

27th September, 2024

National Stock Exchange of India Limited BSE Limited

Exchange Plaza, 5th Floor,
Plot No. C/1, G Block, OS
Bandra- Kurla Complex,
Bandra (East), Mumbai – 400 051

Phiroze Jeejeebhoy Towers,
2nd Floor, Dalal Street,
Mumbai - 400 001

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

Sub: Declaration of Audited Standalone and Consolidated Financial Results of the Company for the Quarter and Year ended on 31st March, 2024

Dear Sir / Madam,

The Stock Exchange(s) is aware that Arshiya Limited is under Corporate Insolvency Resolution Process and Mr. Nitin Vishwanath Panchal, Interim Resolution Professional (IRP) is performing the functions as mentioned under Insolvency and Bankruptcy Code (the Code).

In terms of Regulation 33 (3)(d) of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed Audited Standalone and Consolidated Financial Results of the Company for the Quarter and Year ended on 31st March, 2024, as taken on record by the Resolution Professional on 27th September, 2024, along with Auditor's Report of Statutory Auditors M/s. ARTHA & Associates, Chartered Accountants, Mumbai.

The process of taking on record the financial results, commenced at 6.00 P.M. and concluded at 11.15 P.M.

Thanking you.

For Arshiya Limited
(Under Corporate Insolvency Resolution Process)

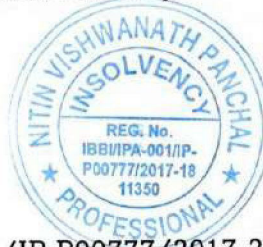


Nitin Vishwanath Panchal

Deemed Resolution Professional

IBBI Registration No: IBBI/IPA-001/IP-P00777/2017-2018/11350

AFA Details: AA1/11350/02/181224/106632 valid up to 18.12.2024



Arshiya Limited

(under Corporate Insolvency Resolution Process)

Regd. Off.: Arshiya FTWZ, CO-1, Survey Nos. 178/3 & 178/4, At Post - Sai Village, Taluka - Panvel, District - Raigad,
Pin code - 410 221. Maharashtra, India T: +02143 662800 | Email: teamsecretarial@gmail.com | www.arshyalimited.com
CIN: L93000MH1981PLC024747

Independent Auditor's Report on Standalone Financial Results of Arshiya Limited ("the company") pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended

To

The Board of Directors / Interim Resolution Professional (IRP) of Arshiya Limited

Corporate Insolvency Proceedings as per Insolvency and Bankruptcy Code, 2016 ("IBC")

1. The Hon'ble National Company Law Tribunal, Mumbai Bench (NCLT) has admitted the petition filed by financial creditor for initiation of Corporate Insolvency Process ("CIRP") Of **Arshiya Limited** Vide its order No. CP(IB)3143/MB/2019 dated 23rd April, 2024 and appointed an Interim Resolution Professional ("IRP") to manage affairs of the company in accordance with the provision of code. As per section 17 of the Code, the powers of Board of Directors of **Arshiya Limited** are stand suspended and all the powers of Board are now vested with the Interim Resolution Professional. One the suspended director challenged the NCLT order before the Hon'ble National Company Law Appellate Tribunal, Principal Bench New Delhi ("NCLAT"). While the NCLAT initially granted an interim stay on constitution of Committee of Creditors ("CoC") vide its dated 30th April 2024, this stay was later set aside on 16th July 2024. The appeal preferred against the NCLT order is currently pending before the NCLAT.

Disclaimer of Opinion

2. We were engaged to audit the accompanying statement of Standalone Financial Results of **Arshiya Limited** ("the Company") for the quarter and year ended 31st March, 2024 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
3. Because of the substantive nature and significance of the matters described in the "Basis for Disclaimer of Opinion" section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for our opinion as to whether this Statement are presented in accordance with the requirements of Regulation 33 of the Listing Regulations; and give a true and fair view in conformity with the recognition and measurement principles laid down in applicable Indian Accounting Standards and other accounting principles generally accepted in India of the net loss and other comprehensive loss and other financial information for the quarter and year ended on 31st March 2024.

4. Basis for Disclaimer of Opinion

4.1 With respect to settlement arrangement with lenders

- a) As detailed in note no. 3 & 16 of the Standalone Financial Results, upon commencement of CIRP, the company reversed gain of Rs.47,354.82 Lakhs recognised in the earlier year and



quarter ended on 31st March 2022, arising from settlement of debt with various lenders as mentioned in the note.

However, a gain of Rs. 5587.69 Lakhs recognised in the earlier years on account of settlement of debt with one of the Non-Banking Financial Company (NBFC) has not been reversed. Further, the company has not recognised interest including penal interest for the year and quarter ended 31st March 2024 as per original sanction letter.

The accounting treatment as stated above is not compliance with Ind AS 109 "Financial Instruments" and Ind AS 23 "Borrowing Cost". Had the Company reversed the accounting for the debt settlement, the impact thereon would have been as mentioned above and balance of other equity as on 31st March 2024 would have been lower by Rs. 14,824.77 lakhs and the total equity would have been negative by Rs. 49,408.88 lakhs as against reported figure of Rs. 34,584.11 lakhs.

- b) Further, as stated in note no. 3 & 16 of Standalone Financial Results and para 3.1(a) above, balance confirmations of total borrowings including interest accrued (including current maturities of long-term borrowings), have not been received. On account of non-availability of balance confirmations, the difference between the claims by the lenders vis-a-vis the liability as per books cannot be ascertained.
- c) One of the Non-Banking Financial Companies (NBFCs) that had lent to the Company assigned its debt to Edelweiss Asset Reconstruction Company (EARC). Pending the execution of a restructuring agreement for this debt assignment, the Company has continued to accrue interest on the loan amounting to ₹2,000.00 lakhs for the quarter and year ended March 31, 2024, consistent with the major terms negotiated with EARC for other agreements. Once the restructuring terms with EARC are finalized, the Company will record the effects of the revised terms for the repayment of principal and interest (including penal interest) in the period in which the restructuring is completed. In relation to this borrowing, EARC issued an E-Auction notice on November 15, 2023, under the SARFAESI Act for the recovery of dues. We are unable to comment on accuracy of recognition of liability and interest provision due to lack of clarification on ongoing negotiations.

Considering the factors stated in para 3.1(a), 3.1(b) and 3.1(c) above, we are unable to obtain sufficient appropriate audit evidence about recognition of adjustment to these borrowings (including interest and penal interest) outstanding as at 31st March, 2024 as well as the finance cost for the quarter and year ended 31st March, 2024. Consequently, we are unable to determine the quantum of adjustments and consequential impacts in standalone financial statements of the Company.

4.2 Non-current investment & loans given to wholly owned subsidiary Arshiya Northern FTWZ Limited (ANFTWZ) aggregating to Rs 57,538.95 lakhs

We draw attention to Note no. 4 to the Standalone Financial Results, regarding Company's non-current investment in Arshiya Northern FTWZ Limited (ANFTWZ) and its loans amounting to Rs. 44,625.29 lakhs and Rs. 12,913.66 lakhs, respectively. The said wholly owned subsidiary has been incurring losses and its net worth is fully eroded and same is under CIRP. On account of



CIRP proceedings the earlier asset monetization plan by way of arrangement with one party for long lease of asset may no longer be valid. Considering the same the recoverability of investment and loans is now dependent upon the outcome of CIRP and resolution plan which is yet to be finalized. The above matters are indicators of impairment and in our view provision for impairment of investment and expected credit loss on loans should have been made. However, as CIRP proceeding is going on, the management had not undertaken specific exercise to ascertain the need and quantum of impairment of investment and credit impairment assessment in respect of loans.

In view of the impairment assessment not conducted by the management and the uncertainty as regards the outcome of the CIRP, we are unable to comment on the recoverability of the said investment and loans aggregating to Rs 57,538.95 lakhs and consequently compliance with Ind AS 36 on Impairment of Assets and Ind AS 109 on Financial Instruments.

4.3 Non-recognition of liability in respect of financial guarantee at fair value in accordance with Ind AS 109 "Financial Instruments"

We draw attention to the note no. 4 & 5 to the Standalone Financial Results, regarding corporate guarantees given to subsidiary company and erstwhile subsidiary companies with principal debt obligations aggregating to Rs. 122,350.00 lakhs (excluding interest, penal interest etc.). The said companies had defaulted in repayment of dues to lenders and in case of subsidiaries (ANFTWZ and NCR Rail Infrastructure Limited) the lenders had invoked the corporate guarantee given by the Company.

These subsidiaries are under CIRP and the fair value of assets and liabilities of ANFTWZ and NCR Rail Infrastructure Limited are likely to be determined on approval of the resolution plan by NCLT. The company has not carried out a fair valuation of the guarantee in accordance with Ind AS 109 as on 31st March 2024 leading to non-compliance with the said Ind AS.

In absence of fair value report of the guarantees given or fair value of assets provided as security by the principal borrower, we are unable to comment on quantum of liability which is expected to devolve on the Company as a corporate guarantor and fair value of liability as required to be accounted in accordance with Ind AS 109.

4.4 Impairment testing of Property, Plant & Equipment (PPE), Investment in Subsidiaries & assessment of Net Realizable Value (NRV) of inventory not carried out by the management

We draw attention to Note no. 6 of the Standalone Financials Results, regarding Property, Plant and Equipment with gross block aggregating to Rs. 64,911.30 lakhs (written down value aggregating to Rs. 57,743.07 lakhs), Investment in Subsidiaries of Rs. 1,27,679.57 and inventory of Rs 16,505.97 lakhs as at 31st March, 2024. For Investment in NCR Rail Infrastructure Limited, company continues to carry provision of impairment of Rs. 82,873.93 done during March 31, 2020. Continuing losses and lower capacity utilization are indicators for need to carry out impairment test as required Ind AS 36. However, the management has not complied with this requirement of Ind AS 36 i.e. Impairment test has not been carried out in respect of PPE, Investment in subsidiaries and also has not assessed the net realizable value of the inventory as required by Ind AS 2 on Inventories.



The value in use / NRV is dependent on various factors like completion of CIRP, settlement with lenders and monetization of assets which are uncertain and not fully in control of the management of the Company.

As stated above and in absence of the impairment test/ NRV test it is not possible for us to provide assertion on the carrying value of the property plant and equipment, investment in subsidiaries & inventory as at 31st March, 2024 and consequently compliance with Ind AS 36 on Impairment of Assets and Ind AS 2 on Inventories.

4.5 Recognition of Revenue pending compliance of performance obligation

With respect to outstanding unbilled revenue of Rs. 1,061.30 lakhs (including Rs 128.16 lakhs accrued during the quarter), the final computations / workings (including certifications) required for the purpose of billing are in progress. The management is in view that it has satisfied the conditions of the sublease deed for accrual of the revenue and accordingly the said amounts are considered good for recovery. In the absence of non-availability of sufficient appropriate audit evidence with respect to satisfaction of performance obligation, we are unable to comment on deferment of revenue recognition.

4.6 Restating the Standalone Financial Results consequent to Scheme of Demerger with Arshiya Rail Infrastructure Limited (name subsequently changed to NCR Rail Infrastructure Limited)

We refer you to Note No. 14 in the Standalone Financial Results, which discusses the restatement of financial statement due to reversal of demerger with Arshiya Rail Infrastructure Limited (name subsequently changed to NCR Rail Infrastructure Limited) (NCR RAIL). This reversal follows the order issued by the National Company Law Appellate Tribunal (NCLAT) on 14th March, 2024, declaring the Scheme of Arrangement between the Company and NCR RAIL as nonest. Based on legal advice, the Company reversed the demerger's impact and restated its financial statements to include the demerged undertaking's financial results and position. This restatement is effective from the original (now void) scheme's appointed date. However, a CIRP commenced for NCR RAIL, the resulting company of the scheme, on 7th March, 2024.

This CIRP includes a moratorium under Section 14 of the IBC. This moratorium restricts certain actions, including legal proceedings against NCR RAIL to recover assets or liabilities. Due to the ongoing CIRP and moratorium, we were unable to comment on financial results and financial position of the demerged undertaking included in the restated financial results and the opening balances used pursuant to the restatement of the financial results as significant uncertainties exists regarding the recoverability of the assets and liabilities of demerged undertaking.

Consequently, the completeness and accuracy of the restatement, particularly concerning the demerged undertaking, are subject to the outcome of the CIRP process.

4.7 Internal Financial Controls over Financial Reporting

Because of Inherent limitations of Internal financial controls over financial reporting including possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occurs and not be detected. Also, projections of any evaluation of internal financial controls over financial reporting to future periods are subject to risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with policies or procedures may deteriorates.



Because of the matters described in Basis for Disclaimer of Opinion paragraph, we were not able to obtain sufficient appropriate audit evidence to provide basis for an audit opinion on internal financial controls system over Financial Reporting of Company.

As a result of the matters described in para 4.1 to 4.7 above, considering the facts stated in the note as regards material uncertainty relating to going concern and matters described in Emphasis of Matter paragraph we are unable to obtain sufficient and appropriate audit evidence to provide a basis of our opinion on the financial statement for the quarter and year ended March 31, 2024.

Matters listed in para 4.1 (b), 4.1(c), 4.2, 4.3 and 4.4 above, was covered under qualification and which are listed in para 3.5 was covered under emphasis of matters given by the erstwhile statutory auditor in statutory audit report for the quarter and year ended 31st March 2023, dated 30th May 2023 and in their limited review report for the quarter ended 30th June, 2023 dated 14th August 2023.

5. Material Uncertainty related to Going Concern

As stated note no. 9 of the Standalone financial results, the Company has incurred net loss of Rs. 1, 17,495.10 Lakhs during the year and quarter ended 31st March, 2024 and as of that date, the company's current liabilities exceeded by its current assets by Rs.1,43,369.44 lakhs. 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 have started recovery proceedings, 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, and classified Company's borrowing as NPA. The Company also received notice under SARFAESI for certain borrowings, to discharge its liabilities failing which they will realize the amount by enforcing securities on secured assets.

However, as mentioned in note no 9, the corporate insolvency petition under IBC has been admitted against the Holding company. Since CIRP is currently in progress, as per the code, it is required that the group be managed as a going concern during the CIRP. Accordingly, this Standalone financial result is continued to be prepared on a going concern basis. The ability of the group to continue as a going concern is dependent upon the successful completion of the CIRP.

The matters enumerated in para 3 to 4 collectively are the basis for providing disclaimer of opinion.

6. Emphasis of Matters

1. Attention is invited to the note no. 11 of the Standalone Financials Results, regarding advance given to a subsidiary of Rs 5,000.00 lakhs which is subsequently adjusted against the consideration for purchase of land from holding company of the said related party.

The definitive agreements with respect to the same are in the process of being finalised. The said transaction is subject to lenders approvals of the seller and was expected to be completed by December 31, 2023. The fact that a definitive agreement has not yet been finalized by the company.

2. We draw attention to note no. 21 of the Standalone Financials Results, regarding the balance confirmations of trade payables. During the course of preparation of standalone financial



statements, emails/letters have been sent to various parties by the Company with a request to confirm their balances directly to us out of which only few parties have responded. The management is confident and is of the view that there will not be any material variation in the said balances.

3. We draw attention to note no. 17 of the Standalone Financials Results, with respect to other non-current assets, refunds aggregating to Rs. 1,876.65 lakhs are receivable in respect of VAT for which appeals are pending with respective Appellate Authorities. The erstwhile management is of the view that the refunds are considered good for recovery on account of refunds being received by other SEZ developers on similar grounds. However, the said appeals have been rejected by the authorities on multiple levels, but since further appeal is preferred before Allahabad High Court, the erstwhile management expects favourable outcome.
4. We draw attention to note no. 7 of the Standalone Financial Results, the Company had trade receivables of ₹13,064.16 lakhs outstanding as on 31st March 2024 from its wholly owned subsidiary, Arshiya Data Centre Private Limited (ADCPL), which are overdue. ADCPL operates within the IT SEZ at Arshiya FTWZ, Panvel, Maharashtra. Due to certain challenges, ADCPL's management has decided to cease its pursuit of the proposed Data Centre Business and exit the SEZ Scheme as a co-developer. Accordingly, ADCPL has applied for the necessary regulatory approvals to exit the SEZ Scheme. In view of the same the company has decided to cancel the lease transaction and repossess the land given to ADCPL on lease and necessary accounting treatment has been given in the books.
5. We refer to Note no. 10 of the Standalone Financial Results, The subsidiary company, Arshiya Lifestyle Limited (the lessee), entered into a sub-lease agreement on 3rd February, 2018, with Ascendas Panvel FTWZ Private Ltd (the lessor), the Company, and promoters Mr. Ajay S. Mittal and Mrs. Archana A. Mittal. According to the sub-lease agreement, if the promoter's holding in the Company falls below 40% during the lease term, it will be deemed an event of default. Since the promoter's holding has indeed dropped below 40%, the lessor has forfeited a portion of the security deposit amounting to Rs. 3,250.00 lakh from the subsidiary company. Consequently, the subsidiary company is not obligated to repay this amount to the Company, leading to a write-off of the equivalent loan amount for the year and quarter ended 31st March, 2024. Despite ongoing non-compliance, the Company has not received any further notices regarding the forfeiture of additional security deposits from the subsidiary. Therefore, the remaining loan amount to the subsidiary is deemed recoverable based on underlying confirmation by management.
6. We draw attention to Note no. 20 of the Standalone Financial Results, with respect the erstwhile directors and promoters of the Company, Mr. Ajay S Mittal and Mrs. Archana A Mittal were taken into custody by the Directorate of Enforcement, New Delhi in respect of personal loans availed from the father / brother of Mrs. Archana Mittal during FY 2012-13, 2013-14 and 2014-15. Part of the said personal loans were also repaid by Mr. Ajay S Mittal and Mrs. Archana A Mittal. This action taken against Mr. Ajay S Mittal and Mrs. Archana A Mittal is not connected with the Company, and both of them are defending the allegations made against them by following due process of law. Mrs. Archana A Mittal and Mr. Ajay S Mittal has been released on bail on 14th February, 2024 and 19th July, 2024 by the Competent Court.



7. Employees Defined Benefit Plan- Gratuity is not funded by the Company. Assets are not set aside by company for the same.
8. The Company Secretary and compliance officer of the Company has resigned on 1st August, 2024 from his designation.

Our conclusion is not modified in respect of the above matters.

Matter listed in para 1 to 3 were also covered as a part of basis of emphasis of matters in the statutory audit report of the erstwhile auditor dated 30th May, 2023 for the quarter and year ended 31st March, 2023 and para 1 to 4 in their limited review report for the quarter ended 30 June, 2023 dated 14 August 2023.

7. Management's Responsibilities for the Standalone Financial Results

The Hon'ble National Company Law Tribunal, Mumbai Bench (NCLT) has admitted the petition filed by financial creditor for initiation of Corporate Insolvency Process ("CIRP") Of **Arshiya Limited** Vide its order No. CP(IB)3143/MB/2019 dated 23rd April, 2024 and appointed an Interim Resolution Professional ("IRP") to manage affairs of the company in accordance with the provision of code. As per section 17 of the Code, the powers of Board of Directors of **Arshiya Limited** are stand suspended and all the powers of Board are now vested with the Interim Resolution Professional.

In view of ongoing Corporate Insolvency Resolution Process, Board of Directors/Interim Resolution Professional/Management is responsible for the preparation and presentation of the Statement that gives a true and fair view of the net loss and other comprehensive income of the Company and other financial information in accordance with the applicable Indian accounting standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Under section 20 of Code, it is incumbent upon Resolution Professional to manage the operations of the Company as a going concern and the financial statements have been prepared on going concern basis.

8. Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our responsibility is to conduct the audit of the Company's financial results in accordance with Standards on Auditing (SAs) and to issue a report thereon. However, because of matter



described in the basis of disclaimer of opinion section of our report, we were not able to obtain sufficient and appropriate audit evidence to provide a basis for an audit opinion on these financial results.

We are independent of the entity in accordance with the ethical requirements in accordance with the requirement of the Code of ethics issued by the ICAI and the ethical requirements as prescribed under the laws and regulations applicable to the Company.

9. Other Matters

8.1 The figures for the quarter and year ended 31st March, 2023 are based on the previously issued annual Standalone Financial Statement and Financial Results that were audited by the erstwhile auditors whose report dated 30th May, 2023, expressed disclaimer of opinion. Further the quarter ended 30th June, 2023 was limited reviewed by the erstwhile auditor.

8.2 As per Regulation 33 and 52 of the Listing Regulation, the Standalone Financial results, of the Company submitted to the stock exchange shall be signed by the Chairperson or Managing director or Whole Time Director or in absence of all of them, it shall be signed by any Director of the Company who is duly authorized by the Board of Directors to sign the standalone financial results. In view of the ongoing CIRP, the power of the Board of Directors stand suspended and are exercised by the Interim Resolution Professional.

For ARTHA & Associates.

Chartered Accountants
Firm Reg. No: 138552W

Ankit P. Sanghavi
Partner

Membership Number: 131353
UDIN: 24131353BKHKED8438
Place: Mumbai
Date: 27.09.2024

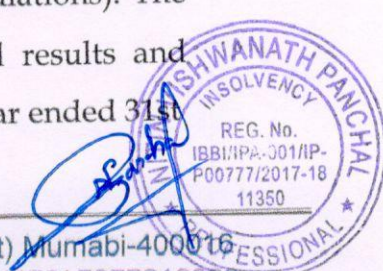


REPORT OF THE INTERIM RESOLUTION PROFESSIONAL

I, Nitin Panchal, have been appointed as an Interim Resolution Professional (IRP) by Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench for conduct of Corporate Insolvency Resolution Process (CIRP) of M/s. Arshiya Limited (Corporate Debtor) vide Order dated 23rd April 2024 in CP (IB)-3143/MB/2019. On 30th April 2024, during Hon'ble NCLAT New Delhi hearing it was submitted by the Corporate Debtor (CD) that they are taking steps to resolve the issues with the Lenders & the proposal with them. Hon'ble NCLAT New Delhi granted interim stay on constitution of CoC & listed matter on 15th May 2024. After the couple of hearing, Hon'ble NCLAT on 16th July 2024, vacated the stay imposed vide order dated 30th April 2024. In view of these developments the CoC is constituted on 1st August 2024 & the first CoC meeting is scheduled on 8th August 2024.

During First CoC meeting held on 8th August 2024, pursuant to provisions under Section 22(2) and 22(3)(b) of the IBC, 2016 read with Regulation 34 of CIRP Regulations, the CoC Members have approved the appointment of Mr. Pankaj Mahajan, Insolvency Professional, (IBBI Registration No IBBI/IPA-001/IP-P00836/2017-2018/11420) to act as the Resolution Professional (RP) of M/s Arshiya Limited in place of undersigned during CIR process.

As per the requirements of Insolvency and Bankruptcy Code, 2016, (Code) the IRP/ RP has to ensure that the Corporate Debtor remains as a going concern during CIRP. As the Corporate Debtor is a listed Company and is required to prepare and submit financial results in respect of the entire financial year as per Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR Regulations). The IRP ensured preparation and submission of standalone financial results and statement of assets and liabilities in respect of the entire financial year ended 31st

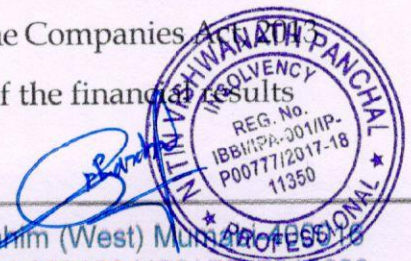


March, 2024. The standalone financial results and statement of assets and liabilities in respect of the entire financial year ended 31st March, 2024 (Pertains to period prior to commencement of CIRP) enclosed herewith, have been drawn as per accounting practices & policies consistently followed by the Corporate Debtor and records available with the Corporate Debtor, information available with CD & explanations given to us.

There are 5 Directors as on date on the suspended Board of Corporate Debtor out of which, 4 are Non-Executive Independent Directors. The Chairman and Managing Director Mr. Ajay Mittal was in Enforcement Directorate custody from 11th January 2024 till 14th January & w.e.f. 15th January 2024 till 19th July 2024 he was in Judicial Custody. For the purpose of adoption of accounts, the IRP had convened Board Meeting, however none of the Directors of the CD have attended nor have they sought any leave of absence. This meeting was adjourned to 6th June 2024 which was also postponed for want of Quorum. As such the IRP has signed the accounts along with this report alongwith the Chairman & the KMP the Corporate Debtor.

It is pertinent to note that the IRP has made all practical and reasonable efforts from time to time to facilitate information / data from CD Officials/ public domain /suspended directors in relation to the company gather details to prepare these financial results, despite various challenges and complex circumstances, has tried to put in best possible efforts to provide information required by the Auditors for the purpose of carrying out the limited review/audit of the financial results of the Corporate Debtor as on 31st March 2024.

The IRP presumed that the records made available to him for a period prior to commencement of CIRP & his appointment are genuine and are properly maintained by the previous management, comprising of Board of Directors and that such information and data are in the conformity with the Companies Act, 2013 and other applicable laws with respect to the preparation of the financial results.



for the year ended 31st March 2024. The IRP, in review of financial results and signing this financial result has relied upon the assistance provided by the KMPs and employees of the Corporate Debtor and has relied on the information provided to him & explanations given to him because of the inherent limitations of the financial control with reference to the financial statements including the possibility of collusion or improper management and override controls. Material misstatements due to error or fraud may occur and may not be detected.

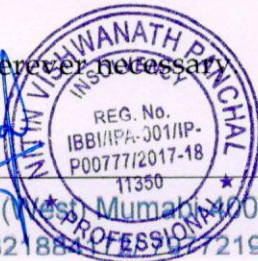
As per Regulation 33 of the Listing Regulations, the standalone audited financial results and statement of assets and liabilities of the Company submitted to the stock exchange shall be signed by the Chairperson or Managing Director or Whole Time Director or in absence of all of them, it shall be signed by any Director of the Company who is duly authorized by the Board of Directors to sign the standalone financial results and statement of assets and liabilities irrespective of the fact that the powers of the Board of Directors are suspended on commencement of CIRP.

The IRP has signed these financial results and statement of assets and liabilities in good faith, solely for the purpose of compliance and discharging his duty under the Code, *and subject to the following disclaimers:*

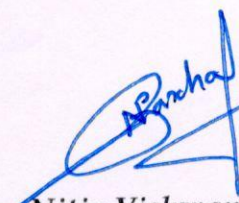
- i. The IRP has furnished and signed the report in good faith and accordingly, no suit, prosecution or other legal proceeding shall lie against the IRP in terms of Section 233 of the Code. The financial results and statement of assets and liabilities enclosed herewith is accepted by the IRP in his fiduciary capacity without accepting any personal liability and is only in compliance with the statutory requirement under Regulation 15(2A) of SEBI LODR Regulations and accordingly, no suit, prosecution or other legal proceeding shall lie against the IRP. The IRP is not liable for any error or misstatement of facts and figures, if any, in the accounts and/or any disclosure or non-disclosure in the accounts.
- ii. The resolution professional is not liable for any error or misstatement of the

facts and figures, if any, in the accounts of M/s. Arshiya Limited for the period ended 31st March 2024 and the same are only for the purpose of statutory compliance. This certificate is to be accepted as mere statutory compliance and not to be relied upon for taking any financial decision. In view of the constrains/limitations mentioned herein above any investor taking any financial decision are advised to carry out independent due-diligence at their own cost & risk before arriving at any financial decision on investment or otherwise.

- iii. No statement, fact, information (whether current or historical) or opinion contained herein should be construed as a representation or warranty, express or implied, of the IRP including, his authorized representatives and advisors;
- iv. The IRP, in review of the financial results and statement of assets and liabilities and while signing this statement of financial results and statement of assets and liabilities, has relied upon the assistance provided by the available Officers of the Corporate Debtor. The statement of financial results and statement of assets and liabilities of the Corporate Debtor for the entire financial year ended 31st March, 2024 has been taken on record by the IRP solely on the basis of and relying on the statement of the available officers/staff of the Corporate Debtor. For all such information and data, the IRP has assumed that such information and data are in the conformity with the Companies Act, 2013 and other applicable laws with respect to the preparation of the financial results. Accordingly, the IRP is not making any representations regarding accuracy, veracity or completeness of the data or information in the financial results.
- v. In terms of the provisions of the Code, the IRP is required to undertake a review of certain transactions. Such review has been initiated and the IRP may be required to accordingly in terms of the provisions of the Code.
- vi. Previous year figures are regrouped and reclassified wherever necessary.



Regulation 33(3)(b) of the SEBI LODR Regulations, 2015 provides that in case the listed entity has Subsidiaries, in addition to the requirement at clause (a) of sub-regulation (3), the listed entity shall also submit quarterly/year-to-date consolidated financial results. There are 13 (Thirteen) Subsidiaries of the Corporate Debtor of which 2 are also under CIRP as on date. The IRP is not in a position to provide the consolidated financial results and statement of assets and liabilities, as the Subsidiaries of the Corporate Debtor are separate legal entities and the IRP is facing difficulty in obtaining relevant data from the said Subsidiaries. In view of the above, the IRP is constrained to submit the standalone financial results and statement of assets and liabilities.




Nitin Vishwanath Panchal

Interim Resolution Professional

Arshiya Limited (Under CIRP)

IBBI Registration No: IBBI/IPA-001/IP-P00777/2017-2018/11350

AFA Details: AA1/11350/02/181224/106632 valid upto 18.12.2024

Date: 27/09/2024

Place: Mumbai

Arshiya Limited

CIN: L93000MH1981PLC024747

Registered Office: Arshiya FTWZ, CO-1, Survey Nos. 178/3 & 178/4, Sai Village, Panvel, Raigad, Maharashtra - 410221
Phone No. 022 42305500 # Email id: cirp.arshiyalimited@gmail.com; info@arshiyalimited.com #
website: www.arshiyalimited.com

AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2024

(Rs. in Lakhs)

Sr.No.	Particulars	Quarter Ended			Year Ended	
		31.03.2024	31.12.2023	31.03.2023	31.03.2024	31.03.2023
		(Refer Note no. 22)	(Unaudited)	(Refer Note no. 22)	(Audited)	(Audited)
1	Income					
	(a) Revenue from operations	344.16	344.16	159.84	1,376.65	2,619.48
	(b) Other Income	105.73	122.15	290.78	483.55	1,421.37
	Total Income (a+b)	449.89	466.31	450.62	1,860.20	4,040.85
2	Expenses					
	(a) Employee benefits expense	299.37	321.68	238.84	1,248.48	1,273.27
	(b) Finance costs (net)	20,325.07	3,642.63	3,767.59	30,027.17	11,434.00
	(c) Depreciation and amortization expense	193.30	208.30	194.21	778.78	836.62
	(d) Legal & Professional, repairs, utilities & others	156.08	170.77	1,573.60	1,108.28	2,367.65
	(e) Impairments of deemed investments in subsidiaries	31.11	31.12	4,158.70	124.46	5,483.40
	(f) Impairments of receivables	498.72	-	775.30	3,748.72	896.89
	Total Expenses (a to f)	21,503.65	4,374.50	10,708.24	37,035.89	22,291.83
3	Profit/(Loss) before exceptional items and Tax (1-2)	(21,053.76)	(3,908.19)	(10,257.62)	(35,175.69)	(18,250.98)
4	Exceptional Items (Net) (Refer Note no. 16)	(82,319.41)	-	-	(82,319.41)	-
5	Profit/(Loss) before tax (3+4)	(1,03,373.17)	(3,908.19)	(10,257.62)	(1,17,495.10)	(18,250.98)
6	Tax expense	-	-	-	-	-
7	Net profit/(Loss) after Tax (5-6)	(1,03,373.17)	(3,908.19)	(10,257.62)	(1,17,495.10)	(18,250.98)
8	Other Comprehensive Income					
	Items that will not be reclassified to profit and loss:					
	Remeasurement of net defined benefit plan	(1.65)	1.11	9.43	1.68	4.44
9	Total Comprehensive Income	(1,03,374.82)	(3,907.08)	(10,248.19)	(1,17,493.42)	(18,246.54)
10	Paid-up equity share capital (Face value per share Rs. 2/-)	5,269.52	5,269.52	5,269.52	5,269.52	5,269.52
11	Other Equity excluding Revaluation reserve				(39,853.63)	77,602.19
12	Earnings Per Equity Share (EPS) in Rs.					
	- Basic	(39.23)*	(1.48)*	(3.89)*	(44.59)	(6.95)
	- Diluted	(39.23)*	(1.48)*	(3.89)*	(44.59)	(6.95)
	(*not annualised)					



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website: www.arshiyalimited.com

AUDITED STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2024

(Rs. in Lakhs)

Sr.No.	Particulars	As at 31.03.2024 (Audited)	As at 31.03.2023 (Audited)
I	ASSETS		
	Non-Current Assets		
	(a) Property, Plant and Equipment	57,743.07	58,360.02
	(b) Right of use assets	412.40	462.23
	(c) Intangible Assets	12.98	30.12
	(d) Financial Assets		
	(i) Investments	45,303.49	45,422.95
	(ii) Loans	680.02	606.98
	(iii) Other Financial Assets	44.70	51.07
	(e) Other Non-Current Assets	5,065.66	5,037.52
		1,09,262.32	1,09,970.89
	Current assets		
	(a) Inventories	16,505.97	12,537.34
	(b) Financial Assets		
	(i) Trade Receivables	24.22	13,064.16
	(ii) Cash and Cash Equivalents	11.67	8.80
	(iii) Bank Balances Other than (ii) above	25.03	23.03
	(iv) Loans	16,936.49	22,353.70
	(v) Other Financial Assets	12,302.33	13,611.28
	(c) Other Current Assets	197.76	204.69
		46,003.47	61,803.00
	(d) Assets held for sale (Refer note no. 8)	-	5.00
	Total Assets	1,55,265.79	1,71,778.89
II	EQUITY AND LIABILITIES		
	Equity		
	(a) Equity Share Capital	5,269.52	5,269.52
	(b) Other Equity	(39,853.63)	77,602.19
		(34,584.11)	82,871.71
	Liabilities		
	Non Current Liabilities		
	(a) Financial Liabilities		
	(i) Lease Liabilities	352.56	398.11
	(ii) Other Financial Liabilities	56.73	88.01
	(b) Provisions	67.70	72.44
		476.99	558.56
	Current Liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	81,648.61	60,028.84
	(ii) Trade Payables		
	Micro and Small Enterprises	260.09	237.74
	Others	1,006.54	972.55
	(iii) Lease Liabilities	139.88	144.90
	(iv) Other Financial Liabilities	1,05,485.07	23,865.78
	(b) Other Current Liabilities	810.14	3,092.77
	(c) Provisions	22.58	6.04
		1,89,372.91	88,348.62
	Total Equity and Liabilities	1,55,265.79	1,71,778.89



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AUDITED STANDALONE SEGMENT INFORMATION FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2024

(Rs. in Lakhs)

Sr. No.	Particulars	Quarter Ended			Year Ended	
		31.03.2024	31.12.2023	31.03.2023	31.03.2024	31.03.2023
		(Refer Note no. 22)	(Unaudited)	(Refer Note no. 22)	(Audited)	(Audited)
1	Segment Revenue					
	FTWZ/SEZ	344.16	344.16	159.84	1,376.65	2,619.48
	Domestic Warehousing	-	-	-	-	-
	Total Revenue from Operations	344.16	344.16	159.84	1,376.65	2,619.48
2	Segment Results Before Tax and Interest					
	FTWZ/SEZ	(763.30)	(355.43)	(6,509.83)	(2,201.49)	(1,711.58)
	Domestic Warehousing	-	-	(102.80)	-	(102.80)
	Total	(763.30)	(355.43)	(6,612.63)	(2,201.49)	(1,814.38)
	Less: Unallocated Expenses net of Income	(34.61)	(89.87)	(122.60)	2,947.03	5,002.60
	Less: Finance Costs	20,325.07	3,642.63	3,767.59	30,027.17	11,434.00
	Less: Exceptional Items (Net)	(82,319.41)	-	-	(82,319.41)	-
	Profit/(Loss) before tax	(1,03,373.17)	(3,908.19)	(10,257.62)	(1,17,495.10)	(18,250.98)
3	Segment Assets					
	FTWZ/SEZ	85,107.12	94,713.85	96,111.59	85,107.12	96,111.59
	Domestic Warehousing	7,238.67	7,278.67	7,278.67	7,238.67	7,278.67
	Unallocated	62,920.00	64,533.40	68,383.63	62,920.00	68,383.63
	Total Assets of Continuing Operations	1,55,265.79	1,66,525.92	1,71,773.89	1,55,265.79	1,71,773.89
	Assets held for sale	-	5.00	5.00	-	5.00
	Total Assets of Continuing and Discontinuing Operations	1,55,265.79	1,66,530.92	1,71,778.89	1,55,265.79	1,71,778.89
4	Segment Liabilities					
	FTWZ/SEZ	3,312.09	4,429.79	5,355.45	3,312.09	5,355.45
	Domestic Warehousing	-	-	-	-	-
	Unallocated	1,86,537.81	93,310.42	83,551.73	1,86,537.81	83,551.73
	Total Liabilities of Continuing Operations	1,89,849.90	97,740.21	88,907.18	1,89,849.90	88,907.18
	Liabilities associated with assets classified as held for sale	-	-	-	-	-
	Total Liabilities of Continuing and Discontinuing Operations	1,89,849.90	97,740.21	88,907.18	1,89,849.90	88,907.18



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AUDITED STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024

	(Rs. in Lakh)	
Particulars	Year Ended 31st March, 2024 (Audited)	Year Ended 31st March, 2023 (Audited)
Cash flow from operating activities	(1,17,495.10)	(18,250.98)
Profit/(Loss) before tax		
Adjustments for		
Sundry balances written back (net)	(48.23)	(263.72)
Cancellation for lease deed (net)	9,099.36	-
Discarding/written off of Property, plant and equipment	1.18	-
fair value adjustment in respect of capital advances	522.57	1,442.58
Gain on disposal of Property, plant and equipment (net)	-	(454.59)
Bad debts	336.63	597.33
Provision for doubtful debts/Expected credit loss	162.09	292.06
Settlement of claims	150.00	-
Reversal of gain recognised on settlement of debts and additional interest recognised	73,070.05	-
Depreciation and amortization expense	778.78	836.62
Finance costs	30,027.17	11,434.00
Unwinding interest income on loan to subsidiaries	(346.65)	(357.15)
Interest income on fixed deposits	(0.43)	-
Interest income on others	-	(174.19)
Interest income on tax refund	-	(1.23)
Financial guarantees income	(80.78)	(123.65)
Financial assets carried at amortised cost	(3.56)	(3.17)
Impairment of deemed investment in subsidiaries	124.46	5,483.40
Impairment of loan given to subsidiary	3,250.00	-
Share based payment	37.62	26.35
Foreign exchange difference (net)	(0.20)	(32.41)
Operating profit before working capital changes	(415.04)	451.25
Adjustments for		
Decrease in financial and other assets	802.81	925.11
(Decrease) in financial and other liabilities	(2,096.43)	(518.46)
Cash generated from operations	(1,708.66)	857.90
Direct taxes paid (net of refunds)	(26.72)	95.65
Net cash flow from operating activities	(A) (1,735.38)	953.55
Cash flow from investing activities		
Purchase of property, plant and equipments	-	(1.55)
Proceeds from sale of property, plant and equipment	-	162.30
Capital advance	(512.57)	(4,487.43)
Loans received back to subsidiaries & related party (net)	2,440.82	4,298.18
Interest income on fixed deposits	0.43	-
Net cash flow from investing activities	(B) 1,928.68	(28.50)
Cash flow from financing activities		
Issue of Equity shares	-	24.00
Repayment of non-current borrowings	(2.36)	(502.76)
Short-term borrowings (Net)	31.08	592.74
Lease liability paid	(218.67)	(197.69)
Interest paid	(0.48)	(852.83)
Net cash flow from financing activities	(C) (190.43)	(936.54)
Net (Decrease) in cash and cash equivalents (A+B+C)	2.87	(11.49)
Cash and cash equivalents at the beginning of the year	8.80	20.29
Cash and cash equivalents at the end of the year	11.67	8.80



Notes to Audited Standalone Financial Results

1. The Company is undergoing Corporate Insolvency Resolution Process (CIRP) pursuant to the NCLT order dated 23rd April, 2024, passed by the Hon'ble National Company Law Tribunal, Mumbai Bench, in C.P. (IB) No.3143//MB/2019 filed by Punjab National Bank (PNB), under Section 7 of the Insolvency and Bankruptcy Code, 2016. The Company provided corporate guarantee to PNB for loan availed by a subsidiary i.e. Arshiya Northern FTWZ Limited. Pursuant to the commencement of the CIRP, the Powers of Board and its committee has been suspended and these powers are now vested with IP Nitin Vishwanath Panchal in the capacity as the Interim Resolution Professional as per the Section 17 of the Code.
2. The Standalone financial results of the Company for the quarter and year ended 31st March, 2024 were taken on record by Interim Resolution Professional (RP) of the Company in the meeting on 27th September 2024. The Statutory Auditors of the Company have carried out the audit of the above financial results.
3. During the earlier years, the Company had entered a consent term in respect of a lender. As per the agreed settlement, the total debt of the said lenders was agreed to be settled at Rs 3,120.00 Lakh. The Company had already given accounting effects of such settlement in the standalone financial statements in the respective earlier period and recognized a gain of Rs. 5,587.69 Lakh as an exceptional item. The Company is default in repayment of part debts as per Consent terms. Since, the matter is sub-judice and the Company continued to account the liabilities as per consent terms.
4. The Company had issued a corporate guarantee of Rs. 1,03,850.00 Lakh in favour of the lenders of Arshiya Northern FTWZ Limited ("ANFL") and NCR Rail Infrastructure Limited (NCR Rail), subsidiary Companies. The Company has non-current investment of Rs. 44,625.29 Lakh, extended loans of Rs. 15,382.07 Lakh, capital advance of Rs. 3,034.85 Lakh and other receivables of Rs. 982.52 Lakh. The Corporate Insolvency Resolution Process (CIRP) has been commenced for ANFL on dated 14th November, 2022 and for NCR Rail on dated 7th March 2024 and Interim Resolution Professional (IRP) / Resolution Professional (RP) has been appointed. The Company had filed claim with RP for loans to ANFL Rs. 12,897.37 Lakh on dated 24th May, 2023. Since the CIRP process is going on both subsidiaries, the fair value of assets and liabilities of ANFL and NCR Rail are likely to be determined on approval by NCLT of the acceptable Resolution Plan to the lenders. Based on advise received by the Company, further reassessment of valuation of assets or its impairment, by the Company may be considered in-appropriate as it may appear to be prejudiced and unfair on the part of Company, at this stage of the CIRP process. These will eventually be ascertained at the time of acceptance of the Resolution Plan by the NCLT. Accordingly, provisions for claims under corporate guarantees issued by the Company in favour of lenders of subsidiaries and provision for impairment of the Company's investment in and loans, capital advance and other receivables to subsidiaries are undeterminable at this juncture and shall be reviewed based on outcome of the ongoing CIRP process of subsidiaries.



5. The Company has also issued corporate guarantee of Rs. 18,500.00 Lakh to the lender of an erstwhile subsidiary company. The Company charged guarantee commission @ 0.5% per annum on outstanding loan amount of Rs. 2,965.11 Lakh. Further, the said company has defaulted in repayment of its dues to the lenders. The lender had initiated legal action and matter is sub-judices.
6. The Company has Property, Plant & Equipment with gross block aggregating to Rs 64,911.30 Lakh (written down value aggregating to Rs 57,743.07 Lakh) and inventory of Rs 16,505.97 Lakh. The value of these assets of the Company, has been carried forward on the basis of existing accounting policies, and management is of the view that these values are supported by the commercial value realised in the past. The fair value of assets and liabilities of the Company likely to be determined on the completion of the ongoing CIRP. In view of the above, no provision for impairment is made at this stage in the financial results.
7. The Company has trade receivable from a wholly owned subsidiary viz. Arshiya Data Centre Private Limited (ADCPL) of Rs 13,064.16 Lakh as at 31st March, 2023 which are overdue. Arshiya Data Centre Private Limited (ADCPL) subsidiary of Arshiya Limited is notified as IT/ITES Sector Specific SEZ in Arshiya FTWZ, Panvel, Maharashtra. Due to certain business challenges, the management of ADCPL decided not to pursue the proposed Data Centre Business and thus exit from the SEZ Scheme as Co-developer. Accordingly, ADCPL has applied for necessary regulatory approvals for exit from SEZ Scheme. In view of the same, the management of the Company has decided to discontinue lease transaction with ADCPL and necessary accounting treatment has been given in the books of accounts.
8. The Company has entered into 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 corporate and statutory 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" till 31st March 2023. Due to commencement of CIRP in Arshiya Northern FTWZ Limited, all such contracts made by erstwhile suspended board of directors of Arshiya Northern FTWZ Limited are not binding and hence are being rescinded. Accordingly, the Company re-classified and given necessary accounting impact in books of accounts as per applicable Indian accounting standards during the year ended 31st March 2024.
9. The Company has incurred net loss of Rs. 1,17,495.10 Lakhs during the year ended March 31, 2024 and as of that date, the company's current liabilities exceeded by its current assets by Rs. 1,43,369.44 lakhs. Some of its lenders have recalled their loans and initiated the legal proceeding.

The Company is undergoing Corporate Insolvency Resolution Process (CIRP) pursuant to the NCLT order dated 23rd April, 2024, passed by the Hon'ble National Company Law Tribunal, Mumbai Bench, in C.P. (IB) No.3143//MB/2019 filed by Punjab National Bank (PNB), under Section 7 of the Insolvency and Bankruptcy Code, 2016. The Company provided Corporate guarantee to PNB for loan availed by a subsidiary i.e. Arshiya Northern FTWZ Limited. Pursuant



the commencement of the CIRP, the Powers of Board and its committee has been suspended and these powers are now vested with IP Nitin Vishwanath Panchal in the capacity as the Interim Resolution Professional as per the Section 17 of the Code. In terms is Section 20 of IBC, currently the affairs of the Company are managed by IRP on a going concern basis. Accordingly, these financial results are continued to be prepared on a Going Concern Basis.

10. The subsidiary company i.e. Arshiya Lifestyle Limited (the lessee) had entered into the sub-lease deed executed on 3 February 2018 for 6 years by and between subsidiary company, Ascendas Panvel FTWZ Private Ltd (the lessor), the Company, Promoters i.e. Mr. Ajay S Mittal and Mrs Archana A Mittal. As stipulated in said sub-lease deed fall in promoter holding below 40% in the Company during the tenor of sub-lease period shall be considered as event of default. The Company received notice of event of default as the promoter holding has fallen below 40%, the lessor has forfeited partial security deposits amounting to Rs. 3,250.00 Lakh of the subsidiary company. In turn, the subsidiary company shall not be liable to pay such equivalent amount to the Company and accordingly the equivalent amount of loan has been written off during the year ended 31st March, 2024. Though the non-compliance continues, the Company has not received any notice for further forfeiture of security deposits of the subsidiary company and accordingly, the balance loan to the subsidiary is considered good for recovery based on underlying confirmation as mentioned above.
11. The Company had entered into an agreement for purchase of land which is of strategic importance, from a subsidiary company. An Agreement to Sale had been entered into and the definitive agreements are in the process of being executed. The said transaction was expected to be completed by December 2023. The purchase consideration has been adjusted against the advance recoverable from the related party of Rs. 5,000.00 Lakh as on 31st March, 2024.
12. Legal & Professional, repairs, utilities & other expenses for the year ended 31st March, 2024 includes Rs. 522.57 Lakh and for the year ended 31st March, 2023 includes Rs. 1,442.58 Lakh relating to fair value adjustment in respect of capital advance paid to related party.
13. The Company's activities revolve around "Developing and Operating Free Trade & Warehousing Zone (FTWZ) and Special Economic Zone (SEZ)" and "Domestic Warehousing" 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 are two reportable segments in accordance with the requirement of Ind AS 108 "Operating Segment".
14. During the previous year ended 31st March 2022, Hon'ble National Company Law Tribunal, Mumbai Bench ('NCLT') has approved the Scheme of Arrangement ('Scheme') vide its 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 (name subsequently changed to NCR Rail Infrastructure Limited). Subsequently NCLT Order, one of the lenders of the 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

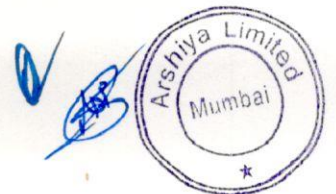


matter. The Company has filed an application seeking vacation of the ad-interim stay order dated 4th March 2022 praying the Appellate Tribunal to allow the Company to complete the formalities such as allotment and listing of the shares of the Resulting Company. However, based on the legal opinion and advise, the Company has continued to prepare the financial statement after giving accounting treatment of the approved scheme by the NCLT in the year ended 31st March, 2022.

On 7th March, 2024, the Hon'ble NCLT has admitted the applications for commencement of CIRP against the Resulting Company and appointed Interim Resolution Professional (IRP). Since the Resulting company is slipped into CIRP, in view of said development the NCLAT has passed order on dated 14th March, 2024 that the scheme of Demerger has become nonest.

Based on legal advice received on the said order of the appellate tribunal, the Company reversed the demerger's impact and restated its financial statements to include the demerged undertaking's financial results and position. This restatement is effective from the original scheme's appointed date.

15. The revenue during the year ended 31st March 2024, is lower due to higher provisioning for expected credit loss by the operating subsidiaries which resulted in lower profit at the said subsidiaries which consequently impacted the business conducting fees income of the Company to be received from the said subsidiaries.
16. Due to non-fulfilment of settlement of terms and upon commencement of CIRP, the Company has reversed gain recognised on settlement of Rs. 47,354.82 Lakh in earlier years and additional interest of Rs. 25,715.23 Lakh (aggregated Rs. 73,070.05 Lakh) booked in Exceptional items as per restructured agreement / original documents during the year ended 31st March, 2024.
17. SEZs are exempted from all duties and taxes. The exemption is granted both by Central and State Government. With respect to Panvel FTWZ, refunds aggregating to Rs. 1,876.65 Lakh are receivable in respect of VAT for which appeals are pending with respective Appellate Authorities. In past company has received such refunds and therefore company is of the view that the said amount good for recovery and hence no provision for the same is made.
18. ESOP had an anti-diluting effect on earnings per share hence have not been considered for the purpose of computing dilutive earnings per share.
19. Because of the significant of the matters stated in note nos. 3 to 6, 9 and 10 statutory auditors have issued Disclaimer of conclusion in their audit report for the quarter and year ended 31st March, 2024 and erstwhile statutory auditors had also issued disclaimer of opinion vide their Independent Auditor's Report for the financial year ended 31st March, 2023 and quarter ended 30th June, 2023 respectively.
20. The directors and promoters of the Company, Mr. Ajay S Mittal and Mrs. Archana A Mittal were taken into custody by the Directorate of Enforcement, New Delhi on 11th January, 2024 in



respect of personal loans availed from the father / brother of Mrs. Archana Mittal during FY 2012-13, 2013-14 and 2014-15. Part of the said personal loans were also repaid by Mr. Ajay S Mittal and Mrs. Archana A Mittal. This action taken against Mr. Ajay S Mittal and Mrs. Archana A Mittal are not connected with the Company, and both of them are defending the allegations made against them by following due process of law. Mrs. Archana A Mittal and Mr. Ajay S Mittal have been released on bail on 14th February, 2024 and 19th July, 2024 respectively by the Competent Court.

21. During the course of preparation of financial statements, e-mails have been sent by the Company to various parties, in respect of trade payables, outstanding balances etc. with a request to confirm their balances, out of which only a few parties have responded. In the opinion of the management, adjustments (if any) would not be material.
22. The figures of the previous year have been rearranged / regrouped / restated wherever necessary to comply with requirement of Ind AS and Schedule III and in view of the Schemes become nonest as detailed in note no. 14. to correspond with current year's classification / disclosures. The figures for the quarter ended 31st March, 2024 are the balancing figures between audited figures of respective full financial year and restated year to date figures upto the third quarter of respective financial year.

For and on behalf of the Board of Directors (Power Suspended) of Arshiya Limited

Ajay S Mittal
Chairman and Managing Director
DIN: 00226355



Taken on record

Nitin Vishwanath Panchal
Interim Resolution Professional
IBBI Registration No. IBBI/IPA-001/IP-P00777/2017-18/11350

Date: 27th September, 2024
Place: Mumbai

ARSHIYA LIMITED

**Statement on Impact of Audit Qualifications (for audit report with modified opinion)
submitted along-with Annual Audited Financial Results - (Standalone)**

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2024 [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016] (Rs. in Lakhs)				
I.	Sl. No.	Particulars	Audited Figures as of Mar-2024 (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	1,860.20	1,860.20
	2.	Total Expenditure	(37,035.89)	(37,809.51)
	3.	Exceptional item	(82,319.41)	(96,370.56)
	4.	Net Profit/(Loss) after Tax	(1,17,495.10)	(1,32,319.87)
	5.	Earnings Per Share (in Rupees per share)	(44.59)	(50.22)
	6.	Total Assets	1,55,265.79	1,55,265.79
	7.	Total Liabilities	1,89,849.90	2,04,674.67
	8.	Net Worth	(34,584.11)	(49,408.88)
	9.	Any other financial item(s) (as felt appropriate by the management)		
II.	Audit Qualification (each audit qualification separately):			
1.	a. Details of Audit Qualification <p>We draw attention to the Note no. 3 & 16 of the statement, upon commencement of CIRP, the company reversed gain of Rs.47,354.82 Lakhs recognised in the earlier year and quarter ended on 31st March 2022, arising from settlement of debt with various lenders as mentioned in the note.</p> <p>However, a gain of Rs. 5587.69 Lakhs recognised in the earlier years on account of settlement of debt with one of the Non-Banking Financial Company (NBFC) has not been reversed. Further, the company has not recognised interest including penal interest for the year and quarter ended 31st March 2024 as per original sanction letter.</p> <p>The accounting treatment as stated above is not compliance with Ind AS 109 "Financial Instruments" and Ind AS 23 "Borrowing Cost". Had the Company reversed the accounting for the debt settlement, the impact thereon would have been as mentioned above and balance of other equity as on 31st March 2024 would have been lower by Rs. 14,824.77 lakhs and the total equity would have been negative by Rs. 49,408.88 lakhs as against reported figure of Rs. 34,584.11 lakhs.</p>			



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	<p>b. Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion</p> <p>c. Frequency of qualification: Whether appeared first-time / repetitive / since how long continuing - from September 2022</p> <p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</p> <p>The management of the Company is in view of that the matter is sub-judice and the Company continued to account the liabilities as per consent terms. The Company is undergoing Corporate Insolvency Resolution Process (CIRP) w.e.f. 23rd April, 2024. The Company would be accounted liabilities as per claim to be admitted by Interim Resolution Professional (IRP) under CIRP if any.</p> <p>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</p> <p>(i) Management's estimation on the impact of audit qualification: NA</p> <p>(ii) If management is unable to estimate the impact, reasons for the same: NA</p> <p>(iii) Auditors' Comments on (i) or (ii) above: NA</p>
2.	<p>Audit Qualification (each audit qualification separately):</p> <p>a. Details of Audit Qualification</p> <p>We draw attention to note no. 3 & 16 of the Statement for the quarter and year ended 31st March, 2024 and para 4.1 (a) of Audit Report, balance confirmations of total borrowings including interest accrued (including current maturities of long term borrowings), have not been received. On account of non-availability of balance confirmations, the difference between the claim by the lenders vis-à-vis the liability as per books cannot be ascertained.</p> <p>b. Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion</p> <p>c. Frequency of qualification: Whether appeared first-time / repetitive / since how long continuing - From March 22</p> <p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</p> <p>Considering the account of the Company already classified as NPA, banks do not give confirmation. However, during the CIRP, the IRP will receive claims from lenders and liabilities would be accounted as per admitted claims by IRP if any.</p> <p>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</p> <p>(i) Management's estimation on the impact of audit qualification: NA</p> <p>(ii) If management is unable to estimate the impact, reasons for the same: NA</p> <p>(iii) Auditors' Comments on (i) or (ii) above: NA</p>
3.	<p>Audit Qualification (each audit qualification separately):</p> <p>One of the Non-Banking Financial Companies (NBFCs) that had lent to the Company assigned its debt to Edelweiss Asset Reconstruction Company (EARC). Pending the execution of a restructuring agreement for this debt assignment, the Company has continued to accrue interest on the loan amounting to ₹2,000.00 lakhs for the</p>



quarter and year ended March 31, 2024, consistent with the major terms negotiated with EARC for other agreements. Once the restructuring terms with EARC are finalized, the Company will record the effects of the revised terms for the repayment of principal and interest (including penal interest) in the period in which the restructuring is completed. In relation to this borrowing, EARC issued an E-Auction notice on November 15, 2023, under the SARFAESI Act for the recovery of dues. We are unable to comment on accuracy of recognition of liability and interest provision due to lack of clarification on ongoing negotiations.

Considering the factors stated in para 3.1(a), 3.1(b) and 3.1(c) above, we are unable to obtain sufficient appropriate audit evidence about recognition of adjustment to these borrowings (including interest and penal interest) outstanding as at 31st March, 2024 as well as the finance cost for the quarter and year ended 31st March, 2024. Consequently, we are unable to determine the quantum of adjustments and consequential impacts in standalone financial statements of the Company.

b. Type of Audit Qualification: ~~Qualified Opinion~~ / Disclaimer of Opinion / Adverse Opinion

c. Frequency of qualification: ~~Whether appeared first time~~ / repetitive / since how long continuing - From March 2023

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

The Company continues to account the finance cost and borrowings as per the terms of last settlement issued by the respective financial creditor. Since, the Company is undergoing Corporate Insolvency Resolution Process (CIRP) w.e.f. 23rd April, 2024. The Company would be accounted liabilities as per claim to be admitted by Interim Resolution Professional (IRP) under CIRP if any.

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

(i) **Management's estimation on the impact of audit qualification:** NA

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

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

4. Audit Qualification (each audit qualification separately):

a. Details of Audit Qualification

We draw attention to Note no. 4 to the statement, regarding the Company's non-current investment in Arshiya Northern FTWZ Limited (ANFTWZ) and its loans amounting to Rs. 44,625.29 lakhs and Rs. 12,913.66 lakhs, respectively. The said wholly owned subsidiary has been incurring losses and its net worth is fully eroded. On account of CIRP proceedings the earlier asset monetization plan by way of arrangement with one party for long lease of asset may no longer be valid. Considering the same the recoverability of investment and loans is now dependent upon the outcome of CIRP and resolution plan which is yet to be finalized. The above matters are indicators of impairment and in our view provision for impairment of investment and expected credit loss on loans should have been made. However, as CIRP proceeding is going on, the management had not undertaken specific exercise



to ascertain the need and quantum of impairment of investment and credit impairment assessment in respect of loans.

In view of the impairment assessment not conducted by the management and the uncertainty as regards the outcome of the CIRP, we are unable to comment on the recoverability of the said investment and loans aggregating to Rs 57,538.95 lakhs and consequently compliance with Ind AS 36 on Impairment of Assets and Ind AS 109 on Financial Instruments.

b. **Type of Audit Qualification :** ~~Qualified Opinion~~ / Disclaimer of Opinion / ~~Adverse Opinion~~

c. **Frequency of qualification:** ~~Whether appeared first time~~ / repetitive / since how long continuing

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

Under the Corporate Insolvency Resolution Process (CIRP) the fair value of assets and liabilities of ANFL are likely to be determined on approval of acceptable resolution plan by NCLT. Based on advice received by the Company, further reassessment of valuation of assets or its impairment, by the Company may be considered in-appropriate as it may appear to be prejudiced and unfair on the part of Company, at this stage of the CIRP process. These will eventually be ascertained at the time of acceptance of the Resolution Plan by the NCLT. Accordingly, provisions for claims under various corporate guarantees issued by the Company in favour of lenders of subsidiaries and provision for impairment of the Company's investment in and loan to subsidiaries are undeterminable at this juncture and shall be reviewed based on outcome of the pending CIRP process of subsidiaries.

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

(i) **Management's estimation on the impact of audit qualification:** NA

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

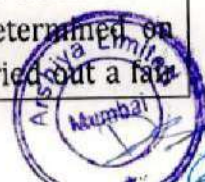
(iii) **Auditors' Comments on (i) or (ii) above:** NA

5. **Audit Qualification (each audit qualification separately):**

a. **Details of Audit Qualification**

We draw attention to the note no. 4 & 5 to the Statement, regarding corporate guarantees given to subsidiary companies and erstwhile subsidiary company with principal debt obligations aggregating to Rs.122,350.00 lakhs (excluding interest, penal interest etc.). The said companies had defaulted in repayment of dues to lenders and in case of subsidiary (Arshiya Northern FTWZ Limited and NCR Rail Infrastructure Limited) the lenders had invoked the corporate guarantee given by the Company.

These subsidiaries are under CIRP and the fair value of assets and liabilities of ANFTWZ and NCR Rail Infrastructure Limited are likely to be determined on approval of the resolution plan by NCLT. The company has not carried out a fair



valuation of the guarantee in accordance with Ind AS 109 as on 31st March 2024 leading to non-compliance with the said Ind AS.

In absence of fair value report of the guarantees given or fair value of assets provided as security by the principal borrower, we are unable to comment on quantum of liability which is expected to devolve on the Company as a corporate guarantor and fair value of liability as required to be accounted in accordance with Ind AS 109.

b. **Type of Audit Qualification :** ~~Qualified Opinion~~ / Disclaimer of Opinion / ~~Adverse Opinion~~

c. **Frequency of qualification:** ~~Whether appeared first time~~ / repetitive / since how long continuing - From March 2023

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

In the opinion of the management, the value of primary / underlying assets provided as securities by the borrowing companies may be higher than the estimated amount of restructured loans and hence in view of the management no additional liability is expected to devolve on the Company on resolution of debt. In view of the above, no provision on account of the same is made at this stage.

The fair value of assets and liabilities of the borrowing companies cannot be determined till the completion of the ongoing CIRP proceedings. In view of the above, no provision is made at this stage in the financial statement.

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

(i) **Management's estimation on the impact of audit qualification:** NA

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

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

6. **Audit Qualification (each audit qualification separately):**

a. **Details of Audit Qualification**

The Company has Property, Plant & Equipment with gross block aggregating to Rs 64,911.30 lakhs (written down value aggregating to Rs 57,743.07 lakhs), Investment in Subsidiaries of Rs. 1,27,679.57 and inventory of Rs 16,505.97 lakhs. For Investment in NCR Rail Infrastructure Limited, company continues to carry provision of impairment of Rs. 82,873.93 done during March 31, 2020. Continuing losses and lower capacity utilization are indicators for need to carry out impairment test as required Ind AS 36. However, the management has not complied with this requirement of Ind AS 36 i.e. Impairment test has not been carried out in respect of PPE, Investment in subsidiaries and also has not assessed the net realizable value of the inventory as required by Ind AS 2 on Inventories.

The value in use / NRV is dependent on various factors like settlement with lenders, monetization of assets and infusion of funds which are uncertain and not fully in control of the management of the Company.



	<p>As stated above and in absence of the impairment test / NRV test it is not possible for us to provide assertion on the carrying value of the property plant and equipment & inventory as at 31st March 2024 and consequently compliance with Ind AS 36 on Impairment of Assets and Ind AS 2 on Inventories.</p>
	<p>b. Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion</p>
	<p>c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing – from March 2023</p>
	<p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</p> <p>The value of these assets of the Company, has been carried forward on the basis of existing accounting policies, and management is of the view that these values are supported by the commercial value realised in the past. The fair value of assets and liabilities of the Company likely to be determined on the completion of the ongoing CIRP. In view of the above, no provision for impairment is made at this stage in the financial results.</p>
	<p>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</p>
	<p>(i) Management's estimation on the impact of audit qualification: NA</p>
	<p>(ii) If management is unable to estimate the impact, reasons for the same: NA</p>
	<p>(iii) Auditors' Comments on (i) or (ii) above: NA</p>
7.	<p>Audit Qualification (each audit qualification separately):</p>
	<p>a. Details of Audit Qualification</p> <p>We draw attention to with respect to outstanding unbilled revenue of Rs. 1,061.30 lakhs (including Rs 128.16 lakhs accrued during the quarter), the final computations / workings (including certifications) required for the purpose of billing are in progress. The management is in view that it has satisfied the conditions of the sublease deed for accrual of the revenue and accordingly the said amounts are considered good for recovery. In the absence of non-availability of sufficient appropriate audit evidence with respect to satisfaction of performance obligation, we are unable to comment on deferment of revenue recognition.</p>
	<p>b. Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion</p>
	<p>c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing</p>
	<p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</p> <p>The Management is in process of obtaining certification of satisfaction of conditions of sub lease deed.</p>
	<p>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</p>
	<p>(i) Management's estimation on the impact of audit qualification: NA</p>
	<p>(ii) If management is unable to estimate the impact, reasons for the same: NA</p>
	<p>(iii) Auditors' Comments on (i) or (ii) above: NA</p>



8.

Audit Qualification (each audit qualification separately):

a. Details of Audit Qualification

We draw attention note no. 14 in the Standalone financial results, which discusses the restatement of financial statement due to reversal of demerger with Arshiya Rail Infrastructure Limited (name subsequently changed to NCR Rail Infrastructure Limited) (NCR RAIL). This reversal follows the order issued by the National Company Law Appellate Tribunal (NCLAT) on 14th March, 2024, declaring the Scheme of Arrangement between the Company and NCR RAIL as nonest. Based on legal advice, the Company reversed the demerger's impact and restated its financial statements to include the demerged undertaking's financial results and position. This restatement is effective from the original scheme's appointed date. However, a CIRP commenced for NCR RAIL, the resulting company of the scheme, on 7th March, 2024.

This CIRP includes a moratorium under Section 14 of the IBC. This moratorium restricts certain actions, including legal proceedings against ARIL to recover assets or liabilities. Due to the ongoing CIRP and moratorium, we were unable to comment on financial results and financial position of the demerged undertaking included in the restated financial results and the opening balances used pursuant to the restatement of the financial results as significant uncertainties exists regarding the recoverability of the assets and liabilities of demerged undertaking.

Consequently, the completeness and accuracy of the restatement, particularly concerning the demerged undertaking, are subject to the outcome of the CIRP process.

b. Type of Audit Qualification : ~~Qualified Opinion~~ / Disclaimer of Opinion / Adverse Opinion

c. Frequency of qualification: ~~Whether appeared first time~~ / ~~repetitive~~ / since how long continuing

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

On 7th March, 2024, the Hon'ble NCLT has admitted the applications for commencement of CIRP against the Resulting Company and appointed Interim Resolution Professional (IRP). Since the Resulting company is slipped into CIRP, in view of said development the NCLAT has passed order on dated 14th March, 2024 that the scheme of Demerger has become nonest.





Based on legal advice received on the said order of the appellate tribunal, the Company reversed the demerger's impact and restated its financial statements to include the demerged undertaking's financial results as per applicable of Indian Accounting Standards.

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

(i) **Management's estimation on the impact of audit qualification: NA**



	(ii) If management is unable to estimate the impact, reasons for the same: NA
	(iii) Auditors' Comments on (i) or (ii) above: NA

III.	Signatories:	
	Ajay S Mittal Chairman & Managing Director DIN: 00226355	
	Dinesh Kumar Sodani Chief Financial Officer	
	Nitin Vishwanath Panchal Interim Resolution Professional IBBI Registration No. IBBI/IPA-001/IP- P00777/2017-18/11350 AFA Valid up to 18/12/2024	
	Statutory Auditor ARTHA & Associates Registration No. 138552W Ankit P. Sanghavi Partner Membership No.: 131353	
Place: Mumbai		
Date: 27 th September, 2024		



Independent Auditor's Report on Consolidated Financial Results of Arshiya Limited pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015, as amended

To

The Board of Directors / Interim Resolution Professional (IRP) of Arshiya Limited

1. The Hon'ble National Company Law Tribunal, Mumbai Bench (NCLT) has admitted the petition filed by financial creditor for initiation of Corporate Insolvency Process ("CIRP") Of **Arshiya Limited** ("the Holding Company") Vide its order No. CP(IB)3143/MB/2019 dated 23rd April, 2024 and appointed an Interim Resolution Professional ("IRP") to manage affairs of the company in accordance with the provision of code. As per section 17 of the Code, the powers of Board of Directors of **Arshiya Limited** ("the Holding Company") stand suspended and all the powers of Board are now vested with the Interim Resolution Professional. One the suspended director challenged the NCLT order before the Hon'ble National Company Law Appellate Tribunal, Principal Bench New Delhi ("NCLAT"). While the NCLAT initially granted an interim stay on constitution of Committee of Creditors ("CoC") vide its dated 30th April 2024, this stay was later set aside on 16th July 2024. The appeal preferred against the NCLT order is currently pending before the NCLAT. Further, two subsidiaries i.e. Arshiya Northern FTWZ Limited and NCR Rail Infrastructure Limited are also undergoing CIRP. Pursuant the commencement of the CIRP, the Powers of Board and its committee has been suspended and these powers are now vested with the Resolution Professional (RP) in these two subsidiaries as per the Section 17 of the Code.

Disclaimer of Opinion

2. We were engaged to audit the accompanying statement of Consolidated Financial Results of **Arshiya Limited** ("the Holding Company"), and its subsidiaries (the Holding Company and its subsidiaries collectively referred to as "the Group") for the quarter and year ended 31st March, 2024, attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").
3. Because of the substantive nature and significance of the matters described in the "Basis for Disclaimer of Opinion" section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for our opinion as to whether this results are presented in accordance with the requirements of Regulation 33 of the Listing Regulations; and give a true and fair view in conformity with the recognition and measurement principles laid down in applicable Indian Accounting Standards and other accounting principles generally accepted in India of the net loss and other comprehensive loss and other financial information for the quarter and year ended on 31st March 2024.
4. The statement includes the results of the following entities: -

Sr. No	Name of the Entity	Relationship
1.	Arshiya Limited	Holding Company
2.	Arshiya Northern FTWZ Limited	Subsidiary
3.	NCR Rail Infrastructure Limited	Subsidiary



4.	Arshiya Technologies (India) Private Limited	Subsidiary
5.	Arshiya Lifestyle Limited	Subsidiary
6.	Arshiya Logistics Services Limited	Subsidiary
7.	Arshiya Infrastructure Developers Private Limited	Subsidiary
8.	Unrivalled Infrastructure Private Limited	Subsidiary
9.	Arshiya Data Centre Private Limited	Subsidiary
10.	Arshiya Northern Projects Private Limited	Subsidiary
11.	Arshiya 3PL Services Private Limited	Step Down Subsidiary
12.	Arshiya Panvel Logistics Services Private Limited	Step Down Subsidiary
13.	Arshiya Distribution Hub Private Limited	Step Down Subsidiary
14.	Arshiya Panvel FTWZ Services Private Limited	Step Down Subsidiary
15.	AMD Business Support Services Private Limited	Step Down Subsidiary

5. Basis for Disclaimer of Opinion

5.1 With respect to settlement arrangement with lenders

- a) As detailed in Note no. 3 & 11 of the Consolidated Financial Results, upon commencement of CIRP, the Holding Company reversed gain of Rs.47,354.82 Lakhs recognised in earlier the quarter and year ended on 31st March 2022, arising from settlement of debt with various lenders as mentioned in the note.

However, a gain of Rs. 5,587.69 Lakhs recognised in the earlier years on account of settlement of debt with one of the Non-Banking Financial Company (NBFC) has not been reversed. Further, the Holding company has not recognised interest including penal interest for the quarter and year ended 31st March 2024 as per original sanction letter.

The accounting treatment as stated above is not compliance with Ind AS 109 "Financial Instruments" and Ind AS 23 "Borrowing Cost". Had the Company reversed the accounting for the debt settlement, the impact thereon would have been as mentioned above and balance of other equity as on 31st March 2024 would have been lower by Rs. 14,824.77 lakhs and the total equity would have been negative by Rs. 3,32,480.17 lakhs as against reported figure of Rs. 3,17,655.40 lakhs.

- b) Further, as stated in Note no. 12 of Consolidated Financial Results, upon commencement of CIRP, the subsidiary companies reversed gain on settlement of Rs. 16,571.1 Lakhs recognised arising from settlement of debt with lenders as mentioned in note. Also booked additional interest liability of Rs. 50,740.16.

As stated in Note no. 12, under the Corporate Insolvency Resolution Process (CIR Process), the two subsidiary companies had recorded additional liabilities (net) of Rs. 82,077.92 Lakhs as per claim of other lenders admitted by RP during the quarter and year ended 31st March, 2024.



- c) Further, as stated in para 5.1(a) balance confirmations of total borrowings including interest accrued (including current maturities of long-term borrowings), have not been received. On account of non-availability of balance confirmations. The difference between the claim by the lenders vis-a-vis the liability as per books cannot be ascertained.
- d) One of the Non-Banking Financial Companies (NBFCs) that had lent to the Holding Company assigned its debt to Edelweiss Asset Reconstruction Company (EARC). Pending the execution of a restructuring agreement for this debt assignment, the Holding Company has continued to accrue interest on the loan amounting to ₹2,000.00 lakhs for the quarter and year ended March 31, 2024, consistent with the major terms negotiated with EARC for other agreements. Once the restructuring terms with EARC are finalized, the Holding Company will record the effects of the revised terms for the repayment of principal and interest (including penal interest) in the period in which the restructuring is completed. In relation to this borrowing, EARC issued an E-Auction notice on November 15, 2023, under the SARFAESI Act for the recovery of dues. However, the management is of the view that it would be able to successfully negotiate with the lender to whom the debt is assigned and hence, further no provision is required in respect of additional interest including penal interest. We are unable to comment on accuracy of recognition of liability and interest provision due to lack of clarification on ongoing negotiations.

Considering the factors stated above, we are unable to obtain sufficient appropriate audit evidence about these borrowings (including interest) outstanding as at 31st March, 2024 as well as the finance cost for the quarter and year ended 31st March, 2024. Consequently, we are unable to determine the quantum of adjustment including for difference on account of rate of interest, compounding, penal interest, charges, etc. and consequential impacts in the Consolidated Financial Results of the Company.

5.2 Non-recognition of liability in respect of financial guarantee at fair value in accordance with Ind AS 109 "Financial Instruments"

We draw attention to the Note no. 4 to the Consolidated Financial Results, regarding corporate guarantees given to erstwhile subsidiary companies with principal debt obligations aggregating to Rs. 18,500.00 lakhs (excluding interest, penal interest etc.). The quantum is after elimination of guarantees given on behalf of the subsidiary. The said companies had defaulted in repayment of dues to lenders.

In the opinion of the management of the group, the value of primary / underlying assets provided as securities by the borrowing companies is greater than the outstanding loans and hence in view of the management of the group no additional liability is expected to devolve on the group. The Group has not carried out a fair valuation of the guarantee in accordance with Ind AS 109 as on March 31, 2024 leading to non-compliance with the said Ind AS.

In absence of fair value report of the guarantees given or fair value of assets provided as security by the principal borrower, we are unable to comment on quantum of liability which is expected to devolve on the Company as a corporate guarantor and fair value of liability as required to be accounted in accordance with Ind AS 109.

5.3 Impairment testing of Property, Plant & Equipment (PPE) & assessment of Net Realizable Value (NRV) of inventory not carried out by the management

We draw attention to Note no. 5 of the Consolidated Financial Results, regarding Property, Plant and Equipment with gross block aggregating to Rs 2,46,661.43 lakhs (written down value aggregating to Rs 2,01,303.13 lakhs), Capital Work In Progress of Rs. 163.82 Lakhs and



inventory of Rs 16,505.97 lakhs as at March 31, 2024. Continuing losses and lower capacity utilization are indicators for need to carry out impairment test as required Ind AS 36. However, the management has not complied with this requirement of Ind AS 36 i.e. Impairment test has not been carried out in respect of PPE and also has not assessed the net realizable value of the inventory as required by Ind AS 2 on Inventories.

The value in use / NRV is dependent on various factors like settlement with lenders, monetization of assets and infusion of funds which are uncertain and not fully in control of the management of the Company.

As stated above and in absence of the impairment test/ NRV test it is not possible for us to provide assertion on the carrying value of the property plant and equipment & inventory as at March 31, 2024 and consequently compliance with Ind AS 36 on Impairment of Assets and Ind AS 2 on Inventories.

5.4 Assets Held for Sale

We draw attention to note no. 6 of the Consolidated Financial Results with regards to transaction of monetization of one warehouse of one of the subsidiaries. Since the Subsidiary Company was not able to fulfil certain Conditions Precedent (CP), the Subsidiary Company has requested for extension of timeline provided in the original agreement. The Subsidiary Company has received the extension letter and the management is confident that the conditions will be complied with and accordingly the transaction shall materialize. However, due to initiation of CIR Process, substantial CP were not complied as on the 31st March 2023 and the management has not provided with substantive plan of the Subsidiary Company to comply with all the CP or any other alternative plan for sale of the said asset, as required under Ind AS 105 on Non-Current Assets Held for Sale and Discontinued Operations and shown as Assets Held for Sale as on 31st March, 2023.

On account of admission of CIRP, all such contracts made by erstwhile suspended board are not binding and hence are being rescinded. Accordingly, the Group has re-classified and given necessary accounting impact in books of accounts as per applicable Indian accounting standards.

5.5 Restating the Consolidated Financial Statement consequent to Scheme of Demerger with Arshiya Rail Infrastructure Limited (name subsequently changed to NCR Rail Infrastructure Limited)

We refer you to Note No. 9 in the Consolidated Financial Results, which discusses the restatement of consolidated financial statement due to reversal of demerger with Arshiya Rail Infrastructure Limited (name subsequently changed to NCR Rail Infrastructure Limited). This reversal follows the order issued by the National Company Law Appellate Tribunal (NCLAT) on 14th March, 2024, declaring the Scheme of Arrangement between the Holding Company and Arshiya Rail Infrastructure Limited (name subsequently changed to NCR Rail Infrastructure Limited) as non est. Based on legal advice, the Holding Company reversed the demerger's impact and restated its Consolidated financial statements to include the demerged undertaking's financial results and position. This restatement is effective from the original (now void) scheme's appointed date. However, a CIRP commenced for Arshiya Rail Infrastructure Limited (name subsequently changed to NCR Rail Infrastructure Limited), the resulting company of the scheme, on 7th March, 2024.

This CIRP includes a moratorium under Section 14 of the IBC. This moratorium restricts certain actions, including legal proceedings against ARIL to recover assets or liabilities. We were unable



to comment on financial results and financial position of the demerged undertaking included in the restated consolidated financial statements and the opening balances used pursuant to the restatement of the consolidated financial statement as significant uncertainties exists regarding the recoverability of the assets and liabilities of demerged undertaking as we have not audited the books of accounts of the Arshiya Rail Infrastructure Limited (name subsequently changed to NCR Rail Infrastructure Limited).

Consequently, the completeness and accuracy of the restatement, particularly concerning the demerged undertaking, are subject to the outcome of the CIRP process.

5.6 Non-recognition of Revenue on account non-compliance of performance obligation

With respect to outstanding unbilled revenue of Rs 1084.30 Lakhs (including Rs 151.16 lakhs accrued during the quarter), the final computations / workings (including certifications) required for the purpose of billing are in progress. The management is confident that it has satisfied the conditions of the sublease deed for accrual of the revenue and accordingly the said amounts are considered good for recovery. We are unable to comment on deferment of revenue recognition on account non-compliance of performance obligation due to non-availability of sufficient appropriate evidence for our verification.

5.7 Internal Financial Controls over Financial Reporting

Because of Inherent limitations of Internal financial controls over financial reporting including possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occurs and not be detected. Also, projections of any evaluation of internal financial controls over financial reporting to future periods are subject to risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with policies or procedures may deteriorates.

Because of the matters described in Basis for Disclaimer of Opinion paragraph and Emphasis of Matter, we were not able to obtain sufficient appropriate audit evidence to provide basis for an audit opinion on internal financial controls system over Financial Reporting of Company.

As a result of the matters described in para 5.1 to 5.7 above, considering the facts stated in the note as regards material uncertainty relating to going concern and matters described in Emphasis of Matter paragraph, we are unable to obtain sufficient and appropriate audit evidence to provide a basis of our conclusion on the Statement for the quarter and year ended March 31, 2024.

Matter listed in para 5.1(c), 5.1(d) and 5.2 to 5.4 were also covered as a part of basis of disclaimer of opinion in the statutory audit report dated May 30, 2023 for the quarter and year ended March 31, 2023.

Matter listed in para 5.1(c), 5.1(d) and 5.2 to 5.4 were also covered as a part of basis of disclaimer of opinion and para 5.6 of Emphasis of Matters in Limited Review Report dated August 14, 2023 for the quarter ended June 30, 2023 by the erstwhile Auditors and accordingly these significant matters remain unresolved during the quarter and year under as at March 31, 2024.

6. Material Uncertainty related to Going Concern

As stated note no. 7 of the Consolidated Financial Results, the Group has incurred net losses of Rs. 2,81,855.50 Lakh during the quarter and year ended 31st March, 2024 and as of that date,



the Group' current liabilities exceeded by current assets. The Parent Company and two subsidiaries i.e. Arshiya Northern FTWZ Limited and NCR Rail Infrastructure Limited are undergoing Corporate Insolvency Resolution Process (CIRP). Pursuant the commencement of the CIRP, the Powers of Board and its committee has been suspended and these powers are now vested with the Interim Resolution Professional (IRP) in Parent Company and Resolution Professional (RP) in two subsidiaries as per the Section 17 of the Code. In terms is Section 20 of IBC, currently the affairs of the Parent Company and two subsidiaries are managed by respectively IRP / RP on a going concern basis. Accordingly, these consolidated financial results are continued to be prepared on a Going Concern Basis.

With respect to other subsidiaries i.e. Arshiya Logistics Services Limited ("ALSL"), Arshiya Lifestyle Limited ("ALL"), Arshiya Panvel Logistics Services Private Limited ("APLSPL"), Arshiya 3PL Services Private Limited ("A3PL") another step down subsidiaries of the Parent Company, either the net worth as on 31st March, 2024 is negative and / or have incurred losses for the quarter and year ended 31st March, 2024.

The Consolidated Financial Results, is continued to be prepared on going concern basis. However these matters (including other matters as stated out in the notes), indicate that a material uncertainty exist that may cast significant doubt about its ability to continue as a going concern. The appropriateness of preparation of consolidated financial statements on going concern basis is critically dependent upon CIRP as specified in code.

The matters enumerated in para 5 and 6 collectively are the basis for providing disclaimer of conclusion.

7. Emphasis of Matters

- 7.1** We draw attention to note no. 17 of the Consolidated Financial Results, regarding the balance confirmations of trade receivables and trade payables. During the course of preparation of Consolidated Financial Results, emails/letters have been sent to various parties by the Company with a request to confirm their balances directly to us out of which only few parties have responded. The management is confident and is of the view that there will not be any material variation in the said balances.
- 7.2** We draw attention to Note no. 13 of the Consolidated Financial Results, with respect to other non-current assets, refunds aggregating to Rs. 2,120.65 lakhs are receivable in respect of VAT for which appeals are pending with respective Appellate Authorities. The management of the group is of the view that the refunds are considered good for recovery on account of refunds being received by other SEZ developers on similar grounds and basis the legal opinion obtained.
- 7.3** Two material Subsidiary Companies i.e. Arshiya Northen FTWZ Limited and NCR Rail Infrastructure Limited has not appointed a Company Secretary and Chief Financial Officer (CFO) as per requirement of section 203 of the Companies Act, 2013.
- 7.4** We refer to Note no. 10 of the Consolidated Financial Results, the subsidiary company, Arshiya Lifestyle Limited (the lessee), entered into a sub-lease agreement on 3rd February, 2018, with Ascendas Panvel FTWZ Private Ltd (the lessor), the Holding Company, and promoters Mr. Ajay S. Mittal and Mrs. Archana A. Mittal. According to the sub-lease agreement, if the promoter's holding in the Holding Company falls below



40% during the lease term, it will be deemed an event of default. Since the promoter's holding has indeed dropped below 40%, the lessor has forfeited a portion of the security deposit amounting to Rs. 3,250.00 lakh from the subsidiary company. Consequently, the subsidiary company is not obligated to repay this amount to the Holding Company, leading to a write-off of the equivalent loan amount for the quarter and year ended 31st March, 2024. Despite ongoing non-compliance, the Holding Company has not received any further notices regarding the forfeiture of additional security deposits from the subsidiary. Therefore, the remaining loan amount to the subsidiary is deemed recoverable based on underlying confirmation by management.

- 7.5** We draw attention to Note no. 16 of the Consolidated Financial Results, with respect to the erstwhile directors and promoters of the Company, Mr. Ajay S Mittal and Mrs. Archana A Mittal were taken into custody by the Directorate of Enforcement, New Delhi in respect of personal loans availed from the father / brother of Mrs. Archana Mittal during FY 2012-13, 2013-14 and 2014-15. Part of the said personal loans were also repaid by Mr. Ajay S Mittal and Mrs. Archana A Mittal. This action taken against Mr. Ajay S Mittal and Mrs. Archana A Mittal is not connected with the Company, and both of them are defending the allegations made against them by following due process of law. Mrs. Archana A Mittal and Mr. Ajay S Mittal has been released on bail on 14th February, 2024 and 19th July, 2024 by the Competent Court.
- 7.6** The Company Secretary and compliance officer of Holding Company has resigned on 1st August, 2024 from his designation which is not approved by IRP and COC.

Our conclusion is not modified in respect of the above matters.

Observations made by us in above para 7.1 to 7.2 was given by the erstwhile statutory auditor in their statutory audit report for the quarter and year ended 31st March 2023 dated 30th May 2023 and para 7.1 to 7.2 and 7.4 limited review report for the quarter ended 30th June 2023 dated 14th August 2023.

Management's Responsibilities for the Consolidated Financial Results

In view of ongoing Corporate Insolvency Resolution Process of Holding Company, Board of Directors/Resolution Professional/Management is responsible for the preparation and presentation of the Consolidated Financial Statement that gives a true and fair view of the net profit/loss and other comprehensive income of the group and other financial information in accordance with the applicable Indian accounting standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.



In preparing the Consolidated Financial Results, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Under section 20 of Code, it is incumbent upon Resolution Professional to manage the operations of the Company as a going concern and the financial statements have been prepared on going concern basis.

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

Our responsibility is to conduct the audit of the Group's Consolidated Financial Results in accordance with Standards on Auditing and to issue an auditor's report thereon. However, because of matter described in the basis of disclaimer of opinion section of our report, we were not able to obtain sufficient and appropriate audit evidence to provide a basis for an audit opinion on these financial results.

We are independent of the entity in accordance with the ethical requirements in accordance with the requirement of the Code of ethics issued by the ICAI and the ethical requirements as prescribed under the laws and regulations applicable to the Group.

Other Matters

- 1) The figures for the quarter and year ended 31st March, 2023 are based on the previously issued annual Ind AS financial statement and financial results that were audited by the erstwhile auditors whose report dated 30th May, 2023, expressed disclaimer of opinion. Further the quarter ended June 30, 2023 was limited reviewed by the erstwhile auditor.
- 2) We did not review the financial statement of one subsidiary, whose interim financial statements reflect total assets of Rs. 85,947.68 lakhs as on March 31, 2024, total revenue (including other income) of Rs. 2077.83 lakhs, total net profit / (loss) after tax Rs. (136,707.37) lakhs and total comprehensive income of Rs (136,711.83) lakhs for the quarter and year ended March 31, 2024, as considered in the consolidated unaudited financial results. These financial statements have been reviewed by other auditor and we have not audited books of accounts said subsidiary and our opinion on the consolidated audited financial results, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of the Listing Regulations (as amended), in so far as it relates to aforesaid subsidiary is based on the report of other auditor.
- 3) We did not audit the financial statement of seven subsidiaries, whose Standalone Financial Results, reflect total assets of Rs. 87,393.46 lakhs as on 31st March 2024, total revenue (including other income) of Rs. 7,457.59 lakh, total net profit / (loss) after tax Rs. (37,211.63) lakhs and total comprehensive income of Rs (37,212.70) lakhs for the quarter and year ended 31st March 2024 respectively, as considered in the consolidated audited financial results. These Financial Results have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated audited financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of the Listing Regulations (as amended), in so far as it relates to aforesaid subsidiaries located outside India is based on the report of other auditors.
- 4) The Statement includes consolidated unaudited Financial Results for the comparative periods, for the quarter ended 31st March, 2023 and audited financial results for the quarter and year ended 31st March, 2023 which are based on the Financial Results which were



reviewed / audited by erstwhile auditor of the Company. The erstwhile auditors had issued Disclaimer of Opinion in audit report dated 30th May 2023. (Also see basis of Disclaimer of Opinion paragraph for modifications reported by the erstwhile auditors).

Our conclusion on the Consolidated Financial Results, is not modified in respect of the matters mentioned in serial number 1 to 4 above, with respect to our reliance on the work done and the reports of the other auditors.

For ARTHA & Associates.

Chartered Accountants

Firm Reg. No: 138552W



Ankit P. Sanghavi
Partner

Membership Number: 131353

UDIN: 24131353BKHKKEF9320

Place: Mumbai

Date: 27.09.2024



REPORT OF THE INTERIM RESOLUTION PROFESSIONAL

I, Nitin Panchal, have been appointed as an Interim Resolution Professional (IRP) by Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench for conduct of Corporate Insolvency Resolution Process (CIRP) of M/s. Arshiya Limited (Corporate Debtor) vide Order dated 23rd April 2024 in CP (IB)-3143/MB/2019. On 30th April 2024, during Hon'ble NCLAT New Delhi hearing it was submitted by the Corporate Debtor (CD) that they are taking steps to resolve the issues with the Lenders & the proposal with them. Hon'ble NCLAT New Delhi granted interim stay on constitution of CoC & listed matter on 15th May 2024. After the couple of hearing, Hon'ble NCLAT on 16th July 2024, vacated the stay imposed vide order dated 30th April 2024. In view of these developments the CoC is constituted on 1st August 2024 & the first CoC meeting is scheduled on 8th August 2024.

During First CoC meeting held on 8th August 2024, pursuant to provisions under Section 22(2) and 22(3)(b) of the IBC, 2016 read with Regulation 34 of CIRP Regulations, the CoC Members have approved the appointment of Mr. Pankaj Mahajan, Insolvency Professional, (IBBI Registration No IBBI/IPA-001/IP-P00836/2017-2018/11420) to act as the Resolution Professional (RP) of M/s Arshiya Limited in place of undersigned during CIR process.

As per the requirements of Insolvency and Bankruptcy Code, 2016, (Code) the IRP/ RP has to ensure that the Corporate Debtor remains as a going concern during CIRP. As the Corporate Debtor is a listed Company and is required to prepare and submit financial results in respect of the entire financial year as per Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR Regulations). The IRP ensured preparation and submission of consolidated financial results and statement of assets and liabilities in respect of the entire financial year ended 31st



March, 2024. The consolidated financial results and statement of assets and liabilities in respect of the entire financial year ended 31st March, 2024 (Pertains to period prior to commencement of CIRP) enclosed herewith, have been drawn as per accounting practices & policies consistently followed by the Corporate Debtor and records available with the Corporate Debtor, information available with CD & explanations given to us.

There are 5 Directors as on date on the suspended Board of Corporate Debtor out of which, 4 are Non-Executive Independent Directors. The Chairman and Managing Director Mr. Ajay Mittal was in Enforcement Directorate custody from 11th January 2024 till 14th January & w.e.f. 15th January 2024 till 19th July 2024 he was in Judicial Custody. For the purpose of adoption of accounts, the IRP had convened Board Meeting, however none of the Directors of the CD have attended nor have they sought any leave of absence. This meeting was adjourned to 6th June 2024 which was also postponed for want of Quorum. As such the IRP has signed the accounts along with this report alongwith the Chairman & the KMP the Corporate Debtor.

It is pertinent to note that the IRP has made all practical and reasonable efforts from time to time to facilitate information / data from CD Officials/ public domain /suspended directors in relation to the company gather details to prepare these financial results, despite various challenges and complex circumstances, has tried to put in best possible efforts to provide information required by the Auditors for the purpose of carrying out the limited review/audit of the financial results of the Corporate Debtor as on 31st March 2024.

The IRP presumed that the records made available to him for a period prior to commencement of CIRP & his appointment are genuine and are properly maintained by the previous management, comprising of Board of Directors and that such information and data are in the conformity with the Companies Act, 2013 and other applicable laws with respect to the preparation of the financial results



for the year ended 31st March 2024. The IRP, in review of financial results and signing this financial result has relied upon the assistance provided by the KMPs and employees of the Corporate Debtor and has relied on the information provided to him & explanations given to him because of the inherent limitations of the financial control with reference to the financial statements including the possibility of collusion or improper management and override controls. Material misstatements due to error or fraud may occur and may not be detected.

As per Regulation 33 of the Listing Regulations, the consolidated audited financial results and statement of assets and liabilities of the Company submitted to the stock exchange shall be signed by the Chairperson or Managing Director or Whole Time Director or in absence of all of them, it shall be signed by any Director of the Company who is duly authorized by the Board of Directors to sign the consolidated financial results and statement of assets and liabilities irrespective of the fact that the powers of the Board of Directors are suspended on commencement of CIRP.

The IRP has signed these financial results and statement of assets and liabilities in good faith, solely for the purpose of compliance and discharging his duty under the Code, *and subject to the following disclaimers:*

- i. The IRP has furnished and signed the report in good faith and accordingly, no suit, prosecution or other legal proceeding shall lie against the IRP in terms of Section 233 of the Code. The financial results and statement of assets and liabilities enclosed herewith is accepted by the IRP in his fiduciary capacity without accepting any personal liability and is only in compliance with the statutory requirement under Regulation 15(2A) of SEBI LODR Regulations and accordingly, no suit, prosecution or other legal proceeding shall lie against the IRP. The IRP is not liable for any error or misstatement of facts and figures, if any, in the accounts and/or any disclosure or non-disclosure in the accounts.

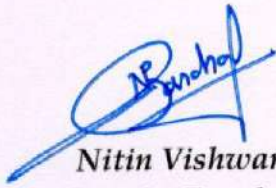


- ii. The resolution professional is not liable for any error or misstatement of the facts and figures, if any, in the accounts of M/s. Arshiya Limited for the period ended 31st March 2024 and the same are only for the purpose of statutory compliance. This certificate is to be accepted as mere statutory compliance and not to be relied upon for taking any financial decision. In view of the constrains/limitations mentioned herein above any investor taking any financial decision are advised to carry out independent due-diligence at their own cost & risk before arriving at any financial decision on investment or otherwise.
- iii. No statement, fact, information (whether current or historical) or opinion contained herein should be construed as a representation or warranty, express or implied, of the IRP including, his authorized representatives and advisors;
- iv. The IRP, in review of the financial results and statement of assets and liabilities and while signing this statement of financial results and statement of assets and liabilities, has relied upon the assistance provided by the available Officers of the Corporate Debtor. The statement of financial results and statement of assets and liabilities of the Corporate Debtor for the entire financial year ended 31st March, 2024 has been taken on record by the IRP solely on the basis of and relying on the statement of the available officers/staff of the Corporate Debtor. For all such information and data, the IRP has assumed that such information and data are in the conformity with the Companies Act, 2013 and other applicable laws with respect to the preparation of the financial results. Accordingly, the IRP is not making any representations regarding accuracy, veracity or completeness of the data or information in the financial results.
- v. In terms of the provisions of the Code, the IRP is required to undertake a review of certain transactions. Such review has been initiated and the IRP may be required to accordingly in terms of the provisions of the Code.



vi. Previous year figures are regrouped and reclassified wherever necessary.

Regulation 33(3)(b) of the SEBI LODR Regulations, 2015 provides that in case the listed entity has Subsidiaries, in addition to the requirement at clause (a) of sub-regulation (3), the listed entity shall also submit quarterly/year-to-date consolidated financial results. There are 13 (Thirteen) Subsidiaries of the Corporate Debtor of which 2 are also under CIRP as on date. Accordingly the consolidated financial results and statement of assets and liabilities in respect of the entire financial year ended 31st March, 2024 have been drawn as per accounting practices & policies consistently followed by the Corporate Debtor and records available with the Corporate Debtor, information available with CD & explanations given to us.



Nitin Vishwanath Panchal
Interim Resolution Professional
Arshiya Limited (Under CIRP)
IBBI Registration No: IBBI/IPA-001/IP-P00777/2017-2018/11350
AFA Details: AA1/11350/02/181224/106632 valid upto 18.12.2024

Date: 27/05/2024
Place: Mumbai

Arshiya Limited

CIN: L93000MH1981PLC024747

Registered Office: Arshiya FTWZ, CO-1, Survey Nos. 178/3 & 178/4, Sai Village, Panvel, Raigad, Maharashtra - 410221 Phone No. 022 42305500 # Email id: cirp.arshiyalimited@gmail.com; info@arshiyalimited.com
website: www.arshiyalimited.com

AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2024

(Rs. In Lakhs)

Sr.No.	Particulars	Quarter Ended			Year Ended	
		31.03.2024	31.12.2023	31.03.2023	31.03.2024	31.03.2023
		(Refer note no 18)	(Unaudited)	(Refer note no 18)	(Audited)	(Audited)
1	Income					
	(a) Revenue from operations	3,401.88	4,110.91	3,529.62	15,440.71	15,180.37
	(b) Other Income	1,957.98	131.76	792.46	2,339.37	2,098.79
	Total Income	5,359.86	4,242.67	4,322.08	17,780.08	17,279.16
2	Expenses					
	(a) Warehousing, transportation and handling costs	426.71	526.72	589.64	2,124.67	2,109.95
	(b) Employee benefits expense	544.02	555.58	501.20	2,195.04	2,423.64
	(c) Finance costs (net)	18,072.09	12,177.73	10,790.49	52,811.74	38,217.33
	(d) Depreciation and amortization expense	3,378.27	2,653.14	2,436.49	11,292.48	11,087.32
	(e) Legal & Professional, repairs, utilities & others	937.30	769.71	283.16	3,187.76	3,246.85
	(f) Impairments of receivables	1,133.33	28.28	1,674.74	5,393.95	2,917.69
	Total Expenses (a to f)	24,491.72	16,711.16	16,275.72	77,005.64	60,002.78
3	Profit/(Loss) before exceptional and Tax (1-2)	(19,131.86)	(12,468.49)	(11,953.64)	(59,225.56)	(42,723.62)
4	Exceptional Items (Net) (Refer Note No. 11 & 12)	(2,22,609.23)	-	-	(2,22,609.23)	8,221.83
5	Profit/(Loss) before tax (3+4)	(2,41,741.09)	(12,468.49)	(11,953.64)	(2,81,834.79)	(34,501.79)
6	Tax expense	(32.97)	-	(0.49)	20.71	45.85
7	Net profit/(Loss) after Tax from Continuing Operations (5-6)	(2,41,708.12)	(12,468.49)	(11,953.15)	(2,81,855.50)	(34,547.64)
8	Profit/(loss) from Discontinuing Operations	2.55	(0.65)	(0.22)	-	(2.24)
9	Net profit/(Loss) after Tax (7+8)	(2,41,705.57)	(12,469.14)	(11,953.37)	(2,81,855.50)	(34,549.88)
10	Other Comprehensive Income					
	Item that will not be reclassified to profit and loss:					
	Remeasurement of gains / (losses) on defined benefit plans	(5.84)	0.99	10.41	(3.93)	6.86
11	Total Comprehensive Income	(2,41,711.41)	(12,468.15)	(11,942.96)	(2,81,859.43)	(34,543.02)
12	Profit/(Loss) attributable to:					
(a)	Owner of the parent	(2,41,705.57)	(12,469.14)	(11,953.37)	(2,81,855.50)	(34,549.88)
(b)	Non-controlling interest	-	-	-	-	-
		(2,41,705.57)	(12,469.14)	(11,953.37)	(2,81,855.50)	(34,549.88)
13	Other Comprehensive Income attributable to:					
(a)	Owner of the parent	(5.84)	0.99	10.41	(3.93)	6.86
(b)	Non-controlling interest	-	-	-	-	-
		(5.84)	0.99	10.41	(3.93)	6.86
14	Total Comprehensive Income attributable to:					
(a)	Owner of the parent	(2,41,711.41)	(12,468.15)	(11,942.96)	(2,81,859.43)	(34,543.02)
(b)	Non-controlling interest	-	-	-	-	-
		(2,41,711.41)	(12,468.15)	(11,942.96)	(2,81,859.43)	(34,543.02)
15	Paid-up equity share capital (Face value per share Rs. 2)	5,269.52	5,269.52	5,269.52	5,269.52	5,269.52
16	Other Equity excluding Revaluation reserve					(41,103.11)
17	Earnings Per Share (EPS) in Rs. (for continuing operation)					
	- Basic	(91.74)*	(4.73)*	(4.54)*	(106.98)	(13.15)
	- Diluted	(91.74)*	(4.73)*	(4.54)*	(106.98)	(13.15)
18	Earnings Per Share (EPS) in Rs. (for discontinuing operation)					
	- Basic	-	(0.00)*	(0.00)*	-	-
	- Diluted	-	(0.00)*	(0.00)*	-	-
19	Earnings Per Share (EPS) in Rs. (for continuing and discontinuing operation)					
	- Basic	(91.74)*	(4.73)*	(4.54)*	(106.98)	(13.15)
	- Diluted	(91.74)*	(4.73)*	(4.54)*	(106.98)	(13.15)

*not annualised



Arshiya Limited

CIN: L93000MH1981PLC024747

Registered Office: Arshiya FTWZ, CO-1, Survey Nos. 178/3 & 178/4, Sai Village, Panvel, Raigad,
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Email id: cirp.arshiyalimited@gmail.com; info@arshiyalimited.com
website: www.arshiyalimited.com

AUDITED CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2024

(Rs. in Lakhs)

Sr.No.	Particulars	As at 31.03.2024 (Audited)	As at 31.03.2023 (Audited)
I	ASSETS		
	Non-Current Assets		
	(a) Property, Plant and Equipment	2,01,303.13	2,02,172.11
	(b) Right of use assets	7,962.45	13,382.63
	(c) Capital Work-in-Progress	163.82	221.44
	(d) Goodwill on Consolidation	20.43	20.43
	(e) Intangible Assets	14.13	30.12
	(f) Financial Assets		
	(i) Other Financial Assets	764.66	658.68
	(g) Other Non-Current Assets	3,937.32	4,098.64
		2,14,165.94	2,20,584.05
	Current assets		
	(a) Inventories	16,505.97	12,537.34
	(b) Financial Assets		
	(i) Trade Receivables	2,536.00	3,210.13
	(ii) Cash and Cash Equivalents	837.07	986.87
	(iii) Bank Balances Other than (ii) above	586.19	124.46
	(iv) Loan	232.89	232.89
	(v) Other Financial Assets	14,348.67	19,333.62
	(c) Other Current Assets	8,088.33	7,333.82
		43,135.12	43,759.13
	(d) Assets held for sale (Refer note no. 6)	-	7,068.61
	Total Assets	2,57,301.06	2,71,411.79
II	EQUITY AND LIABILITIES		
	Equity		
	(a) Equity Share Capital	5,269.52	5,269.52
	(b) Other Equity	(3,22,924.92)	(41,103.11)
		(3,17,655.40)	(35,833.59)
	Equity Component of 0% Optionally Convertible Redeemable Preference shares (OCRPS) issued by subsidiary held outside Group	1,200.00	519.09
	Liabilities		
	Non Current Liabilities		
	(a) Financial Liabilities		
	(i) Lease Liabilities	6,357.61	7,631.59
	(ii) Other Financial Liabilities	1,178.88	1,123.78
	(b) Provisions	90.09	98.24
	(c) Other Non-Current Liabilities	358.73	516.16
		7,985.31	10,537.63
	Current Liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	1,76,002.70	1,57,976.65
	(ii) Trade Payables		
	Micro and small enterprises	772.58	758.56
	Others	3,094.80	2,984.10
	(iii) Lease Liabilities	2,463.76	7,241.98
	(iv) Other Financial Liabilities	3,80,849.50	1,24,432.30
	(b) Other Current Liabilities	2,549.83	2,771.33
	(c) Provisions	37.98	20.49
		5,65,771.15	2,96,185.41
	(d) Liabilities associated with assets classified as held for sale (Refer note no. 6)	-	3.25
	Total Equity and Liabilities	2,57,301.06	2,71,411.79



Arshiya Limited

CIN: L93000MH1981PLC024747

Registered Office: Arshiya FTWZ, CO-1, Survey Nos. 178/3 & 178/4, Sai Village, Panvel, Raigad, Maharashtra - 410221 Phone No. 022 42305500 # Email id: cirp.arshiyalimited@gmail.com; info@arshiyalimited.com
website: www.arshiyalimited.com

AUDITED CONSOLIDATED SEGMENT INFORMATION FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2024

(Rs. in Lakhs)

Sr. No.	Particulars	Quarter Ended			Year Ended	
		31.03.2024	31.12.2023	31.03.2023	31.03.2024	31.03.2023
		(Refer note no 18)	(Unaudited)	(Refer note no 18)	(Audited)	(Audited)
1	Segment Revenue					
	FTWZ/SEZ	3,177.87	3,903.83	3,310.71	14,605.59	14,257.66
	Rail Transport Operations/ICD	88.05	74.03	83.91	298.43	353.78
	Domestic Warehousing	135.96	133.05	135.00	536.69	568.93
	Total Revenue from Operations	3,401.88	4,110.91	3,529.62	15,440.71	15,180.37
2	Segment Results Before Tax and Interest					
	FTWZ/SEZ	(1,411.55)	377.30	(706.28)	(4,749.09)	(1,397.40)
	Rail Transport Operations/ICD	608.94	(610.18)	(407.80)	(1,228.35)	(2,385.85)
	Domestic Warehousing	(47.13)	(55.91)	(47.77)	(222.50)	(719.31)
	Total	(849.74)	(288.79)	(1,161.85)	(6,199.94)	(4,502.56)
	Less: Unallocated Expenses net of Income	210.03	1.97	1.30	213.88	3.73
	Less: Finance Costs	18,072.09	12,177.73	10,790.49	52,811.74	38,217.33
	Less: Exceptional Items (net)	(2,22,609.23)	-	-	(2,22,609.23)	8,221.83
	Profit/(Loss) before tax	(2,41,741.09)	(12,468.49)	(11,953.64)	(2,81,834.79)	(34,501.79)
3	Segment Assets					
	FTWZ/SEZ	1,64,959.97	1,60,467.78	1,70,518.62	1,64,959.97	1,70,518.62
	Rail Transport Operations/ICD	41,757.93	42,242.17	43,347.60	41,757.93	43,347.60
	Domestic Warehousing	42,833.89	42,875.45	43,515.10	42,833.89	43,515.10
	Unallocated	7,749.27	7,700.78	6,961.86	7,749.27	6,961.86
	Total Assets of Continuing Operations	2,57,301.06	2,53,286.18	2,64,343.18	2,57,301.06	2,64,343.18
	Assets held for sale	-	7,068.94	7,068.61	-	7,068.61
	Total Assets of Continuing and Discontinuing Operations	2,57,301.06	2,60,355.12	2,71,411.79	2,57,301.06	2,71,411.79
4	Segment Liabilities					
	FTWZ/SEZ	18,874.82	19,188.71	23,891.35	18,874.82	23,891.35
	Rail Transport Operations/ICD	3,181.23	3,769.23	3,848.97	3,181.23	3,848.97
	Domestic Warehousing	68.78	94.02	119.35	68.78	119.35
	Unallocated	5,52,831.63	3,13,244.80	2,79,382.46	5,52,831.63	2,79,382.46
	Total Liabilities of Continuing Operations	5,74,956.46	3,36,296.76	3,07,242.13	5,74,956.46	3,07,242.13
	Liabilities associated with assets classified as held for sale	-	2.35	3.25	-	3.25
	Total Liabilities of Continuing and Discontinuing Operations	5,74,956.46	3,36,299.11	3,07,245.38	5,74,956.46	3,07,245.38




Arshiya Limited

CIN: L93000MH1981PLC024747

Registered Office: Arshiya FTWZ, CO-1, Survey Nos. 178/3 & 178/4, Sai Village, Panvel, Raigad,
Maharashtra - 410221 Phone No. 022 42305500

Email id: cirp.arshiyalimited@gmail.com; info@arshiyalimited.com

website: www.arshiyalimited.com

AUDITED CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024

(Rs. in Lakh)

Particulars	Year Ended 31st March, 2024 (Audited)	Year Ended 31st March, 2023 (Audited)
Cash flow from operating activities		
(Loss) before tax	(2,81,834.79)	(34,501.79)
Adjustments for:		
Bad debts	2,143.95	1,358.54
Sundry balances written off / back (net)	(670.55)	(523.53)
Discarding/written off of Property, plant and equipment and Intangible assets	210.33	-
Gain on disposal of Property, plant and equipment (net)	-	(393.28)
Provision for doubtful debts/Expected credit loss	(699.23)	1,097.40
Allowance for bad and doubtful deposits / loan	3,250.00	461.75
Settlement of claims	150.00	(8,221.83)
Financial Creditors claim admitted under CIR Process (net)	1,49,389.18	-
Reversal of Gain on settlement of debts and additional interest recognised	73,070.05	-
Depreciation and amortization expense	11,292.48	11,087.32
Finance costs	52,811.74	38,217.33
Government grant income	(35.07)	(35.07)
Financial guarantee income	(15.00)	(15.00)
Financial assets carried at amortised cost	(350.21)	(360.31)
Gain on derecognised of Liability Component	(486.94)	-
Interest income on fixed deposits	(39.40)	(10.45)
Interest income on Loan	(14.81)	(35.30)
Interest income on tax refund	(24.07)	(43.26)
Share based payment	37.62	205.72
Foreign exchange differences (net)	177.88	(208.89)
Operating profit before working capital changes	8,363.16	8,079.35
Adjustments for :		
Decrease/(Increase) in financial and other assets	219.30	(1,962.07)
Increase in financial and other liabilities	776.25	714.55
Cash generated from operations	9,358.71	6,831.83
Direct taxes paid (net of refunds)	190.66	298.86
Net cash flow from operating activities	9,549.37	7,130.69
Net cash flow from discontinuing operating activities	(3.25)	(2.87)
Net cash flow from operating activities - Continuing and Discontinuing Operations	(A) 9,546.12	7,127.82
Cash flow from investing activities		
Purchase of property, plant and equipment	(23.32)	(15.92)
Purchase of intangible assets	(1.15)	-
Purchase of Capital work in progress and Intangible assets under development	(151.53)	-
Proceeds from sale of property, plant and equipment	-	350.19
Capital advances	10.00	(254.11)
Loans given to related parties (net)	-	(7.52)
Interest income on Loan to others	-	2.09
Interest received	75.09	7.38
Net cash flow from investing activities	(90.91)	82.11
Net cash flow from investing activities from Discontinuing Operations	-	-
Net cash flow from investing activities - Continuing and Discontinuing Operations	(B) (90.91)	82.11
Cash flow from financing activities		
Issue of Equity shares	-	24.00
Repayment of non-current borrowings	(2.36)	(1,222.78)
Short-term borrowings (net)	31.08	3,462.77
(Decrease)/Increase in other bank balances	(468.87)	1.08
Lease liability paid	(9,164.77)	(8,401.51)
Interest paid	(0.48)	(903.73)
Net cash flow from financing activities	(9,605.40)	(7,040.17)
Net cash flow from financing activities from Discontinuing Operations	-	-
Net cash flow from financing activities - Continuing and Discontinuing Operations	(C) (9,605.40)	(7,040.17)
Net (decrease)/increase in cash and cash equivalents (A + B + C)	(150.19)	169.76
Cash and cash equivalents as at the beginning of the year from continuing operations	986.87	816.97
Cash and cash equivalents as at the beginning of the year from discontinuing operations	0.39	0.53
Cash and cash equivalents from discontinuing operations	-	(0.39)
Cash and cash equivalents as at the end of the year from continuing operations	837.07	986.87



Notes to Audited Consolidated Financial Results

1. The Parent Company is undergoing Corporate Insolvency Resolution Process (CIRP) pursuant to the NCLT order dated 23rd April, 2024, passed by the Hon'ble National Company Law Tribunal, Mumbai Bench, in C.P. (IB) No.3143//MB/2019 filed by Punjab National Bank (PNB), under Section 7 of the Insolvency and Bankruptcy Code, 2016. The Parent Company provided Corporate guarantee to PNB for loan availed by a subsidiary i.e. Arshiya Northern FTWZ Limited. Pursuant the commencement of the CIRP, the Powers of Board and its committee has been suspended and these powers are now vested with IP Nitin Vishwanath Panchal in the capacity as the Interim Resolution Professional as per the Section 17 of the Code.
2. The Consolidated Financial Results of Arshiya Limited ('Parent Company') and its Subsidiaries (collectively referred to as the 'Group') for the quarter and year ended 31st March, 2024 were taken on record by Interim Resolution Professional (RP) of the Parent Company in the meeting on 27th September, 2024. The Statutory Auditors of the Parent Company have carried out limited review of the consolidated financial results.
3. During the earlier years, the Parent Company had entered a consent term in respect of a lender. As per the agreed settlement, the total debt of the said lenders was agreed to be settled at Rs 3,120.00 Lakh. The Parent Company had already given accounting effects of such settlement in the standalone financial statements in the respective earlier period and recognized a gain of Rs. 5,587.69 Lakh as an exceptional item. The Parent Company is default in repayment of part debts as per Consent terms. Since, the matter is sub-judice and the Parent Company continued to the account the liabilities as per consent terms.
4. The Parent Company has also issued corporate guarantee of Rs. 18,500.00 Lakh to the lender of erstwhile subsidiary company. The Parent Company charged guarantee commission @ 0.5% per annum on outstanding loan amount of Rs. 2,965.11 Lakh. Further, the said company has defaulted in repayment of its dues to the lenders. The lender had initiated legal action and matter is sub-judices.
5. The Group has Property, Plant & Equipment with gross block aggregating to Rs 2,46,661.43 Lakh (written down value aggregating to Rs 2,01,303.13 Lakh), Capital Work in Progress (CWIP) amounting to Rs. 163.82 Lakh and inventory of Rs. 16,505.97 Lakh. The value of these assets of the Group has been carried forward on the basis of existing accounting policies, and



these values are supported by the commercial value realised in the past. The fair value of assets and liabilities of the Group likely to be determined till the completion of the ongoing CIRP proceedings. In view of the above, no provision for impairment is made at this stage in the consolidated financial results.

6. The Parent Company had 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 (including leasing of Warehouse number 54 from ANFL to ANPPL) and is subject to various approvals. Hence, Assets and Liabilities in ANPPL and the said asset of ANFL 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" till 31st March 2023. Currently, ANFL under CIRP and all such contracts made by erstwhile suspended board of ANFL, in respect to these transactions are not binding and hence are being rescinded. Accordingly, the Group re-classify and give necessary accounting impact in books of accounts as per applicable Indian accounting standards.
7. The Group has incurred net losses of Rs. 2,81,855.50 Lakh during the year ended 31st March, 2024 and as of that date, the Group' current liabilities exceeded by current assets. Some of its lenders have initiated the legal proceeding.

The Parent Company and two subsidiaries i.e. Arshiya Northern FTWZ Limited and NCR Rail Infrastructure Limited are undergoing Corporate Insolvency Resolution Process (CIRP). Pursuant the commencement of the CIRP, the Powers of Board and its committee has been suspended and these powers are now vested with the Interim Resolution Professional (IRP) in Parent Company and Resolution Professional (RP) in two subsidiaries as per the Section 17 of the Code. In terms is Section 20 of IBC, currently the affairs of the Parent Company and two subsidiaries are managed by respectively IRP / RP on a going concern basis. Accordingly, these Consolidated financial results are continued to be prepared on a Going Concern Basis.

With respect to other subsidiaries i.e. Arshiya Logistics Services Limited ("ALSL"), Arshiya Lifestyle Limited ("ALL"), Arshiya Panvel Logistics Services Private Limited ("APLSPL"), Arshiya 3PL Services Private Limited ("A3PL") another step down subsidiaries of the Parent Company, either the net worth as on 31st March, 2024 is negative and / or have incurred losses

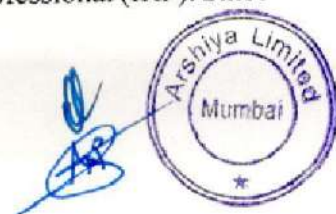


for the year ended 31st March, 2024. The management believes that Government's focus on significant policy reform for logistics infrastructure sector, which is currently one of the fastest growing sector, will help the Group to expand its business. The amendments in the SEZ policy and the National Logistic Policy (NLP), 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.

Accordingly, the Group continues to prepare the consolidated financial results on Going Concern basis.

8. The Group's activities during the quarter and year ended 31st March, 2024 revolve around "Developing and Operating Free Trade & Warehousing Zone (FTWZ) and Special Economic Zone (SEZ)", "Rail Transport Operations / Inland Container Depot (ICD)" and "Domestic Warehousing Zone" within 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 are three reportable segments in accordance with the requirement of Ind AS 108 "Operating Segment".
9. 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 of the Parent Company has been demerged into the Resulting company i.e. Arshiya Rail Infrastructure Limited (name subsequently changed to NCR Rail Infrastructure Limited). Subsequent to the 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. 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 the Resultant Company to complete the formalities such as allotment and listing of the shares of the Resulting Company. However, based on the legal opinion and advise, the Parent Company and Resulting Company has continued to prepare the financial statement after giving accounting treatment of the approved scheme by the NCLT in the year ended 31st March, 2022.

On 7th March, 2024, the Hon'ble NCLT has admitted the applications for commencement of CIRP against the Resulting Company and appointed Interim Resolution Professional (IRP). Since



the Resulting company is slipped into CIRP, in view of said development the NCLAT has passed order on dated 14th March, 2024 that the scheme of Demerger has become nonest.

Based on legal advise received on the said order of the appellate tribunal, the Parent Company reversed the demerger's impact and restated its consolidated financial statements to include the demerged undertaking's financial results and position. This restatement is effective from the original scheme's appointed date.

10. The subsidiary company i.e. Arshiya Lifestyle Limited (the lessee) had entered into the sub-lease deed executed on 3 February 2018 for 6 years by and between subsidiary company, Ascendas Panvel FTWZ Private Ltd (the lessor), the Parent Company, Promoters i.e. Mr. Ajay S Mittal and Mrs Archana A Mittal. As stipulated in said sub-lease deed fall in promoter holding below 40% in the Parent Company during the tenor of sub-lease period shall be considered as event of default. The Parent Company and subsidiary received notice of event of default as the promoter holding has fallen below 40%, the lessor has forfeited partial security deposits amounting to Rs. 3,250.00 Lakh of the subsidiary company. In turn, the subsidiary company has been provided impairment of deposits during the year ended 31st March, 2024. Though the non-compliance continues, the Parent Company and subsidiary company has not received any notice for further forfeiture of security deposits of the subsidiary company and accordingly, the balance deposits to the lessor is considered good for recovery based on underlying confirmation as mentioned above.
11. Due to non-fulfilment of settlement of terms and upon commencement of CIRP, the Parent Company has reversed gain recognised on settlement of Rs. 47,354.82 Lakh in earlier years and additional interest of Rs. 25,715.23 Lakh (aggregated Rs. 73,070.05 Lakh) booked in Exceptional items as per restructured agreement / original documents during the year ended 31st March, 2024 amounting Rs. 73,070.05 Lakhs.
12. Upon commencement of CIRP, the two Subsidiary Companies is reversed gain on settlement in earlier years and booked additional liabilities of Rs. 1,49,389.18 Lakh (including Rs. 16,571.10 Lakh gain on settlement (net)) in Exceptional items during the year ended 31st March, 2024 as per claimed admitted by RP.



13. SEZs are exempted from all duties and taxes. The exemption is granted both by Central and State Government. With respect to Panvel FTWZ, refunds aggregating to Rs. 2,120.65 lakhs are receivable in respect of VAT, Service Tax, Local Entry Tax and Service Tax for which appeals are pending with respective Appellate Authorities. In past the Group has received such refunds and therefore the Group is of the view that the said amount is good for recovery and hence no provision for the same is made.
14. ESOP had an anti-diluting effect on earnings per share hence have not been considered for the purpose of computing dilutive earnings per share.
15. Because of the significance of the matters stated in notes no. 3 to 5 and 7, statutory auditors have issued Disclaimer of Conclusion in their Limited Review report for the quarter and year ended 31st March, 2024 and erstwhile statutory auditors had also issued Disclaimer of Opinion vide their Independent Auditor's Report for the financial year ended 31st March, 2023 and quarter ended 30th June, 2023 respectively.
16. The directors and promoters of the Parent Company, Mr. Ajay S Mittal and Mrs. Archana A Mittal were taken into custody by the Directorate of Enforcement, New Delhi on 11th January, 2024 in respect of personal loans availed from the father / brother of Mrs. Archana Mittal during FY 2012-13, 2013-14 and 2014-15. Part of the said personal loans were also repaid by Mr. Ajay S Mittal and Mrs. Archana A Mittal. This action taken against Mr. Ajay S Mittal and Mrs. Archana A Mittal is not connected with the Parent Company or Group, and both of them are defending the allegations made against them by following due process of law. Mrs. Archana A Mittal and Mr. Ajay S Mittal have been released on bail on 14th February, 2024 and 19th July, 2024 respectively by the Competent Court.
17. During the course of preparation of financial results, e-mails have been sent by the Group to various parties, in respect of trade receivables, trade payables, outstanding balances etc. with a request to confirm their balances, out of which only a few parties have responded. In the opinion of the management adjustment (if any) would not be material.
18. The figures of the previous year have been rearranged / regrouped / restated wherever necessary to comply with requirement of Ind AS and Schedule III and in view of the Schemes become nonest as detailed in note no. 9. to correspond with current year's classification / disclosures. The figures for the quarter ended 31st March, 2024 are the balancing figures between audited figures



of respective full financial year and restated year to date figures upto the third quarter of respective financial year.

For and on behalf of the Board of Directors (Power Suspended) of Arshiya Limited



Ajay S Mittal
Chairman and Managing Director
DIN: 00226355



Taken on record



Nitin Vishwanath Panchal
Interim Resolution Professional
IBBI Registration No. IBBI/IPA-001/IP-P00777/2017-18/11350

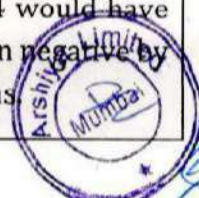
Place: Mumbai

Date: 27th September, 2024

ARSHIYA LIMITED

**Statement on Impact of Audit Qualifications (for audit report with modified opinion)
submitted along-with Annual Audited Financial Results - (Consolidated)**

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2024 [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016] (Rs. in Lakhs)				
I.	Sl. No.	Particulars	Audited Figures as of Mar-2024 (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	17,780.08	17,780.08
	2.	Total Expenditure	(77,005.64)	(77,779.26)
	3.	Exceptional item	(2,22,609.23)	(2,36,660.38)
	4.	Net Profit/(Loss) after Tax	(2,81,855.50)	(2,96,680.27)
	5.	Earnings Per Share (in Rupees per share)	(106.98)	(112.60)
	6.	Total Assets	2,57,301.06	2,57,301.06
	7.	Total Liabilities	5,74,956.46	5,89,781.23
	8.	Net Worth	(3,17,655.40)	(3,32,480.17)
	9.	Any other financial item(s) (as felt appropriate by the management)		
II.	Audit Qualification (each audit qualification separately):			
1.	a. Details of Audit Qualification <p>We draw attention to note no 3 & 11 of the Statement, upon commencement of CIRP, the Holding Company reversed gain of Rs.47,354.82 Lakhs recognised in earlier the quarter and year ended on 31st March 2022, arising from settlement of debt with various lenders as mentioned in the note.</p> <p>However, a gain of Rs. 5,587.69 Lakhs recognised in the earlier years on account of settlement of debt with one of the Non-Banking Financial Company (NBFC) has not been reversed. Further, the Holding company has not recognised interest including penal interest for the quarter and year ended 31st March 2024 as per original sanction letter.</p> <p>The accounting treatment as stated above is not compliance with Ind AS 109 "Financial Instruments" and Ind AS 23 "Borrowing Cost". Had the Company reversed the accounting for the debt settlement, the impact thereon would have been as mentioned above and balance of other equity as on 31st March 2024 would have been lower by Rs. 14,824.77 lakhs and the total equity would have been negative by Rs. 3,32,480.17 lakhs as against reported figure of Rs. 3,17,655.40 lakhs.</p>			



	<p>b. Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion</p>
	<p>c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing - From September 2022</p>
	<p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</p> <p>The management of the Group is in view of that the matter is sub-judice and the Group continued to account the liabilities as per consent terms. The Parent Company is undergoing Corporate Insolvency Resolution Process (CIRP) w.e.f. 23rd April, 2024. The Group would be accounted liabilities as per claim to be admitted by Interim Resolution Professional (IRP) under CIRP.</p>
	<p>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</p>
	<p>(i) Management's estimation on the impact of audit qualification: NA</p>
	<p>(ii) If management is unable to estimate the impact, reasons for the same: NA</p>
	<p>(iii) Auditors' Comments on (i) or (ii) above: NA</p>
2.	<p>Audit Qualification (each audit qualification separately):</p>
	<p>a. Details of Audit Qualification</p> <p>We draw attention to note no. 5.1 (a) of the Report, balance confirmations of total borrowings including interest accrued (including current maturities of long-term borrowings), have not been received. On account of non-availability of balance confirmations. The difference between the claim by the lenders vis-a-vis the liability as per books cannot be ascertained.</p>
	<p>b. Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion</p>
	<p>c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing - from March 2023</p>
	<p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</p> <p>Considering the account of the Group already classified as NPA, banks do not give confirmation. However during the CIDR the IDP will receive claims from lenders and liabilities would be accounted as per admitted claims by IRP.</p>
	<p>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</p>
	<p>(i) Management's estimation on the impact of audit qualification: NA</p>
	<p>(ii) If management is unable to estimate the impact, reasons for the same: NA</p>
	<p>(iii) Auditors' Comments on (i) or (ii) above: NA</p>
3.	<p>Audit Qualification (each audit qualification separately):</p>
	<p>a. Details of Audit Qualification</p> <p>One of the Non-Banking Financial Companies (NBFCs) that had lent to the Holding Company assigned its debt to Edelweiss Asset Reconstruction Company (EARC). Pending the execution of a restructuring agreement for this debt assignment, Holding Company has continued to accrue interest on the loan amounting to ₹2,000.00 lakhs for the quarter and year ended March 31, 2024, consistent with the</p>



major terms negotiated with EARC for other agreements. Once the restructuring terms with EARC are finalized, the Holding Company will record the effects of the revised terms for the repayment of principal and interest (including penal interest) in the period in which the restructuring is completed. In relation to this borrowing, EARC issued an E-Auction notice on November 15, 2023, under the SARFAESI Act for the recovery of dues. However, the management is of the view that it would be able to successfully negotiate with the lender to whom the debt is assigned and hence, further no provision is required in respect of additional interest including penal interest. We are unable to comment on accuracy of recognition of liability and interest provision due to lack of clarification on ongoing negotiation.

Considering the factors stated above, we are unable to obtain sufficient appropriate audit evidence about these borrowings (including interest) outstanding as at 31st March, 2024 as well as the finance cost for the quarter and year ended 31st March, 2024. Consequently, we are unable to determine the quantum of adjustment including for difference on account of rate of interest, compounding, penal interest, charges, etc. and consequential impacts in the Consolidated Financial Results of the Company.

b. **Type of Audit Qualification** : ~~Qualified Opinion~~ / Disclaimer of Opinion / Adverse Opinion

c. **Frequency of qualification**: ~~Whether appeared first time~~ / repetitive / since how long continuing - From March 2023.

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

The Parent Company continues to account the finance cost and borrowings as per the terms of last settlement issued by the respective financial creditor. Since, the Parent Company is undergoing Corporate Insolvency Resolution Process (CIRP) w.e.f. 23rd April, 2024. The Parent Company would be accounted liabilities as per claim to be admitted by Interim Resolution Professional (IRP) under CIRP if any.

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

(i) **Management's estimation on the impact of audit qualification:** NA

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

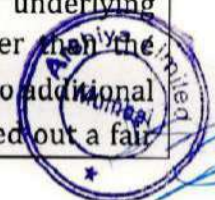
(iii) **Auditors' Comments on (i) or (ii) above:** NA

4. **Audit Qualification (each audit qualification separately):**

a. **Details of Audit Qualification**

We draw attention to the Note no. 4 to the Consolidated Financial Results, regarding corporate guarantees given to erstwhile subsidiary companies with principal debt obligations aggregating to Rs. 18,500.00 lakhs (excluding interest, penal interest etc.). The quantum is after elimination of guarantees given on behalf of the subsidiary. The said companies had defaulted in repayment of dues to lenders.

In the opinion of the management of the group, the value of primary / underlying assets provided as securities by the borrowing companies is greater than the outstanding loans and hence in view of the management of the group no additional liability is expected to devolve on the group. The Group has not carried out a fair



	<p>valuation of the guarantee in accordance with Ind AS 109 as on March 31, 2024 leading to non-compliance with the said Ind AS.</p> <p>In absence of fair value report of the guarantees given or fair value of assets provided as security by the principal borrower, we are unable to comment on quantum of liability which is expected to devolve on the Company as a corporate guarantor and fair value of liability as required to be accounted in accordance with Ind AS 109.</p> <p>b. Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion</p> <p>c. Frequency of qualification: Whether appeared first-time / repetitive / since how long continuing - From March 2023</p> <p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: The management of the Group is in view of that the lender had initiated legal action and matter is sub-judices.</p> <p>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</p> <p>(i) Management's estimation on the impact of audit qualification: NA</p> <p>(ii) If management is unable to estimate the impact, reasons for the same: NA</p> <p>(iii) Auditors' Comments on (i) or (ii) above: NA</p>
5.	<p>Audit Qualification (each audit qualification separately):</p> <p>a. Details of Audit Qualification</p> <p>We draw attention to Note no. 5 of the Consolidated Financial Results, regarding Property, Plant and Equipment with gross block aggregating to Rs 2,46,661.43 lakhs (written down value aggregating to Rs 2,01,303.13 lakhs), Capital Work In Progress of Rs. 163.82 Lakhs and inventory of Rs 16,505.97 lakhs as at March 31, 2024. Continuing losses and lower capacity utilization are indicators for need to carry out impairment test as required Ind AS 36. However, the management has not complied with this requirement of Ind AS 36 i.e. Impairment test has not been carried out in respect of PPE and also has not assessed the net realizable value of the inventory as required by Ind AS 2 on Inventories.</p> <p>The value in use / NRV is dependent on various factors like settlement with lenders, monetization of assets and infusion of funds which are uncertain and not fully in control of the management of the Company.</p> <p>As stated above and in absence of the impairment test/ NRV test it is not possible for us to provide assertion on the carrying value of the property plant and equipment & inventory as at March 31, 2024 and consequently compliance with Ind AS 36 on Impairment of Assets and Ind AS 2 on Inventories.</p> <p>b. Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion</p> <p>c. Frequency of qualification: Whether appeared first-time / repetitive / since how long continuing - From March 2023</p> <p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</p>



The value of these assets of the Group, has been carried forward on the basis of existing accounting policies, and management is of the view that these values are supported by the commercial value realised in the past. The fair value of assets and liabilities of the Group likely to be determined on the completion of the ongoing CIRP. In view of the above, no provision for impairment is made at this stage in the financial results.

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

(i) **Management's estimation on the impact of audit qualification: NA**

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

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

6. Audit Qualification (each audit qualification separately):

a. Details of Audit Qualification

We refer you to Note No. 9 in the Consolidated Financial Results, which discusses the restatement of consolidated financial statement due to reversal of demerger with Arshiya Rail Infrastructure Limited (name subsequently changed to NCR Rail Infrastructure Limited). This reversal follows the order issued by the National Company Law Appellate Tribunal (NCLAT) on 14th March, 2024, declaring the Scheme of Arrangement between the Holding Company and Arshiya Rail Infrastructure Limited (name subsequently changed to NCR Rail Infrastructure Limited) as non est. Based on legal advice, the Holding Company reversed the demerger's impact and restated its Consolidated financial statements to include the demerged undertaking's financial results and position. This restatement is effective from the original (now void) scheme's appointed date. However, a CIRP commenced for Arshiya Rail Infrastructure Limited (name subsequently changed to NCR Rail Infrastructure Limited), the resulting company of the scheme, on 7th March, 2024.

This CIRP includes a moratorium under Section 14 of the IBC. This moratorium restricts certain actions, including legal proceedings against ARIL to recover assets or liabilities. We were unable to comment on financial results and financial position of the demerged undertaking included in the restated consolidated financial statements and the opening balances used pursuant to the restatement of the consolidated financial statement as significant uncertainties exists regarding the recoverability of the assets and liabilities of demerged undertaking as we have not audited the books of accounts of the Arshiya Rail Infrastructure Limited (name subsequently changed to NCR Rail Infrastructure Limited).

Consequently, the completeness and accuracy of the restatement, particularly concerning the demerged undertaking, are subject to the outcome of the CIRP process.

b. Type of Audit Qualification : ~~Qualified Opinion~~ / Disclaimer of Opinion / ~~Adverse Opinion~~




c. Frequency of qualification: ~~Whether~~ appeared first time / ~~repetitive~~ / since how long continuing

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


On 7th March, 2024, the Hon'ble NCLT has admitted the applications for commencement of CIRP against the Resulting Company and appointed Interim Resolution Professional



	<p>(IRP). Since the Resulting company is slipped into CIRP, in view of said development the NCLAT has passed order on dated 14th March, 2024 that the scheme of Demerger has become nonest.</p> <p>Based on legal advice received on the said order of the appellate tribunal, the Parent Company reversed the demerger's impact and restated its financial statements to include the demerged undertaking's financial results as per applicable of Indian Accounting Standards.</p>
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification: NA
	(ii) If management is unable to estimate the impact, reasons for the same: NA
	(iii) Auditors' Comments on (i) or (ii) above: NA
7.	Audit Qualification (each audit qualification separately):
	a. Details of Audit Qualification
	With respect to outstanding unbilled revenue of Rs 1,084.30 Lakhs (including Rs 151.16 lakhs accrued during the quarter), the final computations / workings (including certifications) required for the purpose of billing are in progress. The management is confident that it has satisfied the conditions of the sublease deed for accrual of the revenue and accordingly the said amounts are considered good for recovery. We are unable to comment on deferment of revenue recognition on account non-compliance of performance obligation due to non-availability of sufficient appropriate evidence for our verification.
	b. Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: The Management is in process of obtaining certification of satisfaction of conditions of sub lease deed.
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification: NA
	(ii) If management is unable to estimate the impact, reasons for the same: NA
	(iii) Auditors' Comments on (i) or (ii) above: NA

III.	Signatories:	
	Ajay S Mittal Chairman & Managing Director DIN: 00226355	
	Dinesh Kumar Sodani Chief Financial Officer	
	Nitin Vishwanath Panchal Interim Resolution Professional	



<p>IBBI Registration No. IBBI/PA-001/IP- P00777/2017-18/11350 AFA Valid up to 18/12/2024</p>	
<p>Statutory Auditor A R T H A & Associates Registration No. 138552W Ankit P. Sanghavi Partner Membership No.: 131353</p>	
<p>Place: Mumbai</p>	
<p>Date: 27th September, 2024</p>	