaid CCDs and OCRPS is pending for regulatory approvals.

10. Subsequent the quarter ended 30th June, 2019, the Company has entered into a conditional Share Purchase Agreement with Ascendas Property Fund (India) Pte. Ltd. ("APFI") for selling entire shareholding interest in Anomalous Infra Private Limited ("AIPL") to APFI, upon fulfilment of certain conditions precedent including, but not limited to, the completion of the Warehouse Building.
11. Further to the lease agreement entered in the previous year, with a wholly owned subsidiary company for development of warehouses at FTWZ Panvel, additional development rights were granted to the subsidiary in the current quarter.
12. Effective 1st April, 2019, the company has adopted Ind AS 116 'Leases' under the modified retrospective approach without adjustment of comparatives. The Standard



applied to contracts that remain as at 1st April, 2019. This has resulted in recognizing a Right-of-Use asset and a corresponding Lease Liability of Rs. 332.38 Lakhs as at 1st April, 2019. The impact on the profit for the quarter is not material.

13. The exceptional items for the previous financial year 2018-19 represents loss on account of restructuring and litigation settlement.
14. The Company had issued a corporate guarantee of Rs. 28,639.85 Lakh to the lenders of Arshiya Northern FTWZ limited (ANFTWZ), a subsidiary Company. This guarantee has been invoked by the lenders since ANFTWZ had defaulted in servicing its borrowings towards principal and interest. The Company carried out fair valuation of this corporate guarantee through an independent chartered accountant firm and as per their report the value of security created in favour of the lender is higher than the total liability towards borrowing. Accordingly, no provision is required towards the guarantee so invoked. The Auditors have referred to this as emphasis of matter in their Review Report.
15. As per Ind AS 108 "Operating Segment" the Company has identified and reported segment information in two segments as under :
 - (i) Developing and Operating Free Trade and Warehousing Zone (FTWZ)
 - (ii) Domestic Warehousing

The assets and liabilities that cannot be allocated between the segments are shown as unallocable assets and liabilities respectively.

16. The figures for the previous period / year have been re-grouped / re-arranged, wherever necessary.

For and on behalf of Board of Directors of
Arshiya Limited



Ajay S Mittal
Chairman & Managing Director
DIN No.: 00226355

Place: Mumbai
Date: 9th August, 2019



Independent Auditor's Review Report on Standalone Unaudited Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,

**The Board of Directors of
ARSHIYA LIMITED**

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **Arshiya Limited ("the Company")** for the quarter ended 30th June 2019, ("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 ("the Regulation"), as amended.
2. This statement, which is the responsibility of the Company's management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting (Ind AS 34) as prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of standalone unaudited financial results, prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') as specified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Emphasis of Matter

5. We draw attention to the note no. 14 of the statement, regarding invocation of corporate guarantee by the Company to lenders of Arshiya Northern FTWZ Limited (ANFTWZ). The Company carried out the fair valuation of above guarantee through an independent Chartered Accountants firm and as per their report the value of assets in favor of lenders of ANFTWZ is higher than the total liabilities to them. Accordingly, no provision against the claims under the invoked corporate guarantee is considered necessary. Our conclusion is not modified in respect of the said matter.

For Chaturvedi & Shah LLP

Chartered Accountants

Registration No. 101720W/ W100355



Vijay Napawaliya

Partner

Membership No. 109859

UDIN: 19109859AAAABN4561



Place: Mumbai

Date: 9th August, 2019

Arshiya Limited

CIN: L93000MH1981PLC024747

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UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2019

(Rs. In Lakhs)

Sr.No.	Particulars	Quarter Ended			Year Ended
		30.06.2019	31.03.2019	30.06.2018	31.03.2019
		(Unaudited)	(Refer note no. 2)	(Unaudited)	(Audited)
1	Income				
	(a) Revenue from operations	7,519.98	7,285.16	7,206.28	28,937.38
	(b) Other Income	170.70	714.32	404.95	2,460.09
	Total Income	7,690.68	7,999.48	7,611.23	31,397.47
2	Expenses				
	(a) Material Handling, value optimisation services and other charges	241.53	288.84	328.96	1,047.75
	(b) Freight Expenses	2,693.77	2,713.17	2,744.98	10,954.30
	(c) Terminal Expenses	100.88	106.88	92.87	357.55
	(d) Other Operating Expenses	104.60	247.08	148.42	756.02
	(e) Warehouse storage charges	-	1,375.68	1,309.79	5,484.67
	(f) Employee benefits expense	928.99	934.38	919.55	3,806.85
	(g) Finance costs	8,156.66	7,770.56	6,879.39	27,559.39
	(h) Depreciation and amortization expense	3,506.28	2,305.98	2,368.43	9,419.56
	(i) Other expenses	853.47	984.32	1,073.89	3,929.29
	Total Expenses	16,586.18	16,726.89	15,866.28	63,315.38
3	Profit/(Loss) before exceptional and Tax (1-2)	(8,895.50)	(8,727.41)	(8,255.05)	(31,917.91)
4	Exceptional Items (Net) (Refer note no. 13)	-	1,023.76	-	(5,167.04)
5	Profit/(Loss) before tax (3-4)	(8,895.50)	(9,751.17)	(8,255.05)	(26,750.87)
6	Tax expense	19.81	1.46	25.91	6.98
7	Net profit/(Loss) after Tax (5-6)	(8,915.31)	(9,752.63)	(8,280.96)	(26,757.85)
8	Other Comprehensive Income				
	Item that will not be reclassified to profit and loss: Remeasurement of gains (losses) on defined benefit plans	(5.74)	(36.91)	2.78	(28.57)
9	Total Comprehensive Income	(8,921.05)	(9,789.54)	(8,278.18)	(26,786.42)
10	Profit attributable to:				
(a)	Owner of the parent	(8,915.31)	(9,752.63)	(8,280.96)	(26,757.85)
(b)	Non-controlling interest	-	-	-	-
		(8,915.31)	(9,752.63)	(8,280.96)	(26,757.85)
11	Other Comprehensive Income attributable to:				
(a)	Owner of the parent	(5.74)	(36.91)	2.78	(28.57)
(b)	Non-controlling interest	-	-	-	-
		(5.74)	(36.91)	2.78	(28.57)
12	Total Comprehensive Income attributable to:				
(a)	Owner of the parent	(8,921.05)	(9,789.54)	(8,278.18)	(26,786.42)
(b)	Non-controlling interest	-	-	-	-
		(8,921.05)	(9,789.54)	(8,278.18)	(26,786.42)
13	Paid-up equity share capital (Face value per share Rs. 2)	4,872.29	4,872.29	4,594.34	4,872.29
14	Other Equity excluding Revaluation reserve				48,593.46
15	Earnings Per Share (EPS) in Rs.				
	- Basic	(3.66)*	(4.00)*	(3.61)*	(11.24)
	- Diluted	(3.66)*	(4.00)*	(3.61)*	(11.24)
	*not annualised				



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Phone No. 022 42305500 # Email id: info@arshiyalimited.com # website: www.arshiyalimited.com

UNAUDITED CONSOLIDATED SEGMENT INFORMATION FOR THE QUARTER ENDED 30TH JUNE, 2019

(Rs. in Lakhs)

Sr. No.	Particulars	Quarter Ended			Year Ended
		30.06.2019	31.03.2019	30.06.2018	31.03.2019
		(Unaudited)	(Refer note no. 2)	(Unaudited)	(Audited)
1	Segment Revenue				
	FTWZ	3,926.56	3,653.75	3,697.36	14,758.88
	Rail Transport Operations/ICD	3,424.29	3,500.59	3,426.18	13,750.16
	Domestic Warehousing	169.13	130.82	82.74	428.34
	Total Revenue from Operations	7,519.98	7,285.16	7,206.28	28,937.38
2	Segment Results Before Tax and Interest				
	FTWZ	676.68	176.66	63.78	1,325.17
	Rail Transport Operations/ICD	(1,213.20)	(873.70)	(1,091.51)	(4,567.90)
	Domestic Warehousing	(199.40)	(252.25)	(347.54)	(1,106.05)
	Total	(735.92)	(949.29)	(1,375.27)	(4,348.78)
	Less: Unallocated Expenses net of Income	2.92	7.56	0.39	9.74
	Less: Finance Costs	8,156.66	7,770.56	6,879.39	27,559.39
	Less: Exceptional Items (Net) (Refer Note no. 13)	-	1,023.76	-	(5,167.04)
	Profit/(Loss) before tax	(8,895.50)	(9,751.17)	(8,255.05)	(26,750.87)
3	Segment Assets				
	FTWZ	1,99,544.23	1,81,666.82	1,81,345.38	1,81,666.82
	Rail Transport Operations/ICD	72,563.09	73,038.42	78,903.17	73,038.42
	Domestic Warehousing	48,676.06	48,982.63	49,571.76	48,982.63
	Unallocated	2,058.07	2,092.84	0.72	2,092.84
	TOTAL	3,22,841.45	3,05,780.71	3,09,821.03	3,05,780.71
4	Segment Liabilities				
	FTWZ	32,621.48	11,981.34	12,532.31	11,981.34
	Rail Transport Operations/ICD	8,231.37	7,746.04	7,557.68	7,746.04
	Domestic Warehousing	101.88	120.38	114.40	120.38
	Unallocated	2,36,822.94	2,31,948.11	2,27,217.90	2,31,948.11
	TOTAL	2,77,777.67	2,51,795.87	2,47,422.29	2,51,795.87



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Notes to Consolidated Financial Results: -

1. The Consolidated Financial Results for Arshiya Limited ('Parent Company') and its Subsidiaries (together referred to as the 'Group') were reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Parent Company at its meeting held on 9th August, 2019. The Statutory Auditors of the Parent Company have carried out the limited review for the quarter ended 30th June, 2019.
2. The figure of the quarter ended 31st March, 2019 are the balancing figures between the Audited figures in respect of the full financial year ended 31st March 2019 and unaudited figures for the nine months ended 31st December, 2018.
3. The Board of Directors of the Parent Company at their meeting held on 24th May, 2018, has approved a scheme to reorganize the Group's corporate structure spread across various subsidiaries and in order to integrate / consolidate it's operations.

The above proposed scheme of arrangement is in addition and conditional to an ongoing scheme of three subsidiaries i.e. merger of Arshiya Rail Infrastructure Limited, Arshiya Industrial and Distribution Hub Limited and Arshiya Transport & Handling Limited, which is pending with NCLT. The Creditors meeting of the respective companies was held on 6th May 2019. The Scheme(s) shall be given effect after receipt of necessary approvals.

- 4.1 One of the Public Financial Institution (PFI) which was a lender to the Parent Company has assigned its debt to Edelweiss Asset Reconstruction Company (EARC) during the previous year ended 31st March 2019. The Parent Company has provided interest in line with major terms negotiated with EARC, till the finalisation of the restructuring agreement.
- 4.2 During the quarter ended 30th June, 2019, one of the Non-Banking Financial Company (NBFC) has assigned its debt to EARC. The Parent Company continues to provide interest in line with major terms negotiated with EARC, till the finalisation of the restructuring agreement.
5. During the current quarter, pursuant to deed of assignment dated 19th April, 2019, entered into between the Parent Company with its wholly owned subsidiaries namely Arshiya Rail Infrastructure Limited, Arshiya Industrial & Distribution Hub Limited and Arshiya Northern FTWZ Limited, liabilities amounting to Rs. 362.88 Lakhs, Rs. 83.41 Lakhs and Rs. 3,699.00 Lakhs respectively are transferred/ assigned to the Parent Company. Against these liabilities Compulsorily Convertible Debenture (CCDs) of the Parent Company, are being issued to the respective creditors.
6. Subsequent the current quarter ended 30th June, 2019, the shareholders of the Parent Company have approved the following with majority:



- a) Reclassification of the authorised share capital from existing Authorised Share Capital of Rs. 6,050.00 Lakhs divided into 24,75,00,000 equity shares of Rs. 2/- each and 1,10,00,000 Zero Percent Optionally Convertible Redeemable Preference Shares (OCRPS) of Rs. 10 each has been reclassified into Rs. 6,050.00 Lakhs divided into 28,75,00,000 equity shares of Rs. 2/- each and 30,00,000 Zero Percent Optionally Convertible Redeemable Preference Shares of Rs. 10 each.
- b) Issuance of CCDs of the Parent Company upto Rs. 4,557.72 Lakhs, on preferential basis convertible into equity shares of the Parent Company, towards settlement of dues of various creditors of the Group.
- c) Issuance of Zero Percent Optionally Convertible Redeemable Preference Shares 2019 Series 1 of the Parent Company upto Rs. 800.00 Lakhs towards settlement of dues of EARC.

The allotment of the aforesaid CCDs and OCRPS is pending for regulatory approvals.

- 7. Subsequent to the quarter ended June 30, 2019, Anomalous Infra Private Limited ("AIPL") a wholly owned subsidiary along with the Parent Company has entered into Debenture Subscription Agreement with Ascendas IT Park (Chennai) Limited ("ITPC"), a subsidiary of Ascendas India Trust, for funding the development of Double Storied Warehouse at FTWZ Panvel. Further, AIPL, the Parent Company and Ascendas Property Fund (India) Pte. Ltd. ("APFI") (the Trustee-Manager of Ascendas India Trust) have entered into a conditional Share Purchase Agreement for sale of the entire equity shares of the AIPL to APFI, upon fulfilment of certain conditions preceding including, but not limited to, the completion of the Warehouse Building.
- 8. Effective 1st April, 2019, the Group has adopted Ind AS 116 'Leases' under the modified retrospective approach without adjustment of comparatives. The Standard is applied to contracts that remain as at 1st April, 2019. This has resulted in recognizing a Right-of-Use asset and a corresponding Lease Liability of Rs. 22,698.74 Lakh and 22,206.72 Lakh respectively. The loss increased by Rs. 278.23 Lakh in current quarter ended 30th June, 2019.
- 9. One of the subsidiary Company viz Arshiya Rail Infrastructure Limited has accumulated losses and negative net worth. Some of its lenders have recalled their loans and the subsidiary Company is in the process of negotiating the revised payment terms. The subsidiary Company is EBIDTA positive and with the commencement of the two dedicated freight corridors, the said subsidiary Company will benefit immensely. Moreover a unique contract entered into with one of the largest global shipping lines has already started to improve the profitability. Also, the proposed merger of another subsidiary Company with this subsidiary Company as mentioned in Note no 3, would make their operations not only complementary, but enhance their profitability.



In view of the focussed emphasis of the Government on logistics infrastructure sector, the proposed restructuring and considering the fact that the facilities are yet to achieve full operational potential besides the strategic locations of the facilities, the management's future outlook of its businesses is very promising. Accordingly the financials have been prepared on going concern basis including based on financial support from the Parent Company.

10. Certain creditors have initiated legal proceedings against the Group and its Directors and the Group has defaulted in payment of instalments of consent terms for which the Group is in process of negotiating and finalising the revised consent terms. Majority of the creditors have been settled over the past few years and some of the creditors have also shown interest and faith not only in the logistics infrastructure sector but also in Arshiya Group and are being allotted Compulsorily Convertible Debenture (CCDs) of the Parent Company.
11. A subsidiary Company had entered into one-time settlement (OTS) with a Bank during the previous financial year ended 31st March 2019 and the effect was taken as an exceptional item during the quarter ended 30th September, 2018. However, the subsidiary Company has defaulted in payment as per the terms of the OTS. As a result, the subsidiary Company needs to reverse the exceptional gain recorded during the quarter ended 30th September, 2018 and needs to recognise Interest on the entire liability as per the original terms. The subsidiary Company is in discussion with the lender for additional time to repay.

The subsidiary Company has not reversed the gain, nor provided for additional interest. Had the subsidiary Company reversed the gain and provided for additional interest, exceptional item would have been lower by Rs. 6,604.55 Lakhs and finance cost would have been higher by Rs. 4,068.06 Lakhs having consequential impact on total comprehensive income for the quarter ended 30th June, 2019. The Auditors have issued a qualified conclusion in their Review Report.

12. As per Ind AS 108 "Operating Segment" the Group has identified and reported segment information in three segments as under:
 - (i) Developing and Operating Free Trade and Warehousing Zone (FTWZ)
 - (ii) Rail Transport Operations and Inland Container Depot (ICD)
 - (iii) Domestic Warehousing

The assets and liabilities that cannot be allocated between the segments are shown as unallocable assets and liabilities respectively.



13. The exceptional items represent gain / loss on account of restructuring / settlement of claims.
14. The figures for the previous period / year have been re-grouped / re-arranged, wherever necessary, to correspond with the current period's classification/disclosure.

For and on behalf of Board of Directors of
Arshiya Limited



Ajay S Mittal
Chairman and Managing Director
DIN: 00226355

Place: Mumbai
Date: 9th August, 2019



Independent Auditor's Review Report on consolidated unaudited financial results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,

The Board of Directors of

ARSHIYA LIMITED

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **Arshiya Limited** ("the Parent") and its Subsidiaries (the parent and its subsidiaries together refer to as "the Group"), for the quarter ended 30th June, 2019 ("the statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 ('the Regulation'), as amended.
2. This statement, which is the responsibility of the parent's management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting (Ind AS 34) as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the statement based on our review.
3. We conducted our review of the statement in accordance with the Standard on Review Engagement (SRE) 2410, "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*" issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The statement includes the results of the following subsidiaries :-

- Arshiya Lifestyle Limited
- Arshiya Logistics Services Limited
- Arshiya Northern Projects Private Limited
- Laxmipati Balaji Supply Chain Management Ltd.
- Arshiya Rail Infrastructure Limited
- Arshiya Northern FTWZ Limited
- Arshiya Industrial & Distribution Hub Limited
- Arshiya Transport and Handling Limited
- Arshiya Technologies (India) Private Limited
- Arshiya 3PL Services Private Limited
- Anomalous Infra Private Limited
- Arshiya Infrastructure Developers Pvt. Limited
- Unrivalled Infrastructure Pvt. Limited
- Arshiya Panvel FTWZ Services Private Limited
(Date of incorporation 28th February 2019)
- Arshiya Panvel Logistics Services Private Limited
(Date of incorporation 12th March 2019)

Basis for Qualified Conclusion

5. *As mentioned in note no. 11 of the statement, a subsidiary company failed to make payment as prescribed as per one time settlement with lender. As a result, event of default has occurred and the entire debt prior to date of settlement become payable along with interest. The subsidiary has not reversed the gain recorded in earlier year and not provided for additional interest till 31st March 2019 Rs. 3500.76 Lakh and for the quarter ended 30th June 2019 Rs. 567.30 Lakh, aggregating to Rs. 4068.06 Lakh till 30th June 2019. Had the subsidiary company reversed the gain recorded in earlier year and provided for additional interest, exceptional item would have been lower by Rs. 6604.55 Lakh and finance cost would have been higher by Rs. 4068.06 Lakh by equivalent amount as mentioned above, having consequential impact on total comprehensive income and other equity*



6. Based on our review conducted and procedures performed as stated in paragraph 3 above except for the possible effects of the matter described in Para 5 above and based on the consideration of the review reports of the other auditors referred to in paragraph 8 below, nothing has come to our attention that causes us to believe that the accompanying statement of consolidated unaudited financial results, prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standard ("Ind AS") as specified under section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Material Uncertainty Related to Going Concern (related to one of the subsidiary company)

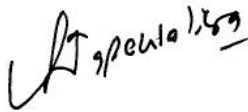
7. We draw attention to the note no. 9 of the statement, which indicates that Arshiya Rail Infrastructure Limited (ARAIL), a wholly owned subsidiary, incurred a net loss of Rs. 3,113.42 Lakh during the quarter, ended 30th June 2019 and, as of that date, the ARAIL's current liabilities exceeded its current assets by Rs. 31,599.01 Lakh, it is unable to meet its financial obligations and as of that date its accumulated losses is resulting in negative net worth. These conditions, along with other matters as set forth in the aforesaid note, indicate the existence of a material uncertainty that may cast significant doubt about ARAIL's ability to continue as a going concern. Arshiya Limited, the Parent Company, has given a support letter to extend, for the foreseeable future, any financial support which may be required by ARAIL. Further, in view of various steps taken by the management, future outlook as assessed by the management and the business plans and in lieu of the support letter from the Parent Company, the management has assessed ARAIL continues to be going concern. Our conclusion is not modified in respect of the said matter.
8. We did not review the interim financial information/financial results of 4 subsidiaries included in the consolidated unaudited financial results, whose interim financial information/financial results reflect total revenue of Rs. 4,543.79 Lakh, total net loss after tax of Rs. 173.03 Lakh and total comprehensive loss of Rs. 172.42 Lakh for the quarter ended 30th June, 2019 respectively, as considered in the consolidated unaudited financial results.



These interim financial information/financial results have been reviewed by Deloitte Haskins and Sells LLP, Chartered Accountants (Firm registration no. 117366W/W-100018), whose reports have been furnished to us by the Management and our conclusion on the statement, in so far as it relates to the amount and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors and procedures performed by us as stated in paragraph 3 above.

Our conclusion on the statement is not modified in respect of the above matters with respect to our reliance on the work done and the report of other auditors.

For Chaturvedi & Shah LLP
Chartered Accountants
Registration No. 101720W/ W100355



Vijay Napawaliya
Partner
Membership No. 109859
UDIN: 19109859AAAABO8053



Place: Mumbai
Date: 9th August, 2019