Arshiya

Date: 10th August, 2022

The Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (E), Mumbai – 400 051, India
CM Quote: ARSHIYA

Corporate Relationship Department
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001
Scrip Code: 506074

Sub: Outcome of Board Meeting

Dear Sir /Madam,

Further to our letter dated 4th August 2022 intimating you of the Board Meeting to be held today and in accordance with the Regulation 30 and 33 read with Schedule III and other applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, we hereby inform you that the Board of Directors of the Company has, inter alia:

1. Approved the Un-audited Financial Results (Standalone and Consolidated) for the quarter ended 30th June 2022, after the Limited Review by the Statutory Auditors;

2. Approved the appointment of N. A. Shah Associates LLP Chartered Accountants as the Statutory Auditors of the Company in place of retiring Auditors Chaturvedi & Shah LLP., Chartered Accountants for a period of five years, subject to the approval of the Members in the ensuing Annual General Meeting;

3. Fixed the date of 41st Annual General Meeting of the Company on Tuesday, 27th September 2022 at 03.00 P.M. IST through Video Conferencing ('VC')/Other Audio-Visual Means ('OAVM')

We hereby enclose the following:

1. Copies of Un-audited Financial Results (Standalone and Consolidated) for the quarter ended 30th June 2022 along with the Limited Review Report issued by Chaturvedi & Shah LLP., Chartered Accountants, the Statutory Auditors of the Company for the said period in accordance with the provisions of Regulations 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. The details as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular CIR/CFD/CMD/4/2015 dated 9th September 2015, are given in Annexure A.

The Meeting commenced at 2.00 P.M and concluded at 5:30 P.M.

This is for your information and records

Thanking you.
For ARSHIYA LIMITED

Ajay S Mittal
Chairman & Managing Director
DIN: 00226355

ARSHIYA LIMITED MUMBAI

Arshiya

Annexure A

Sr. No	Requirements	Disclosure
1.	Reason for change viz. appointment, resignation, removal, death or otherwise	Appointment of N. A. Shah Associates LLP., Chartered Accountants, Mumbai (Firm Registration No.: 116560W/W100149) as the Statutory Auditors of the Company in place of retiring Auditors Chaturvedi & Shah LLP (Firm Registration No.: 101720W)
2.	Date of appointment & term of appointment	At ensuing 41st Annual General Meeting N. A. Shah Associates LLP., will hold office as the Statutory Auditors of the Company for a period of five years, from the conclusion of 41st Annual General Meeting till the conclusion of 46th Annual General Meeting, subject to the approval of shareholders of the Company.
3.	Brief Profile	N. A. Shah Associates LLP., Chartered Accountants established in 1965 with a view to in dept understand financial practices, legal regulations. A consultancy with a Niche Bouquet of Services. The Firm has been instrumental in Audit and assurance, Direct Tax, Indirect Tax, Due Diligence, Business Advisory, Transaction Advisory, Cross Border Advisory and Family Governance Estate and Trust Planning. The Firm's clients range from privately owned entities to public listed companies. Over the years, the Firm has established excellent working relationships with statutory authorities, international firms of Chartered Accountants, Lawyers and Investment Bankers. The Firm's relationships with its clients are essentially based on its commitment to the quality of service and on the trust and confidence reposed in the partners of the Firm.

ARSHIYA LIMITED MUMBAI

CHATURVEDI & SHAH LLP
Chartered Accountants

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 30thJune 2022, ("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 issue a report 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. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and an analytical procedure applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

CHATURVEDI & SHAH MUMBAI CHARTERED ACCOUNTANTS

Head Office: 714-715, Tulsiani Chambers, 212, Nariman Point, Mumbai - 400 021, India. Tel : +91 22 3021 8500 • Fax : +91 22 3021 8595
URL : www.cas.ind.in

Branch : Bengaluru

4. Basis for Qualified Conclusion

i. *We draw attention to the Note no. 5 of the statement, during the previous quarter and year ended 31st March 2022, the Company received settlement of debt letter from Edelweiss Assets Reconstruction Company Limited ("EARC"). The Company had partially complied with conditions precedent. The Company has given accounting effects of settlement in the standalone financial statements for the year ended 31st March 2022. EARC has revoked the said settlement and recalled restated outstanding dues as on 30th June 2022 together with contractual interest, penal interest, etc. The Company continues to account for the finance cost and borrowings as per settlement letter. Had the Company accounted for revocation of settlement, during the quarter ended 30th June 2022, finance cost, gain / (loss) on revocation of settlement as an exceptional item, net profit / (loss) for the quarter and EPS for the quarter ended 30th June 2022 would have been Rs. 5269.46 Lakh, Rs. (60,210.06) Lakh, Rs. (64632.60) Lakh, Rs. (24.64) respectively, as against the reported figure of Rs. 2279.23 Lakh, Rs. Nil, Rs. (1432.41) Lakh, Rs. (0.55) respectively.*

ii. *We draw attention to the Note no. 10 of the statement, as at 30th June, 2022, balance confirmations of total borrowings including interest accrued (including current maturities and current borrowings), aggregating to Rs. 719,80.89 Lakh have not been received. We are unable to obtain sufficient appropriate evidence about these borrowings (including interest) outstanding as at 30th June 2022. Consequently, we are unable to determine whether any adjustment to these amounts are necessary and consequential impacts on the standalone financial results of the Company.*

5. Material uncertainty related to going concern

We draw attention to the Note no. 6 of the statement, the Company is unable to pay it's dues to operational and financial creditors, the Company has defaulted in repayment of dues to lenders and lenders has started recovery proceeding, the Company has given guarantees for loan taken by the subsidiary out of which guarantees are invoked by lenders, some of the lenders have even called back their loans, lenders have classified Company's borrowing as NPA, current liabilities exceeded its current assets of the Company, operational and financial creditors have applied before NCLT under Insolvency and Bankruptcy Code, 2016. The Company also received notice under SARFAESI from EARC, for certain borrowings, to discharge it's liabilities failing which they will realize the amount by enforcing securities on secured assets. These matters including other matters as set out in the notes indicate that a material uncertainty exists that may cast significant doubt about its ability to continue as a going concern. The management's plans as a developer of the business indicate that monetization will happen periodically, and staggered but significant payments will be received to streamline the cash flows. These along with other developments in the sector are detailed in the notes. The said assumption of going concern is dependent upon Company's plan to monetize its assets in timely manner and generate cash flows to meet its obligations. Our conclusion is not modified in respect of the said matter.

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6. **Emphasis of Matters**

i. We draw attention to Note no. 4 to the statement, one of the lenders of the Company, had preferred an appeal in "Hon'able National Company Law Appellate Tribunal", ("NCLAT"), against the order of Hon'able National Company Law Tribunal, Mumbai sanctioning the Scheme of Arrangement between the Company and Arshiya Rail Infrastructure Limited. NCLAT ordered to maintain the status quo prevailing as on that date, vide it's order dated 4th March 2022. According to the legal opinion obtained by the Company and in view of the Management, it can prepare the financial statements / results of the Company as per sanctioned scheme of arrangement.

ii. We draw attention to the Note no. 7 to 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 by management.

iii. We draw attention to the Note no. 8 to the statement, regarding Company's non-current investment in Arshiya Northern FTWZ Limited (ANFTWZ) and its loans dues amounting to Rs. 453,22.25 Lakh and Rs. 133,36.55 Lakh, respectively. The operations of ANFTWZ are dependent on business plans and various steps taken by the management. Based on this and other factors stated in aforesaid note, management has considered that no adjustment, at this stage, are required to be made to the carrying value of investment and receivables as at 30th June, 2022.

iv. We draw attention to the Note no. 9.1 of the statement, pending execution of restructuring agreement for assignment of its debt to Edelweiss Asset Reconstruction Company (EARC), the Company has continued to provide interest for the quarter and year 30th June, 2022 in line with major terms negotiated with EARC in case of other agreements. In view of the management, no penal interest needs to be provided for the above said debt presently.

v. We draw attention to Note no. 11 of the statement regarding recoverability of trade receivables amounting to Rs. 434.17 Lakh as at 30th June 2022 from one of the customer. The Management is of the view that the said amounts are considered to be good and fully recoverable as on 30th June, 2022, and accordingly, no provision is required to be made in view of the reasons stated in the aforesaid note.

Our conclusion on the statement is not modified in respect of these matters.

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7. Based on our review conducted above *except for the possible effects of the matters described in paragraph 4 above "Basis for qualified conclusion"* and read with our comments in paragraph 5 and 6 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 applicable accounting standards and other recognized accounting practices and policies 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.

8. **Other Matter**

We report that the figures for the corresponding quarter ended 30th June 2021 are based on the restated financial results prepared by the management of the Company pursuant to the accounting of the Scheme of Arrangement as approved by the National Company Law Tribunal. Our conclusion is not modified in respect of this matter.

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

Vijay Napawaliya
Partner
Membership No. 109859
UDIN: 22109859AOTFEP6954

CHATURVEDI & SHAH LLP
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Place: Mumbai
Date: August 10, 2022

Arshiya Limited

CIN: L93000MH1981PLC024747
Registered Office: 205 & 206 (Part), 2nd Floor, 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, 2022

(Rs. in Lakhs)

Sr.No.	Particulars	Quarter Ended			Year Ended
		30.06.2022	31.03.2022	30.06.2021	31.03.2022
		(Unaudited)	(Audited) (Refer Note No. 14)	(Unaudited) (Refer Note No. 14)	(Audited)
1	**Income**				
	(a) Revenue from operations	711.37	1,840.33	1,506.76	6,193.34
	(b) Other Income	822.23	239.97	183.98	818.96
	Total Income (a+b)	**1,533.60**	**2,080.30**	**1,690.74**	**7,012.30**
2	**Expenses**				
	(a) Employee benefits expense	311.91	361.29	280.07	1,299.13
	(b) Finance costs	2,279.23	(3,985.59)	4,077.80	8,646.77
	(c) Depreciation and amortization expense	242.87	255.02	249.19	1,032.54
	(d) Other expenses	131.90	2,560.97	144.99	3,121.09
	Total Expenses (a to d)	**2,965.91**	**(808.31)**	**4,752.05**	**14,099.53**
3	**Profit/(Loss) before exceptional items and Tax (1-2)**	**(1,432.31)**	**2,888.61**	**(3,061.31)**	**(7,087.23)**
4	Exceptional Items (Net) (Refer note no.5 & 13)	-	(47,244.27)	-	(47,244.27)
5	**Profit/(Loss) before tax (3-4)**	**(1,432.31)**	**50,132.88**	**(3,061.31)**	**40,157.04**
6	Tax expense	-	-	-	-
7	**Net profit/(Loss) after Tax (5-6)**	**(1,432.31)**	**50,132.88**	**(3,061.31)**	**40,157.04**
8	**Other Comprehensive Income**				
	Items that will not be reclassified to profit and loss:				
	Remeasurement of net defined benefit plan	(1.66)	(1.91)	0.48	(6.65)
7	**Total Comprehensive Income**	**(1,433.97)**	**50,130.97**	**(3,060.83)**	**40,150.39**
8	**Paid-up equity share capital (Face value per share Rs. 2/-)**	**5,245.52**	**5,245.52**	**5,245.52**	**5,245.52**
9	**Other Equity excluding Revaluation reserve**				**85,955.28**
10	**Earnings Per Equity Share (EPS) in Rs.**				
	- Basic	(0.55)*	19.11*	(1.17)*	15.31
	- Diluted	(0.55)*	19.11*	(1.17)*	15.31
	(*not annualised)				

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Notes to Unaudited Standalone Financial Results: -

1. The Audit Committee has reviewed the unaudited financial results and the Board of Directors has approved these results for the quarter 30th June 2022 and its release in the meeting held on 10th August 2022. The Statutory Auditors of the Company have carried out the limited review of the above unaudited financial results.

2. The Company has entered into Share Purchase Agreement with Acendas Property Fund (India) Pte. Ltd. (Ascendas) for sale of entire equity shares in Arshiya Northern Projects Private Limited (ANPPL) upon fulfilment of certain conditions precedent and is subject to various approvals. Hence, investment in ANPPL has been considered as Investment held for sale and discontinued operation as per Ind AS 105 "Non-Current Assets Held for Sale and Discontinued Operations".

3. The Company's activities revolve around "Developing and Operating Free Trade & Warehousing Zone (FTWZ) and Special Economic Zone (SEZ)" within India. Considering the nature of the Company's business and operations, as well as, based on reviews of operating results by the chief operating decision maker there is only one reportable segment in accordance with the requirement of Ind AS 108 "Operating Segment" prescribed under Companies (Indian Accounting Standards) Rules 2015.

4. During the quarter ended 31st March 2022, Hon'ble National Company Law Tribunal, Mumbai Bench (NCLT) has approved the Scheme of Arrangement (Scheme) vide it's order dated 21st January 2022 (Order). Assets and liabilities pertaining to domestic business has been demerged from the Company into the Resulting company i.e. Arshiya Rail Infrastructure Limited (ARIL). Post NCLT Order, one of the lenders has filed an appeal against the said Order before the Hon'ble National Company Law Appellate Tribunal (NCLAT / Appellate Tribunal), Delhi. The Appellate Tribunal by its order dated 4th March 2022, ordered to maintain '*status quo*' in the matter.

   Further, the Company has filed an application seeking vacation of the ad interim stay order dated 4th March 2022 praying the Appellate Tribunal to allow complete the formalities such as allotment procedures of the demerger and listing of the shares of the Resulting Company. As the scheme is in the interest of stakeholders of both the companies and based on the legal opinion and advice, the Company has continued to prepare the financial results for the quarter ended 30th June 2022 after giving accounting effects of the approved scheme by the NCLT. The Auditors have referred to this as an emphasis of matter paragraph in their limited review report.

5. The Company had received Settlement of Debt letter dated 4th March 2022 (Settlement) from Edelweiss Assets Reconstruction Company Limited (EARC) with Cut-off date as on 30th September 2021. EARC has settled its dues at Rs. 38,510.00 Lakh as the Settlement Amount. The Company had partially complied with conditions of the Settlement. In view of the same, accounting treatment of the Settlement was given in the quarter ended 31st March, 2022 and the Company had recorded the gain on settlement as an exceptional item of Rs. 46,698.57 Lakh (comprising of principal of Rs. 21,567.05 Lakh and interest of Rs. 25,131.52 Lakh). Further interest expenses

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accounted in the books till 31st December 2021 was reversed during the quarter ended 31st March 2022. Hence, interest expenses, net off reversal was recorded after giving impact of Settlement during the quarter ended 31st March, 2022 and the Company had recorded financial liabilities as per Settlement of Debts.

Since the Company is unable to comply with the conditions of the Settlement it has requested EARC to revise the structure of debt resolution and submitted various proposals to EARC. Pending evaluation and discussions on these proposals, EARC has revoked the Settlement. In light of the ongoing discussion with EARC, the Company continues to account the finance cost and borrowings as per the Settlement. Had the Company accounted for the revocation of Settlement, the finance cost of quarter ended 30th June, 2022 would be higher by Rs. 2,990.23 Lakhs and loss on revocation of settlement as an exceptional item would have been higher by Rs. 60,210.06 Lakhs (comprising of principal borrowings of Rs. 21,567.05 Lakhs and cumulative interest payable of Rs. 38,643.01 Lakhs as on 31st March, 2022) and consequently the losses of the quarter ended 30th June, 2022 would have been higher by Rs. 63,200.29 Lakhs, EPS would be lower by Rs. 24.09 and other equity excluding revaluation reserve lower by Rs. 63,200.29 Lakhs. The Auditors have qualified their conclusion in respect of this matter in their limited review report.

6. The management believes that Government's focus on significant policies reform for logistics infrastructure sector, which is currently one of the fastest growing sector, will help the company to expand its business. The recent amendments in the SEZ policy, will enable the Company to offer additional value propositions to its clients. These macro factors coupled with other economic benefits will improve the Company's ability to expand the client base multi-fold. Further the Company has appointed a global consulting firm for business development of its FTWZ business. This will improve the company's ability for global outreach to increase its customer base.

The Company is under discussion with all major lenders to reduce debt at sustainable level. Hence the Company is optimistic that the proposed re-alignment of debt with Lenders will improve overall cash flows of the Company.

The management's plan as a developer of the business indicates that asset light business model through monetization will help to improve cashflow of the Company. Monetisation will happen periodically and staggered manner, but significant payments will be received to streamline the cash flows.

Pursuant to the framework agreement with Ascendas, Ascendas will provide capital cushion for future growth. They provided an attractive valuation for warehouses in past and on similar lines, it is expected for future warehouses.

Further, India is witnessing a rapid growth in internet penetration and telecommunication technology. The expansion of the consumer base is complemented by the Government's drive to digitalise the economy, all of which is propelling the demand for data centres in India. This has enhanced the Company's capabilities to expand its business into data centre and related infrastructure. The Company has received the requisite approval from the concerned authority for the development of an

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additional sector i.e. Electronic Hardware and Software (including IT/ITES) at its existing FTWZ facility at Panvel.

In addition to the above, various resource optimization initiatives undertaken by the Company, can lead to stabilization and revival. Therefore, the Company continues to prepare the financial results on Going Concern basis.

7. The Company had issued a corporate guarantee of Rs. 32,676.29 Lakh to the lenders of Arshiya Northern FTWZ Limited ("ANFL") a subsidiary Company. This guarantee has been invoked by the lenders since ANFL had defaulted in servicing its borrowings towards principal and interest. The Company has carried out a 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 the borrowing. Accordingly, no provision is required towards the guarantee so invoked. The Auditors have referred to this as an emphasis of matter paragraph in their Limited Review Report.

8. Based on ANFL's debt restructuring, business development efforts, revival plans with cost optimisation and, the in-principle term sheet signed with Ascendas for monetisation of one warehouse, an assessment was carried out by the management of the Company and accordingly no provision for impairment on it's investment in ANFL and loan to ANFL are considered necessary as on 30th June, 2022. The Auditors have referred to this as an emphasis of matter paragraph in their limited review report.

9.1 One of the Public Financial Institution (PFI) and one of the Non-Banking Financial Company (NBFC) which were lenders, have assigned their debts to EARC. The Company continues to provide normal interest in line with major terms negotiated with EARC until the finalisation of the restructuring agreement. Upon finalization of the terms of restructuring with EARC, the Company shall record the effect of the revised terms as to the repayment of principal and interest (including penal interest) in the period in which it is completed. With respect to these borrowings, EARC has issued SARFAESI Notice for recovery of dues. The Auditors have referred to this as an emphasis of matter paragraph in their limited review report.

9.2 During the quarter ended 30th June, 2022, with respect to borrowing from PFI, under SARFAESI process, EARC has identified buyers for sale of security exclusively charged under said loan and the Company has recorded sale transaction during the quarter ended 30th June 2022 however with respect to appropriation of sale proceed against principal and interest, required details of the transaction are awaited from EARC. Upon receipt of details from EARC, the Company will give necessary impact in the books of account.

10. The lenders' balances as on 30th June, 2022 are subject to their confirmation. However, the Company is confident that there will not be significant changes in its liabilities. The Auditors have qualified their conclusion in respect of this matter in their limited review report.

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11. As on 30th June, 2022, trade receivable includes amount aggregating to Rs. 434.17 Lakh from one of the Customer of the Company who have warehoused imported goods. The said Customer has been doing business in Panvel FTWZ since more than five years and have cleared all their dues though there are some delays in payment. The management is confident that the outstanding balance is fully recoverable. Further in the event of any default, the Company will be entitled to lien on their goods stored in FTWZ warehouses, as per terms of agreements. In view of the same, the Company has not made any provision in the books. The Auditors have referred to this as an emphasis of matter paragraph in their limited review report.

12. Two lenders of ANFL have filed petition for recovery of dues at NCLT under Insolvency and Bankruptcy Code, 2016. ANFL is under discussion with these consortium lenders for resolution of debt for all lenders. A lender of ANFL has also called upon the Company as a corporate guarantor to the said loan. Certain operational creditors of the Company have also filed petitions at NCLT under Insolvency and Bankruptcy Code, 2016. Currently the matters are pending at pre-admission stage.

13. Exceptional items during the quarter and year ended 31st March 2022 represent net gain on settlement of debts.

14. The figures of the corresponding previous period / year have been rearranged / regrouped. The financial results of the Company for the quarter ended 30th June, 2021 has been restated to give impact of the NCLT order for Scheme of Arrangement. The figures for the quarter ended 31st March 2022 are the balancing figures between audited figures of the full financial year and restated year to date figures upto nine months ended 31st December, 2021.

For and on behalf of Board of Directors of Arshiya Limited

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

ARSHIYA LIMITED MUMBAI

Place: Mumbai
Date: 10th August, 2022

CHATURVEDI & SHAH LLP MUMBAI CHARTERED ACCOUNTANTS

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, 2022 ("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.

CHATURVEDI & SHAH LLP
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4. The statement includes the results of the following subsidiaries :-
   - Arshiya Lifestyle Limited
   - Arshiya Logistics Services Limited
   - Arshiya Northern Projects Private Limited
   - Arshiya Northern FTWZ Limited
   - Arshiya Technologies (India) Private Limited
   - Arshiya 3PL Services Private Limited
   - Arshiya Infrastructure Developers Private Limited
   - Unrivalled Infrastructure Private Limited
   - Arshiya Panvel FTWZ Services Private Limited
   - Arshiya Panvel Logistics Services Private Limited
   - Arshiya Data Centre Private Limited
   - Arshiya Distribution Hub Private Limited

5. **Basis for Qualified Conclusion**

i. We draw attention to the Note no. 5 of the statement, during the previous quarter and year ended 31st March 2022, the Holding Company and one of the subsidiary company received settlement of debt letter of Edelweiss Assets Reconstruction Company Limited ("EARC"). The Group had partially complied with conditions precedent. The Group has given accounting effects of settlement in the consolidated financial statements for the year ended 31st March 2022. EARC has revoked the said settlement and recalled restated outstanding dues as on 30th June 2022 together with contractual interest, penal interest, etc. The Group continues to account for the finance cost and borrowings as per settlement letter. Had the Group accounted for revocation of settlement, during the quarter ended 30th June 2022, finance cost, gain / (loss) on revocation of settlement as an exceptional item (net), net profit / (loss) for the quarter and EPS for the quarter ended 30th June 2022 would have been Rs. 7712.34 Lakh, Rs. (56413.01) Lakh, Rs. (63343.56) Lakh, Rs. (24.15) respectively, as against the reported figure of Rs. 4268.05 Lakh, Rs. 8221.83 Lakh, Rs. 4735.57 Lakh, Rs. 1.81 respectively.

ii. We draw attention to the Note no. 14 of the statement, as at 30th June, 2022, balance confirmations of total borrowings including interest accrued (including current maturities and current borrowings), aggregating to Rs. 121058.45 Lakh have not been received. We are unable to obtain sufficient appropriate evidence about these borrowing (including interest) outstanding as at 30th June 2022. Consequently, we are unable to determine whether any adjustment to these amounts are necessary and consequential impacts on the consolidated financial results of the Group.

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6. Material uncertainty related to the Going Concern

i. We draw attention to the Note no. 7.1 of the statement, the Holding Company is unable to pay its dues to operational and financial creditors, the Holding Company has defaulted in repayment of dues to lenders and lenders has started recovery proceeding, some of the lenders have even called back their loans, lenders have classified Holding Company's borrowing as NPA, current liabilities exceeded its current assets of the holding Company, operational and financial creditors has applied before NCLT under Insolvency and Bankruptcy Code, 2016. The Holding Company also received notice under SARFAESI from EARC, for certain borrowings, to discharge it's liabilities failing which they will realize the amount by enforcing securities on secured assets. These matters including others matters as set out in the notes indicate that a material uncertainty exists that may cast significant doubt about their ability to continue as a going concern. The management's plans as a developer of the business indicate that monetization will happen periodically and staggered but significant payments will be received to streamline the cash flows. These along with other developments in the sector are detailed in the notes. The said assumption of going concern is dependent upon Holding Company's plan to monetize its assets in timely manner and generate cash flows to meet its obligations.

ii. We draw attention to the Note No. 7.2 of the statement, in respect of Arshiya Northern FTWZ Limited (ANFTWZ), subsidiary company, unable to pay its dues to operational and financial creditors, it has defaulted in repayment of dues to lenders, lenders have classified Company's borrowing as NPA, current liabilities exceeded its current assets of ANFTWZ. It has appointed external agency for business development. These matters including others matters as set out in the notes indicate that a material uncertainty exists that may cast significant doubt about their ability to continue as a going concern. The financial results of the Arshiya Northern FTWZ Limited (ANFTWZ) have been prepared on the going concern basis. The said assumption of going concern is dependent upon Company's plan to monetize its assets in timely manner and generate cash flows to meet its obligations.

iii. The auditor of Arshiya Logistic Services Limited (one of the subsidiary) in their report on the financial results of that subsidiary have reported, following paragraph:-

We draw attention to note no. 7.3 to the accompanying financial statements which indicates that as at 30 June 2022, the Company has accumulated losses of Rs. 514.64 Lakh resulting in full erosion of its net worth and current liabilities exceeded its current assets by Rs. 392.32 Lakh. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, basis the future business projections which are dependent on certain assumptions and estimates along with other factors mentioned in aforesaid note to the financial results, management is of the view that the going concern basis of accounting is appropriate. Such assessment is dependent on the Company achieving its business plans as stated in aforesaid note.

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iv. We draw attention to Note 7.4 of the statement, which indicates that the Arshiya 3PL Services Private Limited, as of 30th June 2022, the Company's net worth is negative and current liabilities exceeded its total assets by Rs. 295.87 Lakh. These conditions, along with other matters as set forth in above Note, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

Our conclusion is not modified in respect of these matters.

7. **Emphasis of Matters**

i. We draw attention to Note no. 4 to the statement, one of the lenders of the Holding Company, had preferred an appeal in "Hon'able National Company Law Appellate Tribunal" ("NCLAT"), against the order of Hon'able National Company Law Tribunal, Mumbai sanctioning the Scheme of Arrangement between the Holding Company and Arshiya Rail Infrastructure Limited. NCLAT ordered to maintain the status quo prevailing as on that date, vide it's order dated 4th March 2022. According to the legal opinion obtained by the Holding Company and in view of the Management, it can prepare the financial statements of the Holding Company as per sanctioned scheme of arrangement.

ii. We draw attention to the note no. 8.1 of the statement, pending execution of restructuring agreement for assignment of its debt to Edelweiss Asset Reconstruction Company (EARC), the Holding Company has continued to provide interest for the quarter ended 30th June, 2022 in line with major terms negotiated with EARC in case of other agreements. In view of the management, no penal interest needs to be provided for the above said debt presently.

iii. We draw attention to Note no. 9 of the statement regarding recoverability of trade receivables aggregating to Rs. 434.17 Lakh as at 30th June 2022 from one of the customer. The Management is of the view that the said amounts are considered to be good and fully recoverable as on 30th June, 2022, and accordingly, no provision is required to be made in view of the reasons stated in the aforesaid note.

iv. The auditor of two subsidiaries in their reports on the financial results of those subsidiaries have reported, following paragraph:-

We draw attention to note no. 10 and 11 to the statement regarding recoverability of trade receivables and other financial assets aggregating to Rs. 2080.42 Lakh as at 30th June 2022 from certain customers. The Management of the Companies is of the view that the said amounts are considered to be good and fully recoverable as on 30th June, 2022, and accordingly, no provision is required to be made in view of the reasons stated in the aforesaid note.

Our conclusion on the statement is not modified in respect of these matters.

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8. Other Matters

(i) The consolidated financial results include the audited financial results of four subsidiaries, whose financial results / financial information reflect, total revenue of Rs. 40,23.96 Lakh, total net profit/(loss) after tax of Rs. (159.37) Lakh and total comprehensive income of Rs. (159.72) Lakh for the quarter ended 30th June, 2022, as considered in the consolidated financial results. The independent auditors' reports on financial statements /financial information of these entities have been furnished to us and our conclusion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above.

(ii) The consolidated unaudited financial result includes the financial information / financial results of one subsidiary, whose financial information / financial results reflect total revenue of Rs. 0.40 Lakh, total net profit / (loss) after tax of Rs. (0.40) Lakh and total comprehensive income of Rs. (0.40) Lakh for the quarter ended 30th June, 2022, as considered in the consolidated unaudited financial results. The financial information / financial results of the above said subsidiary have not been reviewed by their auditor. According to the information and explanations given to us by the Management, these financial information / financial results are not material to the Group.

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 reports of the other auditors and the financial results / financial information certified by the Board of Directors.

(iii) We report that the figures for the corresponding quarter ended 30th June 2021 are based on the restated financial results prepared by the management of the Company pursuant to the accounting of the Scheme of Arrangement as approved by the National Company Law Tribunal. Our conclusion is not modified in respect of this matter.

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9. Based on our review conducted and procedures performed as stated in paragraph 3 above *except for the possible effects of the matters described in paragraph 5 above "Basis for qualified conclusion"* and read with our comments in paragraph 6 and 7 above and based on the consideration of the review reports of the other auditors referred to in paragraph 8 above, 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 aforesaid Indian Accounting Standard 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.

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

Vijay Napawaliya
Partner
Membership No. 109859
UDIN: 22109859AOTFST6632

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Place: Mumbai
Date: August 10, 2022

Arshiya Limited

CIN: L93000MH1981PLC024747

Registered Office: 205 & 206 (Part), 2nd Floor, 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 CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2022

(Rs. In Lakhs)

Sr.No.	Particulars	Quarter Ended			Year Ended
		30.06.2022	31.03.2022	30.06.2021	31.03.2022
		(Unaudited)	(Audited) (Refer note no. 15)	(Unaudited) (Refer note no. 15)	(Audited)
1	**Income**				
	(a) Revenue from operations	3,512.90	3,891.02	3,817.58	15,014.12
	(b) Other Income	943.70	9,113.53	201.16	9,674.09
	Total Income	**4,456.60**	**13,004.55**	**4,018.74**	**24,688.21**
2	**Expenses**				
	(a) Warehousing, transportation and handling costs	494.67	465.10	384.25	1,775.45
	(b) Employee benefits expense	377.89	584.22	386.51	1,996.63
	(c) Finance costs	4,268.05	(3,021.97)	6,243.57	16,217.40
	(d) Depreciation and amortization expense	2,048.44	1,832.14	1,756.99	7,181.47
	(e) Other expenses	740.10	1,658.22	606.24	3,356.37
	Total Expenses (a to e)	**7,929.15**	**1,517.71**	**9,377.56**	**30,527.32**
3	**Profit/(Loss) before exceptional and Tax (1-2)**	**(3,472.55)**	**11,486.84**	**(5,358.82)**	**(5,839.11)**
4	Exceptional Items (Net) (Refer note no.5, 6 & 13)	8,221.83	48,988.99	-	48,988.99
5	**Profit/(Loss) before tax (3+4)**	**4,749.28**	**60,475.83**	**(5,358.82)**	**43,149.88**
6	Tax expense	13.71	(1.97)	46.98	28.82
7	**Net profit/(Loss) after Tax from Continuing Operations (5-6)**	**4,735.57**	**60,477.80**	**(5,405.80)**	**43,121.06**
8	Profit/(loss) from Discontinuing Operations	(0.39)	(294.69)	(2.77)	(730.29)
9	**Net profit/(Loss) after Tax (7+8)**	**4,735.18**	**60,183.11**	**(5,408.57)**	**42,390.77**
10	**Other Comprehensive Income**				
	Item that will not be reclassified to profit and loss:				
	Remeasurement of gains / (losses) on defined benefit plans	(1.85)	(3.55)	1.19	(7.38)
11	**Total Comprehensive Income**	**4,733.33**	**60,179.56**	**(5,407.38)**	**42,383.39**
12	**Profit/(Loss) attributable to:**				
(a)	Owner of the parent	4,735.18	60,183.11	(5,408.57)	42,390.77
(b)	Non-controlling interest	-	-	-	-
		4,735.18	**60,183.11**	**(5,408.57)**	**42,390.77**
13	**Other Comprehensive Income attributable to:**				
(a)	Owner of the parent	(1.85)	(3.55)	1.19	(7.38)
(b)	Non-controlling interest	-	-	-	-
		(1.85)	**(3.55)**	**1.19**	**(7.38)**
14	**Total Comprehensive Income attributable to:**				
(a)	Owner of the parent	4,733.33	60,179.56	(5,407.38)	42,383.39
(b)	Non-controlling interest	-	-	-	-
		4,733.33	**60,179.56**	**(5,407.38)**	**42,383.39**
15	**Paid-up equity share capital (Face value per share Rs. 2)**	**5,245.52**	**5,245.52**	**5,245.52**	**5,245.52**
16	**Other Equity excluding Revaluation reserve**				**25,977.10**
17	**Earnings Per Share (EPS) in Rs. (for continuing operation)**				
	- Basic	1.81*	23.06*	(2.06)*	16.44
	- Diluted	1.81*	23.06*	(2.06)*	16.44
18	**Earnings Per Share (EPS) in Rs. (for discontinuing operation)**				
	- Basic	(0.00)*	(0.11)*	(0.00)*	(0.28)
	- Diluted	(0.00)*	(0.11)*	(0.00)*	(0.28)
19	**Earnings Per Share (EPS) in Rs. (for continuing and discontinuing operation)**				
	- Basic	1.81*	22.95*	(2.06)*	16.16
	- Diluted	1.81*	22.95*	(2.06)*	16.16
	*not annualised				

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Notes to Unaudited Consolidated Financial Results: -

1. The Unaudited Consolidated Financial Results of Arshiya Limited ('Parent Company') and its Subsidiaries (together referred to as the 'Group') for the quarter ended 30th June 2022 were reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Parent Company at its meeting held on 10th August, 2022. The Statutory Auditors of the Parent Company have carried out the limited review of the above unaudited consolidated financial results.

2. The Parent Company has entered into conditional Share Purchase Agreement with Ascendas Property Fund (India) Pte. Ltd (Ascendas) for sale of entire equity shares in Arshiya Northern Projects Private Limited (ANPPL), upon fulfilment of certain conditions precedent and is subject to various approvals. Hence, Assets and Liabilities in ANPPL has been considered as Assets and Liabilities held for sale and Discontinued Operations as per Ind AS 105 "Non-current Assets Held for Sale and Discontinued Operations".

3. The Group's activities revolve around "Developing and Operating Free Trade & Warehousing Zone (FTWZ) and Special Economic Zone (SEZ)" with in India. Considering the nature of the Group's business and operations, as well as, based on reviews of operating results by the chief operating decision maker there is only one reportable segment in accordance with the requirement of Ind AS 108 "Operating Segment" prescribed under Companies (Indian Accounting Standards) Rules 2015.

4. During the quarter ended 31st March 2022, Hon'ble National Company Law Tribunal, Mumbai Bench (NCLT) has approved the Scheme of Arrangement (Scheme) vide it's order dated 21st January 2022 (Order). Assets and liabilities pertaining to domestic business has been demerged from the Parent Company into the Resulting company i.e. Arshiya Rail Infrastructure Limited (ARIL). Post NCLT Order, one of the lenders of the Parent Company has filed an appeal against the said Order before the Hon'ble National Company Law Appellate Tribunal (NCLAT / Appellate Tribunal), Delhi. The Appellate Tribunal by its order dated 4th March 2022, ordered to maintain '*status quo*' in the matter.

   Further, the Parent Company has filed an application seeking vacation of the ad interim stay order dated 4th March 2022 praying the Appellate Tribunal to allow complete the formalities such as allotment procedures of the demerger and listing of the shares of the Resulting Company. As the scheme is in the interest of stakeholders of both the companies and based on the legal opinion and advice, the Parent Company has continued to prepare the consolidated financial results for the quarter ended 30th June 2022 after giving accounting effects of the approved scheme by the NCLT. The Auditors have referred to this as an emphasis of matter paragraph in their limited review report.

5. The Group had received Settlement of Debt letter dated 4th March 2022 (Settlement) from Edelweiss Assets Reconstruction Company Limited (EARC) with Cut-off date as on 30th September 2021. EARC has settled its dues at Rs. 53,510.00 Lakh as the Settlement Amount. The Group had partially complied with conditions of the Settlement. In view of the same, accounting treatment of the Settlement was given in the quarter ended 31st March, 2022 and the Group had recorded the gain on settlement as an

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exceptional item of Rs. 48,443.30 Lakhs (comprising of principal of Rs. 17,713.30 Lakh and interest of Rs. 30,730.00 Lakh). Further interest expenses accounted in the books till 31st December 2021 was reversed during the quarter ended 31st March 2022. Hence, interest expenses, net off reversal was recorded after giving impact of Settlement during the quarter ended 31st March, 2022 and the Group had recorded financial liabilities as per Settlement of Debts.

Since the Group is unable to comply with the conditions of the Settlement it has requested EARC to revise the structure of debt resolution and submitted various proposals to EARC. Pending evaluation and discussions on these proposals, EARC has revoked the Settlement. In light of the ongoing discussion with EARC, the Group continues to account the finance cost and borrowings as per the Settlement. Had the Group accounted for the revocation of Settlement, the finance cost of quarter ended 30th June, 2022 would be higher by Rs. 3,444.29 Lakhs and loss on revocation of settlement as an exceptional item would have been higher by Rs. 64,634.84 Lakhs (comprising of principal borrowings of Rs. 17,713.30 Lakhs and cumulative interest payable of Rs. 46,921.54 Lakhs as on 31st March, 2022) and consequently the losses of the quarter ended 30th June, 2022 would have been higher by Rs. 68,079.13 Lakhs, EPS would be lower by Rs. 25.96 and other equity excluding revaluation reserve lower by Rs. 68,079.13 Lakhs. The Auditors have qualified their conclusion in respect of this matter in their limited review report.

6. During the Current quarter ended 30th June, 2022, a Subsidiary Company i.e. ANFL has settled one of the lenders through one time settlement (OTS) and has recorded gain on settlement of Rs. 8,221.83 Lakh as exceptional item.

7.1 The management believes that Government's focus on significant policies reform for logistics infrastructure sector, which is currently one of the fastest growing sector, will help the Group to expand its business. The recent amendments in the SEZ policy, will enable the Group to offer additional value propositions to its clients. These macro factors coupled with other economic benefits will improve the Group 's ability to expand the client base multi-fold. Further the Group has appointed global consulting firm for business development of FTWZ. This will improve the group's ability for global outreach to increase customer base.

The Group is under discussion with all major lenders to reduce debt at sustainable level. Hence the Group is optimistic that the proposed re-alignment of debt with Lenders will improve overall cash flows of the Group.

The management's plans as a developer of the business indicate that assets light business model through monetization will help to improve cashflow of the Group. Monetisation will happen periodically and staggered manner, but significant payments will be received to streamline the cash flows.

Pursuant to the framework agreement with Ascendas, Ascendas will provide capital cushion for future growth. They provided an attractive valuation for warehouses in past and on similar lines, it is expected for future warehouses.

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Further, India is witnessing a rapid growth in internet penetration and telecommunication technology. The expansion of the consumer base is complemented by the Government's drive to digitalise the economy, all of which is propelling the demand for data centres in India. This has enhanced the Parent Company's capabilities to expand its business into data centre and related infrastructure. The Parent Company has received the requisite approval from the concerned authority for the development of an additional sector i.e. Electronic Hardware and Software (including IT/ITES) at its existing facility at Panvel.

In addition to the above, various resource optimization initiatives undertaken by the Parent Company, can lead to stabilization and revival. Therefore, the Parent Company continues to prepare the financial results on Going Concern basis.

7.2 With respect of one of subsidiary i.e. Arshiya Northern FTWZ Limited ("ANFL") the as at 30th June 2022, current liabilities is more than the current assets. ANFL is equipped with world class logistic infrastructure at Khurja, which is strategically located at the confluence of Western and Eastern Dedicated Freight Corridor (DFC). The DFC will improve efficiency and cargo deliverables. Commissioning of the DFC could benefit customers by operation of longer, heavier, and faster train services which will improve operational efficiency. The commencement of work on the proposed Jewar Airport which is in close proximity to Khurja will also boost the Group's business. Further detailed business development has been carried out by through a reputed global consulting firm for FTWZ. Further, the ANFL also under advanced stage of debt restructuring besides monetization of assets.

In view of above financial result of ANFL has been prepared on going concerned basis considering business plan and recent amendments in SEZ policy will enhance the scope of activities carried out by FTWZ exponentially.

7.3 As at 30th June, 2022, the Subsidiary Company i.e. ALSL's current liabilities exceed its current assets by INR 392.32 lakhs. Due to accumulated losses of INR 514.64 lakhs, net-worth of the Subsidiary Company is fully eroded. The management believes that Government's focus on logistics infrastructure sector is accretive for the Subsidiary Company's business plan. The recent amendments in the SEZ policy, allowing manufacturing within the FTWZs will enhance the scope of activities carried out by FTWZ exponentially. These macro factors coupled with the Subsidiary Company's future business projections prepared basis the Group management's plan to expand the operations in free trade warehousing zone at Panvel, Maharashtra and steps being taken by the management to control the operating costs, will improve the Subsidiary Company's ability to expand the client base multi-fold and thereby the cash flow position shall further improvise. Accordingly, these financial results of Subsidiary Company have been prepared on going concern basis.

7.4 With respect to a subsidiary i.e. Arshiya 3PL Services Private Limited ("A3PL") the net worth of the A3PL turned negative as at 30th June 2022 and current liabilities is more than the current assets. The management believes that Government's focus on logistics infrastructure sector is accretive for the Subsidiary Company's business plan. The recent amendments in the SEZ policy, allowing manufacturing within the FTWZs will enhance

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the scope of activities carried out by FTWZ exponentially. These macro factors coupled with the Subsidiary Company's future business projections prepared basis the Group management's plan to expand the operations in free trade warehousing zone at Kurja, Uttar Pradesh and steps being taken by the management to control the operating costs, will improve the Subsidiary Company's ability to expand the client base multi-fold and thereby the cash flow position shall further improvise. Accordingly, its financial results have been prepared on going concern basis.

8.1 One of the Public Financial Institution (PFI) and one of the Non-Banking Financial Company (NBFC) which were lenders of Parent Company, have assigned their debts to EARC. The Parent Company continues to provide normal interest in line with major terms negotiated with EARC until the finalisation of the restructuring agreement. Upon finalization of the terms of restructuring with EARC, the Parent Company shall record the effect of the revised terms as to the repayment of principal and interest (including penal interest) in the period in which it is completed. With respect to these borrowings, EARC has issued SARFAESI Notice for recovery of dues. The Auditors have referred to this as an emphasis of matter paragraph in their limited review report.

8.2 During the quarter ended 30th June, 2022, with respect to borrowing from PFI, under SARFAESI process, EARC has identified buyers for sale of security exclusively charged under said loan and the Parent Company has recorded sale transaction during the quarter ended 30th June 2022 however with respect to appropriation of sale proceed against principal and interest, required details of the transaction are awaited from EARC. Upon receipt of details from EARC, the Parent Company will give necessary impact in the books of account.

9. As on 30th June, 2022, trade receivable includes amount aggregating to Rs. 434.17 Lakh from one of the Customer of Parent Company who have warehoused imported goods. The said Customer has been doing business in Panvel FTWZ since more than five years and have cleared all their dues though there are some delays in payment. The management is confident that the outstanding balance is fully recoverable. Further in the event of any default, the Parent Company will be entitled to lien on their goods stored in FTWZ warehouses, as per terms of agreements. In view of the same, the Parent Company has not made any provision in the books. The Auditors have referred to this as an emphasis of matter paragraph in their limited review report.

10. Two Subsidiaries had entered into an agreement with a Business Group of Entities for providing storage space and other services. Based on current business trend in metal sector and considering overall business conduct of Business Group of Entities, management is confident to receive outstanding dues from the Business Group of Entities as per schedule provided. The Business Group of Entities has been doing business in Panvel FTWZ since more than a decade and have cleared all their dues though there are some delays in payment. Further in the event of delay in payment, the subsidiaries will be entitled to lien on the goods stored in FTWZ warehouses, as per terms of agreement. The balance outstanding as at 30th June, 2022 is Rs. 1,757.28 Lakh (included in trade receivables of Rs. 1,403.28 Lakh and in other financial assets Rs. 354.00 Lakh). Based on the assessment made by the the management, the value of stock level stored at the warehouse is higher than the aforesaid outstanding receivables.

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In view of aforesaid facts and further as per discussion with Customer and considering his future plans of business in the FTWZ, the management is confident regarding recovering the outstanding receivables. The Auditors have referred to this as an emphasis of matter in their limited review report.

11. Trade receivables and other financial asset includes amounts aggregating to Rs. 323.14 lakhs (including unbilled amount of Rs. 255.45 lakhs) from four customers who have warehoused imported goods. The subsidiary company has made significant efforts to collect the same but the Customers are currently not traceable.

    The subsidiary has initiated recovery process by way of auction of the goods in the custody of the subsidiary based on the notification by SEZ authority. The SEZ Authority has approved the auction of the said goods and have received advances from potential buyers in relation to certain quantum of goods. Based on the valuation report, the value of the goods in custody of the subsidiary are sufficient to recover it's dues including statutory levies thereon. Accordingly, the management of the Company is of the view that receivables are fully recoverable and no provisions is created for those receivables. The Auditors have referred to this as an emphasis of matter in their limited review report.

12. Two lenders of ANFL have filed petition for recovery of dues at NCLT under Insolvency and Bankruptcy Code, 2016. ANFL is under discussion with these consortium lenders for resolution of debt for all lenders. A lender of ANFL has also called upon the Parent Company as a corporate guarantor to the said loan. Certain operational creditors of the Group have also filed petition at NCLT under Insolvency and Bankruptcy Code, 2016. Currently the matter is pending at pre-admission stage.

13. Exceptional items represent net gain on settlement of debts.

14. The lenders' balances as on 30th June, 2022 are subject to their confirmation. However, the Group is confident that there will not be significant changes in its liabilities. The Auditors have qualified their conclusion in respect of this matter in their limited review report.

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15. The figures of the corresponding previous period / year have been rearranged / regrouped. The Consolidated financial results for the quarter ended 30th June, 2021 has been restated to give impact of the NCLT order for Scheme of Arrangement. The figures for the quarter ended 31st March, 2022 are the balancing figures between audited figures of the full financial year and restated year to date figures upto nine months ended 31st December, 2021.

For and on behalf of Board of Directors of Arshiya Limited

Ajay S Mittal
Chairman & Managing Director
DIN No.: 00226355
Place: Mumbai
Date: 10th August, 2022

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