Arcil
Premier ARC

Annual Report 2025-26

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Directors' Report

To the Members,
Asset Reconstruction Company (India) Limited

Your Directors have pleasure in presenting the 24th (Twenty Fourth) Annual Report on the business and operations of your Company together with the audited financial statements for the financial year (FY) ended on March 31, 2026.

FINANCIAL PERFORMANCE:

STANDALONE FINANCIAL PERFORMANCE:

(₹ in Lakh)

Particulars	For the financial year ended on	
	March 31, 2026	March 31, 2025
Revenue from Operations	75,304.02	59,642.01
Other Income	3,203.56	2,697.63
Total Income (a)	**78,507.58**	**62,339.64**
Operating Expenses	10,460. 82	9,210.00
Interest	3,364.70	1,130.11
Depreciation	302.28	215.27
Write offs, Impairment & NAV Changes	9,407.32	4,060.69
Total Expenses (b)	**23,535.12**	**14,616.07**
Profit/ (Loss) Before Tax	**54,972.46**	**47,723.57**
Provision for Tax	14,188.05	12,191.93
Profit/ (Loss) After Tax	**40,784.41**	**35,531.64**
Other Comprehensive Income net of tax	**39.18**	**(129.65)**
Total Comprehensive Income	**40,823.59**	**35,401.99**

CONSOLIDATED FINANCIAL PERFORMANCE:

(₹ in Lakh)

Particulars	For the financial year ended on	
	March 31, 2026	March 31, 2025
Revenue from Operations	72,169.01	58,175.49
Other Income	2,822.44	2,608.22
Total Income (a)	**74,991.45**	**60,783.71**
Operating Expenses	15,608.94	12,366.55
Interest	3,364.70	1,130.11
Depreciation	302.28	215.27
Fee & Exp Write offs & Impairment	9,258.45	3,955.98
Total Expenses (b)	**28,534.37**	**17,667.91**
Profit/ (Loss) Before Tax	**46,457.08**	**43,115.80**
Provision for Tax	14,188.05	12,191.93
Profit/ (Loss) After Tax	**32,269.03**	**30,923.87**
Other Comprehensive Income net of tax	**39.18**	**(129.65)**
Total Comprehensive Income	**32,308.21**	**30,794.22**

KEY FINANCIAL RATIOS

Ratios	Consolidated		Standalone	
	FY 2026	FY 2025	FY 2026	FY 2025
Debt/ Equity	0.41	0.11	0.39	0.11
Return on Average Equity	12.52%	12.95%	13.95%	13.59%
Return on Average Total Assets	6.95%	8.18%	10.56%	11.73%

Financial Performance on standalone basis

Profit for the year has increased by 15% from ₹ 35,401.99 Lakh in FY 2025 to ₹ 40,823.59 Lakh in FY 2026.

Debt Equity Ratio - The Company has a low debt outstanding of ₹ 1,206 Crore gross with a large net-worth of ₹ 3,079 Crore.

Return on Equity - Return on equity remains same as on March 31, 2026, stood at 13.95%. The Company's profitability is on an upward trend.

SHARE CAPITAL

There is no change in the equity share capital of the Company which stood at ₹ 324.90 Crore divided into 324,897,140 equity shares of ₹ 10 each as on March 31, 2026.

DIVIDEND

Your Directors have recommended a final dividend at the rate of 10% per equity shares amounting to ₹ 1.00/- (One rupee only) per equity share of ₹ 10/- (Ten rupees only) each fully paid-up of the Company to be paid out of the free reserves of the Company.

Further, your Directors had not declared an interim dividend during the year.

The total dividend for the FY 2025-26 will amount to ₹ 1.00 /- (One rupee only) per equity share of ₹ 10/- (Ten rupees only) each fully paid-up of the Company.

RESERVE

The details of the reserves are given in the financial statements.

CHANGE IN THE NATURE OF BUSINESS

During the year under review, there was no change in the nature of business.

INFORMATION ON THE STATE OF AFFAIRS OF THE COMPANY

Information on the operational and financial performance, among others, is given in the following Management Discussion and Analysis Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Business Overview

The global economy demonstrated measured growth during 2025 despite continued geopolitical uncertainties, trade policy shifts, and uneven regional economic performance. According to the International Monetary Fund (IMF), global Gross Domestic Product (GDP) growth stood at 3.5% in 2025, reflecting easing inflationary pressures, improving financial conditions in several advanced economies, and sustained expansion across emerging markets.

India remained among the fastest-growing major economies, supported by resilient domestic demand, sustained public capital expenditure, a healthy services sector, and stable macroeconomic fundamentals. As per the Provisional Estimates by the Ministry of Statistics and Programme Implementation (MoSPI), India's real GDP grew by 7.4% for FY 2025-26, reflecting the economy's continued ability to sustain growth amid an evolving global environment. This macroeconomic stability, coupled with ongoing policy reforms and infrastructure investments, continues to support credit demand and financial sector activity. The resulting operating environment remains favourable for financial institutions, including entities engaged in stressed asset resolution.

In April 2026, RBI finalized a structural shift in the provisioning framework for Scheduled Commercial Banks (excluding Small Finance Banks, Payments Banks, Regional Rural Banks and Local Area Banks) and All India Financial Institutions (AIFIs), moving away from the IRACP model described above to a forward-looking Expected Credit Loss (ECL) approach.

The 90-day overdue rule for classification of an account as an NPA is retained under the new framework, ensuring continuity in the identification of NPAs. What changes fundamentally is the basis on which provisions are computed: instead of the fixed percentages prescribed under IRACP, banks will be required to classify financial assets into one of three stages based on the assessed change in credit risk since origination, and compute provisions using a Probability of Default (PD) × Loss Given Default (LGD) × Exposure at Default (EAD) methodology, incorporating forward-looking macroeconomic scenarios.

Crisil Ratings estimates the gross impact on banks' CET-1 ratios up to 170 bps, and the net impact, after accounting for existing provisions and contingency buffers, up to 120 bps. RBI has permitted banks to spread this net impact over a period of four financial years (April 1, 2027, till March 31, 2031). The estimated CET-1 ratio of the banking system stood at ~14% as of March 31, 2026. Crisil Ratings has assessed this level of capitalization as sufficient to absorb the transition without a material change to banks' credit profiles. Apart from a one-time transition impact, the ECL framework is also expected to result in a structural increase in credit costs over the medium term.

Credit growth remained healthy at 15.9% during the year, supported by broad-based demand across retail, services and industrial sectors. The Reserve Bank of India complemented these favourable conditions by maintaining an accommodative monetary policy stance. As of July 2026, the policy repo rate stood at 5.25% and the Cash Reserve Ratio (CRR) at 3.00%, supporting liquidity and the overall credit environment. Although the overall banking system remained resilient, emerging stress in select unsecured retail, microfinance and MSME portfolios is expected to create opportunities for specialised asset reconstruction and resolution, supporting the operating environment for asset reconstruction companies.

Government initiatives and regulatory reforms continue to strengthen India's distressed asset resolution framework. The Insolvency and Bankruptcy Code (IBC) completed a decade of implementation in 2026, with creditors realising over ₹4.32 Lakh Crore through approved resolution plans as of March 2026. The

IBC remained the most effective recovery channel for scheduled commercial banks, accounting for 52.4% of total recoveries during FY 2024–25. During the year, the Government also introduced the Insolvency and Bankruptcy Code (Amendment) Act, 2026 to improve procedural efficiency, strengthen creditor oversight and reduce delays in the resolution process. In addition, initiatives to develop a unified digital platform for the insolvency ecosystem are expected to improve coordination among stakeholders and support faster resolution of stressed assets. These developments are expected to enhance recovery outcomes while creating a favourable operating environment for asset reconstruction companies.

Asset Reconstruction Company (India) Limited (ARCIL) is one of India's leading asset reconstruction companies, specialising in the acquisition and resolution of stressed financial assets across corporate, SME and retail segments. Established in 2002 as the country's first Asset Reconstruction Company under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act, the Company has played an important role in supporting banks and financial institutions through the resolution of non-performing assets and the efficient recycling of capital.

With a diversified shareholding comprising leading domestic and international financial institutions, ARCIL has developed strong capabilities in evaluating, acquiring and resolving distressed assets across multiple sectors. The Company continues to adopt a disciplined approach to asset acquisition, resolution and recovery, supported by an experienced management team, established legal and resolution processes, and a prudent risk management framework. As regulatory reforms continue to strengthen India's stressed asset resolution ecosystem, ARCIL remains well positioned to support financial institutions in maximising recoveries while contributing to the stability and efficiency of the financial system.

Operating performance

The operating performance of your Company during the year under review is summarized below:

- **Acquisition**

  During the year under review, financial assets involving principal dues of ₹ 17,252 Crore (Previous Year ₹ 8,151 Crore) were acquired from Banks / Financial Institutions (sellers) for an aggregate consideration of ₹ 5,959 Crore (Previous Year ₹ 3,976 Crore).

- **Collections**

  The aggregate collections during FY 2026 have been ₹ 3,484 Crore vis-à-vis recoveries of ₹ 3,883 Crore in fiscal 2025.

- **Assets under Management**

  Assets under Management (AUM) based on SRs issued is ₹ 20,150 Crore as on March 2026 compare to ₹ 16,853 Crore as on March 2025.

- **Rating of Security Receipts and Net Asset Value**

  The rating of security receipts from the rating agencies and the net asset value of such security receipts has been communicated to the security receipt holders as per RBI Guidelines in this regard.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANY

As per the Companies Act, 2013 ("the Act"), the Company has neither any subsidiary/associate Company, nor has entered into any joint venture agreement. The Company continues to be a subsidiary of Avenue India Resurgence Pte. Ltd. The consolidated financial statements of the Company include the accounts of 216 Trusts, consolidated as per Ind-AS. While the Company did not undertake any merger or acquisition during the year at the Company level, its focus was evident in the accelerated growth of the retail business, reflecting a conscious pivot towards granular assets and fee-based model, capital-light business models.

NUMBER OF MEETINGS OF THE BOARD

The Board met 15 (Fifteen) times during the financial year. All the Board meetings were held in accordance with the provisions of the Companies Act, 2013. All the applicable Rules and Secretarial Standards for conducting the Meeting of the Board of Directors were complied with.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received the declaration of independence from each Independent Director under Section 149(7) of the Companies Act, 2013 (the Act) stating that they meet criteria of independence as laid down in sub-section (6) of Section 149 of the Act.

COMMITTEES OF THE BOARD

The following statutory Committees constituted by the Board function according to their respective roles and defined scope:

Audit Committee:

In accordance with the provisions of Section 177 of the Act, the Board of Directors of the Company has constituted the Audit Committee. As on March 31, 2026, the Audit Committee was comprised of Mr. Balachander Rajaraman (Chairman), Mr. Ashish Shukla, Ms. Raksha Shashikant Kothari and Mr. Prasad Parameswaranpillai Naga. All the recommendations made by the Audit Committee during the year under review were accepted by the Board.

Nomination and Remuneration Committee:

In accordance with the provisions of Section 178 of the Act, the Board of Directors of the Company has constituted the Nomination and Remuneration Committee (NRC). As on March 31, 2026, the NRC was comprised of Ms. Raksha Shashikant Kothari (Chairperson), Mr. Ashish Shukla and Mr. Narayanan Subramaniam.

Corporate Social Responsibility & Environmental, Social and Governance Committee:

In accordance with the provisions of Section 135 of the Companies Act, 2013, the Board of Directors of the Company has constituted the Corporate Social Responsibility & Environmental, Social and Governance Committee (CSR & ESGC). As on March 31, 2026, the CSR & ESGC was comprised of Mr. Narayanan Subramaniam (Chairman), Mr. Prasad Parameswaranpillai Naga, Mr. Ashok Kumar Sharma and Mr. Phanindranath Kakarla.

DETAILS ABOUT DIRECTORS AND KEY MANAGERIAL PERSONNEL WHO WERE APPOINTED/ CEASED DURING THE FINANCIAL YEAR

BOARD OF DIRECTORS:

During the year under review, Mr. Prasad Parameswaranpillai Naga was appointed as an Independent Director on the Board of Arcil for an initial term of 3 (three) years w.e.f. July 15, 2025, Mr. Pavan Pal Kaushal ceased to be an Independent Director w.e.f. August 25, 2025. The Board placed on records its appreciation and gratitude for guidance extended by Mr. Pavan Pal Kaushal during their tenure on the Board of the Company.

Further, Mr. Phanindranath Kakarla was appointed as CEO & Managing Director on the Board of Arcil for an initial term of 3 (three) years w.e.f. March 08, 2026. Mr. Pallav Mohapatra ceased to be CEO & Managing Director w.e.f. March 07, 2026. The Board placed on records its appreciation and gratitude for guidance extended by Mr. Pallav Mohapatra during his tenure on the Board of the Company.

Brief profiles of the Directors appointed are as follows:

Mr. Phanindranath Kakarla:

He is the Chief Executive Officer & Managing Director of our Company. He holds a bachelor's degree in mechanical engineering from the Indian Institute of Technology, Bombay, and a Post Graduate Diploma in Management from the Indian Institute of Management, Calcutta. He has received the "Breakthrough Digital ARC Leadership Award" in the Bharat Collection Summit and Awards, 2026. Prior to joining the Company, he was associated with Edelweiss Group as a senior executive vice president. As the Chief Executive Officer and Managing Director of the Company, he is responsible for collaboration across departments and to provide strategic direction to the Company with focus on the acquisition, resolution, and value maximization of distressed assets.

Mr. Prasad Parameswaranpillai Naga:

He is the Non-Executive Independent Director of our Company. He holds a bachelor's degree in science from Faculty of Science, University of Kerala and master's degree in science from Agra University. He is also a certified associate of the Indian Institute of Bankers. He was previously associated with Bank of India as a Director. Further, at Bank of India, he was a member of the management committee, committee for monitoring of large value frauds, disciplinary proceedings committee, group governance unit committee, committee for declaration of non-cooperative borrowers, share transfer committee and review committee for identification of wilful defaulters. He was also associated with State Bank of India in the positions of deputy managing director (commercial clients group), chief general manager (midcorporate group) and general manager and regional head (mid-corporate group). His areas of expertise include corporate banking, stressed asset resolution, risk management. He has over 40 years of experience in the banking sector.

In accordance with the provisions of Section 152(6) of the Act, Mr. Ashish Shukla is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offered himself to continue as Director.

KEY MANGERIAL PERSONNEL:

The following persons are the Key Managerial Personnel (KMPs) of the Company as per the provisions of the Act:

Sr. No	Name of the Key Managerial Personnel	Designation
1	Mr. Phanindranath Kakarla	CEO & Managing Director
2	Mr. Pramod Gupta	Chief Financial Officer
3	Mr. Ameet Kela	Company Secretary and Compliance Officer

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year and the date of the Report.

EVALUATION OF THE PERFORMANCE OF THE BOARD

The Board has framed an Evaluation Policy (the Policy) for evaluating the performance of the Board, Chairman, individual Directors and its Committees. Pursuant to the provisions of the Act, the Board has carried out an annual performance evaluation of its own performance, and that of its Committees and individual Directors. The Independent Director at their meeting reviewed the performance of the Non-Independent Directors.

The policy inter-alia provides the criteria for performance evaluation such as Board effectiveness, quality of discussion contribution at the meetings, business insight, strategic thinking, effectiveness of the Board's Committees, etc.

Further, your Company has a policy on 'Fit and proper' criteria for the Directors on the Board of Arcil and Sponsors of Arcil.

NOMINATION AND REMUNERATION POLICY

The Board has, on the recommendation of the Nomination and Remuneration Committee, framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The gist of the policy is provided in '**Annexure I**' to this Report and the complete policy is made

available on the Company's website and can be accessed at the below mentioned web address: https://www.arcil.co.in/about-us/corporate-governance

CORPORATE SOCIAL RESPONSIBILITY AND ENVIRONMENTAL, SOCIAL AND GOVERNANCE POLICY

The Board has, on the recommendation of the CSR & ESG Committee, framed a Corporate Social Responsibility Policy. The complete policy is made available on the Company's website and can be accessed at the below mentioned web address: https://www.arcil.co.in/about-us/corporate-governance

Further, on recommendation of the CSR & ESG Committee, framed an Environmental, Social and Governance Policy. The complete policy is made available on the Company's website and can be accessed at the below mentioned web address: https://www.arcil.co.in/about-us/corporate-governance

Annual report on Corporate Social Responsibility activities during financial year 2025-26 (pursuant to Clause (o) of Sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8 of the Companies (Corporate Social Responsibility) Rules, 2014) is attached as '**Annexure II**' to this Report.

HUMAN RESOURCES

At ARCIL, our people are our greatest strength and the driving force behind our success. We are committed to fostering a workplace that promotes continuous learning, collaboration, employee well-being, and a high-performance culture while upholding the highest standards of integrity and governance.

During FY 2025–26, we continued to invest in building employee capabilities and creating a positive workplace experience. Open communication remained central to our people philosophy. Through regular Town Halls, leadership interactions, and employee engagement initiatives, we fostered transparency, collaboration, and alignment with the Company's strategic priorities.

Learning and capability development continued to be a strategic priority. Employees participated in a range of functional, behavioural, leadership, and regulatory learning interventions delivered internally and external experts, supported by digital learning platforms. Mandatory learning programmes on compliance, cyber security, and Code of Conduct further strengthened organisational capability.

Employee well-being remained a key focus area. The Company organised health check-up camps, wellness awareness initiatives, and mental well-being programmes to support the physical and emotional well-being of employees and promote a healthy work environment.

ARCIL continues to promote an inclusive workplace founded on diversity, mutual respect, and equal opportunity. During the year, the Company celebrated Women's Day and organised various employee engagement initiatives to strengthen collaboration and reinforce an inclusive workplace culture.

Our Foundation Day provided an opportunity to celebrate our achievements, share the CEO & MD's vision for the future, and recognise employees for their outstanding performance and long-term contributions through our Reward & Recognition programmes.

By nurturing a culture of learning, recognition, transparency, and employee well-being, ARCIL continues to build a motivated, engaged, and future-ready workforce capable of supporting the Company's long-term growth. As on March 31, 2026, the Company had 206 employees.

CODE OF CONDUCT & WHISTLEBLOWER POLICY

Your Company has adopted a Code of Conduct and Business Ethics (the Code) and Whistleblower Policy (the Policy) and quarterly reports about complaints, if any, received thereunder are submitted to the Audit Committee. We have not received any complaint during the financial year ended March 31, 2026. No whistleblower was denied access to the Competent Authority nor denied protection as envisaged under the Policy.

The Whistleblower Policy is made available on the Company's website and can be accessed at the below mentioned web address: https://www.arcil.co.in/about-us/corporate-governance

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS

During the year under review, there were no frauds reported by the Auditors to the Audit Committee or the Board under Section 143 (12) of the Act.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

Our Company has framed a Policy on Prevention of Sexual Harassment at the Workplace and as per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('POSH Act') and Rules made thereunder, our Company has constituted an Internal Complaints Committees (ICC). There were no cases reported during the year that ended on March 31, 2026, under the Policy. To build awareness in this area, induction/refresher programs have been conducted during the year. Also, posters have been placed in every branch and head office informing employees and visitors of the same.

ANNUAL RETURN

In accordance with the provisions of Section 92 of the Act and the Rules framed thereunder, the copy of the Annual Return of the Company as on March 31, 2026 is made available on the Company's website and can be accessed at the below mentioned web address: https://www.arcil.co.in/about-us/corporate-governance

AUDITORS' REPORT

AUDITORS:

The members of the Company at the 22nd Annual General Meeting (AGM) had appointed M/s MSKA & Associates LLP (Formerly known as M/s. MSKA & Associates), Chartered Accountants (Firm Registration No.105047W) as Statutory Auditor of the Company, to hold office till the conclusion of the 27th AGM of the Company.

The Auditors' Report for the financial year ended on March 31, 2026 does not contain any qualification, reservation or adverse remark and hence do not require any further explanation.

SECRETARIAL AUDIT:

The Board has appointed M/s. Rathi & Associates, Practicing Company Secretaries, to conduct Secretarial Audit for the financial year ended on March 31, 2026. The Report of the Secretarial Auditor is provided as '**Annexure III**' to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remarks hence does not require any further explanation. The Company has complied with applicable Secretarial Standards of the Institute of Company Secretaries of India.

COST RECORDS AND COST AUDIT:

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148 (1) of the Companies Act, 2013 are not applicable for the business activities carried out by your Company.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial statements. The internal control system is also supported by an internal audit process.

LOANS, GUARANTEES OR INVESTMENTS GIVEN BY COMPANY

Loans and Investments pursuant to Section 186 of the Companies Act, 2013 are disclosed in the financial statements.

RELATED PARTY TRANSACTIONS

All the related party transactions as required under Ind AS - 24 are reported in the notes to the financial statement.

Further, there were no contracts or arrangements with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

No disclosure is required in respect of the details relating to conservation of energy and technology absorption under Rule 8(3) of the Companies (Accounts) Rules, 2014.

FOREIGN EXCHANGE EARNINGS AND OUTGO

Details of income and expenditure in foreign currency are given below:

a. Income in foreign currency

(₹ in Lakh)

Nature of income	2025-26	2024-25
Income in foreign currency	Nil	Nil

b. Expenditure in foreign currency

(₹ in Lakh)

Nature of expenses	2025-26	2024-25
Software expenses & maintenance	35.88	20.22
Total	**35.88**	**20.22**

RISK MANAGEMENT

Risk management remains an integral part of ARCIL's business strategy and governance framework, supporting the achievement of its long-term objectives while safeguarding stakeholder interests. As an Asset Reconstruction Company, our business is exposed to a range of risks arising from both internal and external factors, including credit risk, operational risk, liquidity risk, market risk, technology and cyber security risk, regulatory and compliance risk, legal risk, reputational risk, and business continuity risk.

The Company's risk management approach is designed to proactively identify, assess, monitor, manage and mitigate risks that could adversely impact its business operations, financial position, reputation or the confidence of its investors and other stakeholders. To this end, ARCIL has established a comprehensive Risk Management Framework supported by robust policies, processes, governance mechanisms and internal controls.

The Risk Management Committee (RMC) of the Board provides oversight on the Company's overall risk profile and periodically reviews key risks to ensure that they remain within the approved risk appetite and tolerance levels. During FY 2025-26, four meetings of the RMC were held, wherein the Committee reviewed and deliberated upon various risk-related matters, including the Risk Appetite Statement, portfolio concentration risk, information security risk, key regulatory and legal developments, and other emerging risks. The guidance and recommendations of the Committee were duly considered and incorporated by the Risk Management Group.

During the year, we continued to strengthen the portfolio monitoring framework by enhancing a structured mechanism of comparing actual cash flows from trusts with projections made at the time of acquisition. This enabled us to identify adverse trends and take timely corrective actions, wherever required. In addition, reviews of fully recovered transactions were also undertaken to derive key insights and learning which are being used to enhance future investment and recovery strategies.

The Operational Risk Committee (ORCO), chaired by the CEO & Managing Director and comprising of senior management personnel, continued to review operational risks on a quarterly basis. The Committee examined various matters including post-acquisition compliance requirements, bureau data reporting, portfolio concentration, financial implications of trusts approaching the end of their lifecycle, information technology and cyber security incidents, and regulatory and legal developments etc.

The Risk Control and Self-Assessment (RCSA) exercise continued to serve as an important component of the Company's risk governance framework. Through this exercise, key controls across business verticals were periodically evaluated, and corrective actions were identified and implemented to strengthen the effectiveness of the control environment. The outcomes of these assessments were reviewed by both ORCO and the RMC.

Recognizing the increasing significance of cyber and information security risks in a highly digital business environment, the Company further enhanced its cyber security capabilities through the enhancement of its Security Operations Centre (SOC) with data leak detection and system level controls supported by appropriate policies, procedures and monitoring mechanisms. Additionally various other cyber security exercises were conducted like Red teaming and table-top etc in order to test and strengthen the cyber security posture of the Company. The strengthened framework provides enhanced threat intelligence, risk quantification, endpoint protection and continuous monitoring capabilities. Further, employee awareness programmes, training sessions and simulation exercises were conducted during the year to reinforce a strong culture of cyber security and information security awareness across the organization.

Your Board believes that these initiatives continue to strengthen the Company's resilience, improve risk preparedness and support the creation of long-term sustainable value for all stakeholders.

PREVENTION OF INSIDER TRADING

The Company has adopted guidelines for prohibition of Insider Trading to regulate, monitor and ensure reporting of trading while in possession of any unpublished price sensitive information in respect of the securities of listed companies whose debt is acquired by Arcil. Necessary disclosures are obtained in compliance with the guidelines.

PUBLIC DEPOSITS

No disclosure is required in respect of the details relating to deposits covered under Chapter V of the Companies Act, 2013, as the Company has not accepted any deposit.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS/ TRIBUNAL

There were no significant or material order passed by any regulator or court or tribunal which would impact the status of the Company as a going concern and the operations in future.

Further no application against the Company has been filed or is pending under the Insolvency and Bankruptcy Code, 2016, nor has the Company done any one-time settlement with any Bank or Financial Institution.

INITIAL PUBLIC OFFERING

During the year under review, the Company has filed the Draft Red Herring Prospectus dated August 01, 2025 under the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, with the Securities and Exchange Board of India, BSE Limited and National Stock Exchange of India Limited. The Company has received the final observation letter dated October 14, 2025 from the SEBI bearing reference number SEBI/HO/CFD/CFD-SEC-4/P/OW/2025/26674/1, and the in-principle approvals from the NSE by way of its letter bearing reference no. NSE/LIST/5800 dated September 19, 2025 and from BSE by way of its letter bearing reference no. LO\IPO\AG\IP\356\2025-26 dated September 19, 2025.

CORPORATE GOVERNANCE

While the Corporate Governance report is not applicable to the Company, we have incorporated as good governance practices. The Report on Corporate Governance together with the certificate issued by M/s. Khanna & Co., Practicing Company Secretaries, on compliance with the conditions of Corporate Governance as stipulated in the Listing Regulations forms part of this Report as '**Annexure IV**'.

DIRECTOR'S RESPONSIBILTY STATEMENT

Pursuant to Section 134(5) of the Act, the Directors of your Company hereby state and confirm that:

1. in the preparation of the annual accounts for the year ended on March 31, 2026, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
3. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. the Directors had prepared the annual accounts on a going concern basis;
5. the Directors had laid down internal financial controls to be followed by the company and such internal financial controls are adequate and were operating effectively; and
6. the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENTS

The Directors place on record their gratitude for the Ministry of Finance, Ministry of Corporate Affairs, Reserve Bank of India, other Government authorities, Shareholders and Investors, Banks and Financial Institutions, Rating Agencies, Depositories and other service providers for their continued co-operation, guidance and support. The Directors also express appreciation for the committed services of employees at all level.

For and on behalf of the Board,

Sd/-
Narayanan Subramaniam
Chairman
DIN: 00166621

Place: Los Angeles
Date: July 30, 2026

Annexure I

GIST OF NOMINATION AND REMUNERATION POLICY FOR DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Policy is designed to attract, motivate and retain best human talent in a competitive market. The Policy reflects the Company's objectives for good corporate governance as well as sustained long-term value creation for shareholders. The Policy applies to the Company's Board of Directors and members of the Senior Management including Key Managerial Personnel and other employees of the Company.

OBJECTIVE:

The objective of the Policy is to:

- have a Board of an effective composition, size, competence, qualification and commitment to adequately discharge its responsibilities and duties;
- have coherent remuneration policies and practices to attract and retain directors and executives who will create value for the shareholders;
- adhere /adopt to policies and best practices as prevalent in the market place.
- ensure that the remuneration to Directors, key managerial personnel, senior management and other employees involves a balance between fixed and variable pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

CONSTITUTION OF NOMINATION AND REMUNERATION COMMITTEE:

"Membership"

- The Committee shall consist of a minimum of 3 non-executive directors, majority of them being independent;
- Minimum two (2) members including at least 1 independent director in attendance or one third of the members of the committee including at least 1 independent director in attendance, whichever is greater, shall constitute a quorum of the Committee and the participation of members by video conferencing or other audio visual means shall also be counted for the purpose of quorum;
- Membership of the Committee shall be disclosed in the Annual Report;
- Term of the Committee shall be continued unless terminated by the Board of Directors.

"Chairman"

- Chairman of the Committee shall be an Independent Director;
- Chairman of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee;
- In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman;
- Chairman of the NRC or in his absence, any other member of the Committee authorised by him in this behalf shall attend the General Meeting of the Company and answer the shareholders' queries, if any.

"Frequency of Meetings"

- The Committee shall meet at least once in a financial year.

REVIEW AND AMENDMENT OF THE POLICY:

The Policy may be amended or substituted by the Board as and when required or when there are statutory or regulatory changes necessitating the change in the Policy. This Policy shall be reviewed by the Board on the recommendation of NRC Committee on an annual basis. Any deviation from the policy shall be approved by the Board of Directors.

Annexure II

Annual Report on CSR activities for financial year ended on March 31, 2026

1. Brief outline on CSR Policy of the Company:

The CSR Policy inter-alia includes the following activities to be covered by Arcil under CSR:

- Promoting education, including special education and employment enhancing vocation skills especially among children, woman, elderly and the differently abled and livelihood enhancement projects; with special emphasis on the education of the girl child.
- Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources, maintaining of quality of soil, air and water, plantation of trees.
- Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation schemes and making available safe drinking water.
- Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.
- Any other proposals covered under the broad activities prescribed in Schedule VII of the Act.

2. Composition of CSR & ESG Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR & ESG Committee held during the year	Number of meetings of CSR & ESG Committee attended during the year
1	Mr. Narayanan Subramaniam	Chairman (Independent Director)	4	4
2	Mr. Prasad Parameswaranpillai Naga*	Member (Independent Director)	3	3
3	Mr. Pavan Pal Kaushal**	Member (Independent Director)	1	1
4	Mr. Ashok Kumar Sharma	Member (Non-Executive Director)	4	1
5	Mr. Pallav Mohapatra#	Member (CEO & Managing Director)	4	4
6	Mr. Phanindranath Kakarla$	Member (CEO & Managing Director)	-	-

* Mr. Prasad Parameswaranpillai Naga was appointed as an Independent Director w.e.f. July 15, 2025.

** Mr. Pavan Pal Kaushal ceased to be an Independent Director w.e.f. August 26, 2025.

Mr. Pallav Mohapatra ceased to be a CEO & Managing Director w.e.f. March 07, 2026.

$ Mr. Phanindranath Kakarla was appointed as a CEO & Managing Director w.e.f. March 08, 2026.

The composition of CSR & ESG Committee as on March 31, 2026:

1. Mr. Narayanan Subramaniam (Chairman)
2. Mr. Prasad Parameswaranpillai Naga (Member)
3. Mr. Ashok Kumar Sharma (Member)
4. Mr. Phanindranath Kakarla (Member)

3. Provide the web-link(s) where Composition of CSR & ESG committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company: https://www.arcil.co.in/about-us/corporate-governance

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable:).- Not applicable for the financial year under review

5. (a) Average net profit of the company as per sub-section (5) of section 135 of Companies Act: ₹ 40,262.36 Lakh

(b) Two percent of average net profit of the company as per sub-section (5) of section 135 of Companies Act: ₹ 806.00 Lakh

(c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years – Nil

(d) Amount required to be set off for the financial year, if any – Nil

(e) Total CSR obligation for the financial year ((b)+(c)-(d)): ₹ 806.00 Lakh

6. (a) Amount spent on CSR Projects during FY 2025-26 (both Ongoing Project and other than Ongoing Project): ₹ 7,76,57,691/-

(b) Amount spent in Administrative Overheads: ₹ 33,11,983/-

(c) Amount spent on Impact Assessment, if applicable: Not Applicable

(d) Total amount spent for the Financial Year ((a)+(b)+(c)): ₹ 8,09,69,674/-

(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section sub-section(6) of Section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of Section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
8,09,69,674	Nil	-	-	Nil	-

(f) Excess amount for set-off, if any: Nil

7. Details of Unspent CSR amount for the preceding three financial years:

(₹ in Lakh)

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under sub-section (6) of section 135	Balance Amount in Unspent CSR Account under sub-section (6) of section 135	Amount spent in the Financial Year	Amount transferred to a fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any.		Amount remaining to be spent in succeeding financial years	Deficiency, if any
					Amount	Date of transfer		
a.	2024-25	0.00	0.00	0.00	-	-	0.00	
b.	2023-24	30.45	0.00	0.00	-	-	0.00	
c.	2022-23	48.65	0.00	0.00	-	-	0.00	
	Total	**79.10**	**0.00**	**0.00**	**-**	**-**	**0.00**	

8. Whether any capital assets have been created or acquired through CSR amount spent in the financial year: Yes

If yes, enter the number of capital assets created/acquired

Furnish the details relating to such assets(s) so created or acquired through Corporate Social Responsibility amount spent in the financial year

Sr. No.	Short Particulars of Property or Asset(s) and Location of property	Pin Code	Date of Creation	Amount Spent from CSR (₹)	Details of Entity/Authority/Beneficiary of the registered Owner		
					CSR-1 No	Name of the Foundation/ Entity/ Beneficiary.	Registered Address of the Foundation/Entity/ Beneficiaries
As per Annexure							

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135: Not Applicable

Sd/-
Phanindranath Kakarla, CEO & MD
Member, CSR & ESG Committee

Sd/-
Narayanan Subramaniam
Chairman, CSR & ESG Committee

Annexure

List of Capital Assets Created/Acquired for FY 2025-26

SN.	Short Particulars of Property or Asset(s) and Location of property	Pin Code	Date of Creation	Amount Spent from CSR (₹)	Details of Entity/Authority/Beneficiary of the registered Owner		
					CSR-1 No	Name of the Foundation/ Entity/ Beneficiary	Registered Address of the Foundation/Entity/ Beneficiaries
Education & Skill Development Projects							
1	Establishment of Commis Chef Lab (includes Kitchen equipments, Cutlery Crockery, gas cylinders, LPG piping) at Tata STRIVE Skill Development Centre, Ponda, Goa	403401	13-10-2025	6,06,911	CSR00002739	Tata Community Initiatives Trust	Tata Community Initiatives Trust, C/o Tata Services Limited, Jeevan Bharati Building, 10th Floor, Tower 1, 124, Connaught Circus, New Delhi – 110001.
2	Establishment of Commis Chef Lab (includes Kitchen equipments, Cutlery Crockery, Exhaust duct, LPG piping, civil work, learners' desk, electrical works, furniture, storage units, fire safety equipments, gas cylinders and gas piping) at Tata STRIVE Skill Development Centre, Chennai	600044	01-12-2025	17,26,902	CSR00002739	Tata Community Initiatives Trust	Tata Community Initiatives Trust, C/o Tata Services Limited, Jeevan Bharati Building, 10th Floor, Tower 1, 124, Connaught Circus, New Delhi – 110001.
3	Procurement of Coffee Machine for QSR Lab at Tata STRIVE Skill Development Centre, Chennai	600044	01-12-2025	22,998	CSR00002739	Tata Community Initiatives Trust	Tata Community Initiatives Trust, C/o Tata Services Limited, Jeevan Bharati Building, 10th Floor, Tower 1, 124, Connaught Circus, New Delhi – 110001.
4	Establishment of Commis Chef Lab & Food and Beverage Lab (includes Kitchen equipments, Cutlery Crockery, Exhaust duct, LPG piping, civil work) at Tata STRIVE Skill Development Centre, Chandan Nagar, West Bengal	712136	30-12-2025	19,62,434	CSR00002739	Tata Community Initiatives Trust	Tata Community Initiatives Trust, C/o Tata Services Limited, Jeevan Bharati Building, 10th Floor, Tower 1, 124, Connaught Circus, New Delhi – 110001.
5	Establishment of Food and Beverage Lab (includes furniture, cutlery crockery etc.) at Tata STRIVE Skill Development Centre, Ponda, Goa	403401	13-03-2026	5,77,581	CSR00002739	Tata Community Initiatives Trust	Tata Community Initiatives Trust, C/o Tata Services Limited, Jeevan Bharati Building, 10th Floor, Tower 1, 124, Connaught Circus, New Delhi – 110001.
6	Civil construction of school's new building having 3 classrooms at Army Goodwill School, URI	193123	11-11-2025	42,00,000	NA	Army Goodwill School, URI	Army Goodwill School, Srinagar-Muzaffarabad Highway, Uri, District Baramulla, Jammu & Kashmir - 193123
7	Civil construction of Boys' & Girls' Toilets, Construction of MDM Shed and Drinking-Dishwashing area at Army Goodwill School, URI	193123	25-02-2026	8,80,000	NA	Army Goodwill School, URI	Army Goodwill School, Srinagar-Muzaffarabad Highway, Uri, District Baramulla, Jammu & Kashmir - 193123
8	Procurement of Computers, LG Panels, UPS, Chairs, Tables, Benches at Army Goodwill School, URI	193123	07-03-2026	17,97,500	NA	Army Goodwill School, URI	Army Goodwill School, Srinagar-Muzaffarabad Highway, Uri, District Baramulla, Jammu & Kashmir - 193123

SN.	Short Particulars of Property or Asset(s) and Location of property	Pin Code	Date of Creation	Amount Spent from CSR (₹)	Details of Entity/Authority/Beneficiary of the registered Owner		
					CSR-1 No	Name of the Foundation/ Entity/ Beneficiary	Registered Address of the Foundation/Entity/ Beneficiaries
9	Installation of DigiLab (smart classroom) Solar System including LED TV, Wi-Fi Router, Raspberry Pi5, Tablets, keyboard, mouse, solar powered battery etc.; along with Desk, Benches, Library Racks and playground equipments at 5 Schools in Upper Subansiri, Arunachal Pradesh 1. Government Residential School, Belu Batam, Chetam, Giba 2. Government Residential School, Poda Mara, Kodak, Taliha 3. Government Residential School, Segi, Gusar, Dumporijo 4. Govt Secondary School, Bari Rijo, Tasidoni 5. Government Secondary School, Taliha, Kodak	791122	20-03-2026	55,87,940	CSR00002404	17000ft. Foundation	17000FT Foundation, LGF, 943, Sector 40 Road, Gurugram, Haryana, India 122003
Healthcare & Nutrition Projects							
10	Setup of Tele-Ophthalmology Units (Vision Centres) which includes procurement of Slit Lamp S-step Magnification Appasamy make, Hand-Held Fundus Camera Remidio, Anterior Imaging Module Remidio, Laptop, Printer & Mouse at Akhand Jyoti Vision Centre, Kesaria, Purvi (East) Champaran, Bihar	845424	21-01-2026	6,92,170	CSR00000858	Yugrishi Shriram Sharma Acharya Charitable Trust (YSSACT)- Akhand Jyoti	Yugrishi Shriram Sharma Acharya Charitable Trust, 16 C, Seal Lane, Kolkata, West Bengal, 700015
11	Setup of Tele-Ophthalmology Units (Vision Centres) which includes procurement of Slit Lamp S-step Magnification Appasamy make, Hand-Held Fundus Camera Remidio, Anterior Imaging Module Remidio, Laptop, Printer & Mouse at Akhand Jyoti Vision Centre, Riga, Sitamarhi, Bihar	843327	21-01-2026	6,92,170	CSR00000858	Yugrishi Shriram Sharma Acharya Charitable Trust (YSSACT)- Akhand Jyoti	Yugrishi Shriram Sharma Acharya Charitable Trust, 16 C, Seal Lane, Kolkata, West Bengal, 700015

SN.	Short Particulars of Property or Asset(s) and Location of property	Pin Code	Date of Creation	Amount Spent from CSR (₹)	Details of Entity/Authority/Beneficiary of the registered Owner		
					CSR-1 No	Name of the Foundation/ Entity/ Beneficiary	Registered Address of the Foundation/Entity/ Beneficiaries
12	Setup of Tele-Ophthalmology Units (Vision Centres) which includes procurment of Slit Lamp S-step Magnification Appasamy make, Hand-Held Fundus Camera Remidio, Anterior Imaging Module Remidio, Laptop, Printer & Mouse at Akhand Jyoti Vision Centre, Bettiah, West Champaran, Bihar	845438	21-01-2026	6,92,170	CSR00000858	Yugrishi Shriram Sharma Acharya Charitable Trust (YSSACT)- Akhand Jyoti	Yugrishi Shriram Sharma Acharya Charitable Trust, 16 C, Seal Lane, Kolkata, West Bengal, 700015
13	Setup of Tele-Ophthalmology Units (Vision Centres) which includes procurement of Slit Lamp S-step Magnification Appasamy make, Hand-Held Fundus Camera Remidio, Anterior Imaging Module Remidio, Laptop, Printer & Mouse at Akhand Jyoti Vision Centre, Kapasia, on NH 31, Begusarai, above Ganga Ram sweets, Bihar	851117	21-01-2026	6,92,170	CSR00000858	Yugrishi Shriram Sharma Acharya Charitable Trust (YSSACT)- Akhand Jyoti	Yugrishi Shriram Sharma Acharya Charitable Trust, 16 C, Seal Lane, Kolkata, West Bengal, 700015
14	Procurement of Defibrillator, Ventilators & Auto BiPAP Devices for the Department of Medicine at Lokmanya Tilak Municipal Medical College and Lokmanya Tilak Municipal General Hospital, Sion, Mumbai	400022	23-02-2026	39,90,536	NA	Lokmanya Tilak Municipal Medical College and Lokmanya Tilak Municipal General Hospital, Sion, Mumbai	Lokmanya Tilak Municipal Medical College and Lokmanya Tilak Municipal General Hospital, Dr Babasaheb Ambedkar Road, Sion West, Mumbai, Maharashtra

SN.	Short Particulars of Property or Asset(s) and Location of property	Pin Code	Date of Creation	Amount Spent from CSR (₹)	Details of Entity/Authority/Beneficiary of the registered Owner		
					CSR-1 No	Name of the Foundation/ Entity/ Beneficiary	Registered Address of the Foundation/Entity/ Beneficiaries
Environmental Sustainability Projects							
15	Installation of 100LPH capacity water filter system with normal & cooling facility in 19 schools in Bicholim block	403504	25-02-2026	19,94,548	NA	1. Government High School Navelim Sanquelim 2. GPS Deulwada Kudchire 3. GHS Mulgao 4. Govt High School, Sal 5. Government Primary School Borde 6. Poira High School 7. Shrimati High School 8. Shrisandipak Primary School 9. Shri Ganesh Vidyalaya 10. Ideal High School Piligao 11. VVP's V. R. Gauns Memorial Higher Secondary School 12. Shri Navdurga High School 13. Dr K.B Hedgewar Vidyamandir 14. Mahalaxmi High School 15. Progress High School 16. SMT Laxmibai sanzgiri memorial high school 17. Shri Shantadurga Primary School 18. Dnyanprakash Mandal Higher Secondary 19. Our Lady of Grace Primary School	Bicholim, North Goa, Goa Pin code: 403504
16	Installation of 100LPH capacity water filter system with normal & cooling facility in 7 schools in Bardez block	403101	25-02-2026	7,34,833	NA	1. Gpms Aradi Socorro Porvorim 2. St. Francis Xavier's High School, Siolim 3. Triumph High School 4. PM Shri Govt. High School Namoshi Guirim 5. G. S. Amonkar Vidya Mandir 6. Holy Cross High School 7. Shanta Durga Vidhya Mandir Primary	Bardez, North Goa, Goa Pin code: 403101

SN.	Short Particulars of Property or Asset(s) and Location of property	Pin Code	Date of Creation	Amount Spent from CSR (₹)	Details of Entity/Authority/Beneficiary of the registered Owner		
					CSR-1 No	Name of the Foundation/ Entity/ Beneficiary	Registered Address of the Foundation/Entity/ Beneficiaries
17	Installation of 100LPH capacity water filter system with normal & cooling facility in 18 schools in Pernem block	403512	25-02-2026	18,89,572	NA	1. Government Higher Secondary School 2. Shahid Ramsingh Memorial Government High School Torxem 3. Govt High School Hankhane 4. Pradnya High School 5. Shree Bhagwati High School 6. Sharada High School 7. Sateri Vidya Mandir 8. Harmal Panchakroshi Higher Secondary School Vidya Sankul Harmal Goa 9. Shri Kamaleshwar Higher Secondary School 10. Alorna Panchyakroshi Primary&High School 11. Sai Vidya Mandir 12. St.Anne's High School 13. Hutatma Manohar Pednekar Government Middle School 14. St Josheph High School 15. Manguirish Vidyalaya English High School 16. Lokshikshan High school 17. Shree Durga English School Parse 18. Parse High School	Pernem, North Goa, Goa Pin code: 403512
18	Installation of 100LPH capacity water filter system with normal & Cooling facility in 5 schools in Mapusa block	403507	11-03-2026	5,24,881	NA	1. Dr Ambedkar English High School 2. Saraswat Vidyalaya primary school 3. Puroshotom walawalkar Higher Secondary School 4. Shree Ganesh Higher Secondary School 5. Shree Ganesh High School	Mapusa, North Goa, Goa Pin code: 403507

SN.	Short Particulars of Property or Asset(s) and Location of property	Pin Code	Date of Creation	Amount Spent from CSR (₹)	Details of Entity/Authority/Beneficiary of the registered Owner		
					CSR-1 No	Name of the Foundation/ Entity/ Beneficiary	Registered Address of the Foundation/Entity/ Beneficiaries
19	Installation of 100LPH capacity water filter system with normal & cooling facility in 9 schools in Sattari block	403506	11-03-2026	9,44,786	NA	1. Government High School Pissurlem 2. Honda High School 3. PM Shri Govt High School 4. Govt. High School Advoi 5. Government High School Bhuipal Sattari Goa 6. Govt. High School Ambedem Nagargao 7. Government High school Shelop Khurd 8. Government Higher Secondary School Valpoi 9. SRMM Government High School Morlem	Sattari, North Goa, Goa Pin code: 403506
20	Installation of 100LPH capacity water filter system with normal & cooling facility in 1 school in Tiswadi block	403110	11-03-2026	1,04,976	NA	Smt. Sunandabai Bandodkar High School	Tiswadi, North Goa, Goa Pin code: 403110
21	Installation of 100LPH capacity water filter system with normal & cooling facility in 1 school in Kasarpal block	403503	11-03-2026	1,04,976	NA	PM Shri Babuli Narayan Gawas Memorial Government High School	Kasarpal, North Goa, Goa Pin code: 403503
22	Installation and Commissioning of 9.8 kW solar power panel at Shri Kanchi Sankara Public School, Gota, Ahmedabad	382481	05-03-2026	7,25,000	CSR00027811	Shree Kanchi Kamakoti Educational and Cultural Centre	Plot No 17, Gota Ognaj Road, Gota, Ahmedabad, Gujarat 382481
23	Installation of Solar Powered Drinking Water Station (Jal Minar) with soak pit, water discharge system, Solar streetlights, Voltas water cooler & Tata Swachh pre-filter at 7 Villages namely Birajpur (Birajpur GP), Mangrahi (Rakshi GP), Chete (Chete GP), Baligarh (Baligarh GP), Kurumdari (Udaipur GP), Bandua (Barwadih GP) & Chafla (Barwadih GP) of Garhwa Aspirational District, Jharkhand	822125	10-03-2026	55,45,360	CSR00000486	Sahbhagi Shikshan Kendra	7, First Floor, PSP Pocket, Sector-8, Dwarka, New Delhi – 110077
Inclusivity & Empowerment Projects							
24	Setup of Speech Room in Vikas Vidyalaya, Dadar	400028	24-06-2025	3,00,000	CSR00019370	Jankibai Shikshan Sanstha	A-3, Mehta Apartment, Prof. Agashe Path, Dadar, Mumbai-400028

SN.	Short Particulars of Property or Asset(s) and Location of property	Pin Code	Date of Creation	Amount Spent from CSR (₹)	Details of Entity/Authority/Beneficiary of the registered Owner		
					CSR-1 No	Name of the Foundation/ Entity/ Beneficiary	Registered Address of the Foundation/Entity/ Beneficiaries
25	Setup of Inclusive Classroom which includes procurement of computers, laptops, Jyoti Wall Mount, LAN & internet infrastructure and a resource room having assistive devices for blind students at Smt. M.B. Jain Blind School, Dahod, Gujarat	389151	26-11-2025	14,87,900	NA	Smt. M.B. Jain Blind School (run by National Association for the Blind)	Smt. M.B. Jain Blind School, Dahod - Zalod Hwy, Chhapri, Usarvan Part, Gujarat 389151
26	Setup of Inclusive Classroom which includes procurement of computers, laptops, Jyoti Wall Mount, LAN & internet infrastructure and a resource room having assistive devices for blind students at Blind School, Gandhinagar, Gujarat	382016	03-12-2026	14,87,900	NA	Blind School, Gandhinagar (run by Service Association for the Blind)	Blind School, Gandhinagar, Plot No 156, Near Main Shopping center, Behind Garden, Sector 16, Gandhinagar, Gujarat- 382016
27	Procurement and distribution of 600 bicycle to school going underprivileged girl students in Alibaug Taluka to commute to school easily and continue their education	402209	27-02-2026	28,80,000	CSR00005034	Centre For Transforming India	945, Nai Basti, Kucha Pati Ram Bazar, Sita Ram, Hauz Quazi, Delhi,110006
28	Procurement of high power Sattu making machine, gram flour making machine, spice grinding machine, paper plate making machine along with installation of 17.7 kW solar power system with VFD for machines & 10kW roof top solar power plant for regular electricity supply to Urmi Gramin Mahila Udyog at Japla, Palamau Aspirational District, Jharkhand	822116	16-03-2026	25,76,287	CSR00000486	Sahbhagi Shikshan Kendra	7, First Floor, PSP Pocket, Sector-8, Dwarka, New Delhi – 110077
Sports Promotion Projects							
29	Procurement of specialized Boccia sports training equipments namely Boccia Ramps, Boccia Balls and Tera flex Flooring Mats, acquired for athlete training and practice	151201	01-02-2026	37,93,430	CSR00053293	Boccia Sports Federation of India	#69, VPO Ablu, District Bathinda, Punjab - 151201
30	Procurement and custom-fitting of high-performance para-sports apparatus (specialized wheelchairs, prosthetic limbs etc.) handed over to 7 para-athletes to promote inclusivity and sports rehabilitation	226010	28-03-2026	34,03,000	NA	Ottobock Healthcare India Pvt Ltd	Ground Floor, Neo Square Building, Plot No T.C. 58-V/B, behind Wave Mall, Vibhuti Khand, Gomti Nagar, Lucknow, Uttar Pradesh 226010
	Total			**5,26,18,931**			

Annexure III

Form No. MR-3
SECRETARIAL AUDIT REPORT

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026

To
The Members,
Asset Reconstruction Company (India) Limited
The Ruby, 10th Floor 29, Senapati Bapat Marg,
Dadar (West), Mumbai-400028, Maharashtra

We have conducted verification and examination of records, for the purpose of the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practice by Asset Reconstruction Company (India) Limited (hereinafter called "the Company") for the financial year ended on March 31, 2026 and for issuing this Report. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minutes Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended March 31, 2026, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by Asset Reconstruction Company (India) Limited ("the Company"), for the financial year ended on March 31, 2026, according to the provisions of:

   (i) The Companies Act, 2013 (the Act) and the rules made thereunder;

   (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

   (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

2. Provisions of the following Regulations and Guidelines, including those prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were to the extent applicable to the Company during the financial year under report: -

   i. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; and

   ii. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

3. Provisions of the following Regulations and Guidelines, including those prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company during the financial year under report: -

   i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   iii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

   iv. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

   v. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;

   vi. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; and;

   vii. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;

4. Provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment;(Overseas Direct Investment and External Commercial Borrowings were not applicable to the Company during the Financial Year under report).

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute

of Company Secretaries of India under the provisions of the Companies Act, 2013.

5. We further report that, having regard to the compliance system prevailing in the Company and on the examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has generally complied with the following laws applicable specifically to the Company:

    1. The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002;

    2. Master Direction – Reserve Bank of India (Asset Reconstruction Companies) Directions, 2024

    During the financial year under report, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under report were carried out in compliance with the provisions of the Act.

Adequate notice, agenda and detailed notes on agenda has been given to schedule the Board Meetings to all the directors and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. In the event of the Board meeting being called at shorter notice, the condition specified in the proviso to Section 173(3) of the Act have been complied with.

None of the members have communicated dissenting views, in the matters/ agenda proposed from time to time for consideration of the Board and its Committees, during the year under the report, hence were not required to be captured and recorded as a part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

There were no events/ actions which had a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above, except;

- The Company had filed the Draft Red Hearring Prospectus (DRHP) with Securities and Exchange Board of India (SEBI) for issue of equity shares of the Company and to get the equity shares of the Company listed on the Stock Exchanges;
- The Company had after seeking approval of members, introduced ARCIL Employees Stock Option Scheme for total 48,73,457 Options constituting 1.5% of the Paid-up Capital and options have been granted to the eligible employees;

For Rathi & Associates
Company Secretaries

Sd/-
Jayesh M. Shah
Partner
MEM No. FCS: 5637
COP No. 2535
UDIN: F005637H000377239
Peer Review Cer. No: 6391/2025

Date: May 15, 2026
Place: Mumbai

Note: This report should be read with our letter of even date which is annexed as **Annexure-1** and forms are integral part of this report.

Annexure-1

To
The Members,
Asset Reconstruction Company (India) Limited
The Ruby, 10th Floor 29, Senapati Bapat Marg,
Dadar (West), Mumbai-400028, Maharashtra

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices that we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Rathi & Associates
Company Secretaries

Sd/-
Jayesh M. Shah
Partner
MEM No. FCS: 5637
COP No. 2535
UDIN: F005637H000377239
Peer Review Cer. No: 6391/2025

Date: May 15, 2026
Place: Mumbai

Annexure IV

Report of the Directors on Corporate Governance

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy of governance has been deeply ingrained in its culture and continues to serve as the foundation of its business conduct. Over the years, this philosophy has guided the Company in consistently creating sustainable value for all its stakeholders, including shareholders, employees, customers, business partners, regulators, and society at large. The Board and the management remain committed to upholding the highest standards of corporate governance, ensuring that the principles of integrity, fairness, and accountability are reflected in every aspect of operations.

The practice of responsible governance has enabled the Company to maintain its long-term sustainability, while simultaneously fulfilling the expectations of diverse stakeholders. The Company firmly believes that good governance is not limited to regulatory compliance, but extends to adopting ethical practices, sound risk management, and transparent decision-making processes that safeguard stakeholder interests and promote trust.

In line with this belief, the Company complies with the requirements of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and goes beyond compliance by implementing additional best practices tailored to its business needs. The Company has put in place reasonable and effective standards for the conduct of its business and strives to continuously enhance its governance framework to meet the evolving regulatory environment and global benchmarks.

The Company endeavours to strengthen its practices in areas such as transparency, professionalism, accountability, and fair disclosures on an ongoing basis. Focus is also placed on timely communication with stakeholders, effective oversight of management by the Board, and adoption of robust policies and procedures that support ethical growth. These efforts, combined with a strong internal control system, ensure that the Company remains resilient, competitive, and well-positioned to deliver sustainable growth.

Through these initiatives, the Company reaffirms its commitment to protecting stakeholder interests, nurturing long-term relationships, and enhancing shareholder value, while contributing positively to the larger economic and social ecosystem.

GOVERNANCE FRAMEWORK

The Company's governance framework is anchored in the principles of integrity, accountability, transparency, and fairness. At the core of this framework is the Board of Directors, which provides strategic direction, oversight, and leadership to ensure that the Company operates in a responsible, ethical, and sustainable manner.

BOARD STRUCTURE:

Board Leadership:

The Board of Directors serves as the custodian of the Company's vision and long-term strategy. It is entrusted with the responsibility of steering the Company's direction, overseeing its operations, and ensuring that business is conducted in a manner that upholds the highest standards of corporate governance. The Board's role extends beyond compliance, encompassing the establishment of a strong system of internal controls, effective risk management, and a culture of accountability and transparency. These principles collectively contribute to the sustained creation of value for stakeholders.

The governance framework of the Company is structured around the Board of Directors, the Committees of the Board, and the Management team. This framework ensures clear demarcation of responsibilities, effective supervision, and seamless execution of strategies. The Board is composed of members with diverse professional backgrounds and expertise, bringing together a rich mix of perspectives to strengthen decision-making of the 8 (Eight) members on the Board, 4 (Four) were Independent Directors who provide unbiased judgment, uphold governance excellence, and contribute significantly to the Board's deliberations.

Board Committees:

The Committees have been constituted by the Board with specific terms of reference and have an optimum representation of Board members. These Committee members meet at such frequency as is necessary to address the responsibilities and tasks assigned to them. As on March 31, 2026 there were 5 (Five) Committees of the Board which is required as per SEBI Regulations viz., Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility & Environmental Social Governance Committee, Stakeholders Relationship Committee, and Risk Management Committee.

BOARD OF DIRECTORS

Composition:

The composition of the Board is in conformity with Regulation 17(1) of Listing Regulation as well as the Companies Act, 2013. The Company has an optimum representation of Independent Directors on the Board of Directors of the Company.

The composition of the Board of Directors of the Company as on March 31, 2026, is as follows:

Category	:	Name of Directors
Non-Independent Directors	:	[1]Mr. Ashish Shukla (DIN: 09145210) [1]Mr. Sudarshan Sen (DIN: 03570051) [2]Mr. Ashok Kumar Sharma (DIN: 09832521) Mr. Phanindranath Kakarla (DIN: 02076676)
Independent Directors	:	Mr. Narayanan Subramaniam (Chairman and Non-Executive Independent Director) (DIN: 00166621) Mr. Prasad Parameswaranpillai Naga (DIN: 07430506) Mr. Balachander Rajaraman (DIN: 08012912) Ms. Raksha Shashikant Kothari (DIN: 02184815)

[1] Nominee of Avenue India Resurgence Pte. Ltd.

[2] Nominee of State Bank of India

- Mr. Pavan Pal Kaushal (DIN: 0711387) ceased to be Director of the Company, effective from August 26, 2025, upon completion of term as an Independent Director. The Board places on record its appreciation for his invaluable contribution and guidance.
- Mr. Prasad Parameswaranpillai Naga (DIN: 07430506) was appointed as an Independent Director for the initial period of three years w.e.f. July 15, 2025.
- Mr. Pallav Mohapatra (DIN: 02300885), ceased to be the Chief Executive Officer & Managing Director of the Company, effective from March 07, 2026, upon completion of term. The Board places on record its appreciation for his invaluable contribution and guidance.
- Mr. Phanindranath Kakarla (DIN: 02076676) was appointed as Chief Executive Officer & Managing Director w.e.f. March 08, 2026.

Based on the declarations received from the Directors, none of the Directors of the Company have been disqualified pursuant to Section 164(2) of the Act or debarred from acting as Director and they do not hold memberships or Chairmanships in other companies more than the prescribed limits under the Act and the Listing Regulations, and they are also in compliance with Regulation 17A of the Listing Regulations with respect to Directorships or Independent Directorships in listed companies.

All the Independent Directors have confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the Listing Regulations and Section 149(6) of the Act read with the rules framed thereunder and that they are not aware of any circumstances or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence as per Regulation 25 of the Listing Regulations. The Independent Directors have also confirmed that they have registered themselves in the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

Board Meetings held during the financial year 2025-2026.

The Board of Directors met 15 (Fifteen) times during the Financial Year 2025-2026. These meetings were held on 07.05.2025, 25.05.2025, 14.06.2025, 23.06.2025, 30.07.2025, 31.07.2025, 01.08.2025, 13.08.2025, 04.09.2025, 15.09.2025, 13.11.2025, 11.12.2025, 24.12.2025, 09.02.2026 and 12.03.2026.

The Composition of Board of Directors, attendance at the Board Meetings and the previous Annual General Meeting as on March 31, 2026, as applicable, is tabulated hereunder:

Name of the Director	No. of Board Meeting attended	Attendance at previous AGM on 29/09/2025	*No. of outside Directorships held (Excluding Asset Reconstruction Company (India) Limited)	#No. of Membership/ Chairmanship in other Board Committees of Listed Companies (Excluding Asset Reconstruction Company (India) Limited)		Nature of Directorship in the Company
				Member	Chairman	
Narayanan Subramaniam	14	Yes	5	3	2	Non-Executive & Independent Director
Sudarshan Sen	9	No	1	1	Nil	Non-Executive Director
Ashish Shukla	15	Yes	Nil	Nil	Nil	Non-Executive Director
Ashok Kumar Sharma	15	Yes	2	Nil	Nil	Non-Executive Director
Pavan Pal Kaushal[$]	8	NA	2	1	Nil	Non-Executive & Independent Director
Balachander Rajaraman	15	Yes	Nil	Nil	Nil	Non-Executive & Independent Director
Raksha Shashikant Kothari	14	Yes	1	1	1	Non-Executive & Independent Director

Name of the Director	No. of Board Meeting attended	Attendance at previous AGM on 29/09/2025	*No. of outside Directorships held (Excluding Asset Reconstruction Company (India) Limited)	#No. of Membership/ Chairmanship in other Board Committees of Listed Companies (Excluding Asset Reconstruction Company (India) Limited)		Nature of Directorship in the Company
				Member	Chairman	
Prasad Parameswaranpillai Naga[##]	11	Yes	4	3	1	Non-Executive Independent Director
Pallav Mohapatra[@]	13	Yes	Nil	Nil	Nil	Chief Executive Officer and Managing Director
Phanindranath Kakarla**	1	NA	Nil	Nil	Nil	Chief Executive Officer and Managing Director

Notes:

1. [$]Pavan Pal Kaushal ceased to be an Independent Director of the Company w.e.f. August 26, 2025.
2. [##]Prasad Parameswaranpillai Naga was appointed as an Independent Director w.e.f. July 15, 2025.
3. [@]Pallav Mohapatra ceased to be Chief Executive Officer and Managing Director of the Company w.e.f. March 07, 2026.
4. **Phanindranath Kakarla was appointed as Chief Executive Officer and Managing Director w.e.f. March 08, 2026.

*Excludes Alternate Directorship, Directorship in Private Companies, Foreign Companies and Section 8 Companies.

#Only two Committees, namely Audit Committee and Stakeholders Relationship Committee have been considered as per Listing Regulations.

Name of other listed entities where Directors of the Company are Directors and Category of Directorship as on March 31, 2026:

Sr. No.	Name of Director	Name of Listed entities in which the concerned Director is a Director	Category of Directorship
1.	Narayanan Subramaniam	Expleo Solutions Limited Jyothy Labs Limited Ganesha Ecosphere Limited	Independent Director Independent Director Independent Director
2.	Sudarshan Sen	The Federal Bank Limited	Independent Director
3.	Ashish Shukla	—	—
4.	Ashok Kumar Sharma	—	—
5.	Prasad Naga	1. Axis Bank Limited 2. Styrenix Performance Materials Limited 3. Indo Borax & Chemicals Limited	Independent Director Independent Director Independent Director
6.	Balachander Rajaraman	—	—
7.	Raksha Shashikant Kothari	Kalpataru Projects International Limited	Independent Director
8.	Phanindranath Kakarla	—	—

The shareholding of the Executive and Non-Executive Directors of the company as on March 31, 2026, is as follows:

Name of the Director	Nature of Directorship	No. of Shares held	% to the paid-up Share Capital
Narayanan Subramaniam	Non-Executive & Independent Director	Nil	Nil
Sudarshan Sen	Non-Executive Director	Nil	Nil
Ashish Shukla	Non-Executive Director	Nil	Nil
Ashok Kumar Sharma	Non-Executive Director	Nil	Nil
Prasad Naga	Non-Executive & Independent Director	Nil	Nil
Balachander Rajaraman	Non-Executive & Independent Director	Nil	Nil
Raksha Shashikant Kothari	Non-Executive & Independent Director	Nil	Nil
Phanindranath Kakarla	Chief Executive Officer and Managing Director	Nil	Nil

Skills / Expertise / Competencies of the Board of Directors:

The following is the list of core skills / expertise / competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available with the Board Members:

Sr. No.	Skills / expertise / competencies	Name of the Directors
1.	Business Strategy, Marketing, Administration, Decision Making	Mr. Narayanan Subramaniam, Mr. Balachander Rajaraman, Mr. Sudarshan Sen, Mr. Ashok Kumar Sharma, Mr. Ashish Shukla, Ms. Raksha Shashikant Kothari, Mr. Prasad Parameswaranpillai Naga, Mr. Phanindranath Kakarla.
2.	Financial and Management skills	Mr. Narayanan Subramaniam, Mr. Balachander Rajaraman, Mr. Sudarshan Sen, Mr. Ashok Kumar Sharma, Mr. Ashish Shukla, Ms. Raksha Shashikant Kothari, Mr. Prasad Parameswaranpillai Naga, Mr. Phanindranath Kakarla.
3.	Professional skills and specialized knowledge in relation to Company's business.	Mr. Narayanan Subramaniam, Mr. Balachander Rajaraman, Mr. Sudarshan Sen, Mr. Ashok Kumar Sharma, Mr. Ashish Shukla, Ms. Raksha Shashikant Kothari, Mr. Prasad Parameswaranpillai Naga, Mr. Phanindranath Kakarla.
4.	Legal, Compliance & Governance, Information Technology	Mr. Narayanan Subramaniam, Mr. Balachander Rajaraman, Mr. Sudarshan Sen, Mr. Ashok Kumar Sharma, Mr. Ashish Shukla, Ms. Raksha Shashikant Kothari, Mr. Prasad Parameswaranpillai Naga, Mr. Phanindranath Kakarla.

INDEPENDENT DIRECTORS:

Independent Directors play a vital role in strengthening the Company's governance framework. With their diverse expertise, experience, and independent judgement, they enrich Board deliberations, enhance decision-making, and safeguard against potential conflicts of interest. Their oversight ensures that stakeholder interests are protected and that the principles of fairness, accountability, and transparency are upheld.

They contribute meaningfully to strategic discussions, risk management, compliance, and governance practices, while maintaining an objective perspective on management performance. Each Independent Director has demonstrated a strong commitment to their role by devoting adequate time to their responsibilities and actively participating in Board and Committee meetings, thereby adding significant value to the Company's governance and long-term strategy.

Board Procedures

The Board meets at least once in a quarter to review Financial Results and operations of the Company. In addition to the above, the Board also meets as and when necessary to address specific issues concerning the businesses of the Company.

The conduct of the Board and the Committee Meetings of the Company is in compliance with the applicable provisions of the Act, the SEBI Listing Regulations and the Secretarial Standard-1 on the Meetings of the Board of Directors ("SS-1") as prescribed by the Institute of Company Secretaries of India.

The Board Meetings are governed by a structured agenda. The agenda along with detailed explanatory notes and supporting material are circulated in advance before each meeting to all the Directors to facilitate effective discussion and decision making. The Board members are, appraised on the overall performance of the Company through presentations and detailed notes on a quarterly basis.

Presentations are also made by Senior Management on the Company's plans, performance, operations and other matters on a periodic basis. The Board has complete access to any information within the Company which includes the information as specified in Part A of Schedule II SEBI (LODR) Regulations, 2015 and they are updated about their roles and responsibilities in the Company.

The Board, inter alia, reviews annual operating and capital expenditure plans and budgets, financial statements of business segments, compliance report(s) of all laws applicable to the Company, major legal and tax issues, policies/charters of committees of the Company, appointment and remuneration to Directors, risk management, status of all investments/ disinvestment and borrowings made by the Company, minutes of meetings of the Committees of the Board, declaration of dividend, any other proposal from the management regarding business operational matters, etc.

The proceedings of each meeting of the Board and its Committees are captured in accordance with the provisions of the Companies Act, 2013 and Companies (Meetings of Board and its Powers) Rules, 2014.

Directors' Induction and Familiarization

The provision of an appropriate induction for new Directors and ongoing familiarization for existing Directors is a major contributor to the maintenance of high Corporate Governance standards of the Company.

The Management is responsible for ensuring that such familiarization programme is provided to Directors.

The Independent Directors, from time-to-time request management to provide a detailed understanding of any specific project, activity or process of the Company. The management provides such information and training either at the meeting of the Board of Directors or otherwise. The induction process is designed to:

a. Build an understanding of the Company, its businesses and the markets and regulatory environment in which it operates.

b. Provide an appreciation of the role and responsibilities of the Director.

c. Fully equip Directors to perform their role on the Board effectively; and

d. Develop understanding of Company's people and its key stakeholder relationships.

Upon appointment, Directors receive a Letter of Appointment setting out in detail the terms of appointment, duties, responsibilities and expected time commitments. In addition to the extensive induction and training provided as part of the familiarization programme, the Independent Directors are also taken through various business and functional sessions in the board meetings, including the Board meetings to discuss strategy.

The details of Director's induction and familiarization are available on the Company's website at https://www.arcil.co.in/about-us/corporate-governance.

Separate Independent Directors' Meeting:

In accordance with the provisions of Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and Regulation 25(3) of Listing Regulations, a meeting of the Independent Directors of the Company was held on March 12, 2026, without the attendance of Non-Independent Directors and members of the management. The Company Secretary of the Company acts as the Secretary to the Independent Directors' Meeting.

Evaluation of Board Effectiveness

In terms of provisions of the Companies Act, 2013 read with Rules issued there under and Part D of Schedule II of SEBI (LODR) Regulations, 2015, the Board of Directors, on recommendation of the Nomination and Remuneration Committee, have evaluated the effectiveness of the Board. Accordingly, the performance evaluation of the Board, each Director, and the Committees was carried out for the financial year ended on March 31, 2026. The evaluation of the Directors was based on various aspects which, inter alia, included the Board effectiveness, quality of discussion contribution at the meetings, business insight, strategic thinking, effectiveness of the Board's Committees, etc.

Committees of the Board

The Committees constituted by the Board play a very important role in the governance structure of the Company. These Committees function in accordance with their respective charters, which clearly define their roles, responsibilities, and authority, and are reviewed periodically to align with regulatory requirements and evolving best practices. The Committees include the Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility & Environmental Social Governance (CSR & ESG) Committee, and Risk Management Committee, among others. Each Committee comprises Directors with relevant expertise who bring independent judgment and objective guidance to the decision-making process. Through regular meetings, these Committees provide detailed review and recommendations on matters under their scope, thereby assisting the Board in effectively discharging its responsibilities, ensuring transparency, and strengthening the overall governance framework of the Company.

The terms of reference of these Committees are approved by the Board and are in line with the requirements of Companies Act, 2013 and SEBI (LODR) Regulations, 2015. The minutes of the proceedings of the Committee Meetings are captured in the same manner as the Board Meetings and in accordance with the provisions of the Companies Act, 2013.

The terms of reference for each of the committees of the Board as required under Schedule V of the SEBI Listing Regulations are provided below:

AUDIT COMMITTEE

The Audit Committee has played an important role in ensuring the financial integrity of the Company. The Audit Committee's role includes oversight of the financial reporting process, the audit process, the adequacy of internal controls and compliance with applicable laws and regulations. The composition of the Audit Committee is in line with provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (LODR) Regulations, 2015. The members of the Audit Committee are financially literate and have requisite experience in financial management.

The Committee invites the Chief Executive Officer and Managing Director, Non-Executive Director, Chief Financial Officer (CFO), Statutory Auditor, and Internal Auditor to attend its meetings.

The Committee met 8 (Eight) times during the financial year 2025-26. These meetings were held on 07.05.2025, 13.06.2025, 31.07.2025, 01.08.2025, 13.08.2025, 12.09.2025, 13.11.2025 and 09.02.2026. The composition of the Audit Committee of the Board of Directors of the Company along with the details of the meetings held and attended during the financial year ended on March 31, 2026 are detailed below:

The details of Audit Committee are as follows:

Sr. No.	Name of the Director	Designation in Committee	Nature of Directorship in the Company	No. of Meetings attended up to March 31, 2026
1.	Mr. Balachander Rajaraman	Chairman	Non Executive Independent Director	8
2.	Mr. Ashish Shukla[$]	Member	Non-Executive Director	3
3.	Mr. Narayanan Subramaniam[#]	Member	Non Executive Independent Director	-
4.	Mr. Sudarshan Sen*	Member	Non-Executive Director	5
5.	Ms. Raksha Shashikant Kothari	Member	Non Executive Independent Director	8
6.	Mr. Prasad Parameswaranpillai Naga**	Member	Non Executive Independent Director	3

[#]Mr. Narayanan Subramaniam ceased to be a Member of Audit Committee w.e.f. April 01, 2025.

[$]Mr. Ashish Shukla was appointed as Member of Audit Committee w.e.f. August 25, 2025.

*Mr. Sudarshan Sen ceased to be a Member of Audit Committee w.e.f. August 25, 2025.

**Mr. Prasad Parameswaranpillai Naga was appointed as Member of Audit Committee w.e.f. August 25, 2025.

The necessary quorum was present for all the meetings. The Company Secretary of the Company acts as Secretary to the Audit Committee.

The scope of activities and terms of reference of the Audit Committee is governed by a Charter which is in line with the provisions of Section 177 of the Companies Act, 2013.

A. The terms of reference of the Audit Committee, inter alia, includes the following:

(i) Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;

(ii) recommendation for appointment / removal, remuneration and terms of appointment of auditor(s) of the Company;

(iii) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.

(iv) Call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors.

(v) Periodically review and assess the effectiveness of internal control systems, especially with respect to the asset acquisition procedures and asset reconstruction measures followed by the company and matters related thereto.

(vi) Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

- matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
- Any changes in accounting policies and practices and reasons for the same;
- Compliance with accounting standards and regulatory guidelines;
- major accounting entries involving estimates based on the exercise of judgment by management;
- modified opinion(s) in draft audit report;
- Significant adjustments made in the financial statements arising out of audit findings;
- The going concern assumption
- Compliance with listing and other legal requirements relating to financial statements;

- Examine the financial statements and auditor's report
- disclosure of any related party transactions;

(vii) reviewing, with the management, the quarterly financial statements before submission to the board for approval;

(viii) to ensure that accounting of management fee/ incentives/ expenses is in compliance with the applicable regulations.

(ix) to review the extent of unrealized management fee and satisfy itself on the recoverability of the same while finalizing the financial statements

(x) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the board to take up steps in this matter;

(xi) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

(xii) Discuss the related party transactions with the statutory auditors and the management of the Company. Approve or allow any subsequent modification of related party transactions i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large.

(xiii) scrutiny of inter-corporate loans and investments;

(xiv) valuation of undertakings or assets of the Company, wherever it is necessary;

(xv) evaluation of internal financial controls and risk management systems;

(xvi) Monitoring the end use and reviewing deviations of funds raised through public offers and related matters, if any.

(xvii) reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

(xviii) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

(xix) discussion with internal auditors of any significant findings and follow up there on;

(xx) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.

(xxi) discussion with statutory auditors, before the audit commences, about the nature and scope of audit as well as have post-audit discussion to ascertain any area of concern.

(xxii) to look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

(xxiii) To investigate into any matter in relation to the items specified herein or referred to it by the Board. To obtain professional advice from external sources and have full access to information contained in the records of the Company.

(xxiv) to review the functioning of the whistle blower mechanism;

(xxv) recommend to the Board for approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

(xxvi) Carrying out any other function as is mentioned in the terms of reference of the audit committee.

(xxvii) reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

(xxviii) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.

(xxix) Reviewing and recommending to the Board for approval of the financial statements of trusts.

(xxx) Recommending to the Board for approval of appointment of Trust Statutory Auditors and Tax Auditors.

The Audit Committee reviews the following information:

1. management discussion and analysis of the financial condition and results of operations;
2. management letters/letters of internal control weaknesses issued by the statutory auditors;
3. internal audit reports relating to internal control weaknesses; and
4. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
5. statement of deviations:
   a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
   b) annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7).

#As on date of the report, the constitution and terms of reference of Audit Committee is as per SEBI LODR Regulations.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee (NRC) broadly plays a dual role in determining the composition of the Board based on need and requirements of the Company from time to time and determines the overall compensation framework and policy for Directors, Senior Management and Employees. The Committee further reviews that the human resource practices of the Company are effective in maintaining and retaining a competent workforce.

The composition of the "Nomination and Remuneration Committee" is in compliance with the provisions of Section 178 of the Companies Act, 2013.

The Committee met two (2) times during the financial year 2025-26. These meetings were held on 20.05.2025, and 05.02.2026. The composition of the Nomination and Remuneration Committee of the Board of Directors of the Company, along with the details of the meetings held and attended by the members of the Committee during the financial year ended on March 31, 2026, is detailed below:

The details of the Nomination and Remuneration Committee are as follows:

Sr. No.	Name of the Director	Designation in Committee	Nature of Directorship in the Company	No. of Meetings attended up to March 31, 2026
1.	Ms. Raksha Shashikant Kothari*	Chairperson	Non Executive Independent Director	2
2.	Mr. Narayanan Subramaniam**	Member	Non Executive Independent Director	2
3.	Mr. Ashish Shukla	Member	Non-Executive Director	2
4.	Mr. Ashok Kumar Sharma#	Member	Non-Executive Director	None

*Ms. Raksha Shashikant Kothari was designated as the Chairperson of NRC w.e.f. April 01, 2025.

**Mr. Narayanan Subramaniam was designated as the member of NRC w.e.f. April 01, 2025.

#Mr. Ashok Kumar Sharma ceased to be a member of NRC w.e.f. May 25, 2025.

The Company Secretary of the Company acts as Secretary to the "Nomination and Remuneration Committee".

The terms of reference of Nomination and Remuneration Committee, inter alia, includes the following:

(i) Identifying eminent persons who are qualified for appointment as directors, key managerial personnel and senior management personnel of the company based on the approved criteria:

For independent directors the purpose of identifying suitable candidates, the committee may use the services of external agencies, consider candidates from a wide range and consider the time commitments of the candidates.

(ii) Assess the suitability of the identified persons' vis-à-vis the approved criteria and submit recommendations to the Board after ascertaining their consent for such appointment.

(iii) To submit recommendations to the Board with regard to appointment/ re-appointment/ removal and remuneration of directors, key managerial personnel and senior management personnel, in terms of the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, other applicable statutes and requirements stipulated by the Reserve Bank of India from time to time.

(iv) To recommend a policy, relating to the remuneration for the directors, key managerial personnel, senior management personnel and other employees.

(v) To determine and recommend to the Board from time to time –
   a) the amount of sitting fees / commission/ share of profit/ remuneration payable to the non-executive directors in terms of the applicable provisions of the Companies Act, 2013 and the rules made thereunder.
   b) the amount of remuneration, including performance / deferred bonus and perquisites payable to the whole-time director(s).

(vi) To frame a policy for evaluation of performance of the Board, its Committees and individual Directors, on the basis of report of performance evaluation of independent directors whether to extend or continue the term of appointment or re-appointment of the independent directors.

(vii) To frame a Code of Conduct for independent directors.

(viii) To examine the Fit and Proper status of the Sponsors and Directors

(ix) To approve/ recommend to the Board, the employee benefit programs and schemes

(x) To review and recommend to the Board change in organization structure

(xi) To review and recommend to the Board, devising a policy on diversity of board of directors, performance bonus policy, promotion policy, increment policy, as applicable, HR Policy Manual and such other HR related policies.

(xii) To review & assess all information on ratings, KPIs, performance bonus and increment for the KMP, Senior Management Personnel, all employees directly reporting to CEO & MD and top ten personnel other than the KMP.

(xiii) the authority to formulate, adopt, administer, enforce and modify the employee stock option schemes of the Company, including grant of options to eligible employees under the employee stock option schemes of the Company, in accordance with the provisions of SEBI (Share Based Employee Benefits) Regulations, 2014 and other applicable laws.

In accordance with Section 178 of the Companies Act, 2013 and the Board has, on the recommendation of the Nomination and Remuneration Committee, framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The gist of the policy is provided below and the complete policy is made available on the Company's website and can be accessed at the below mentioned web address: https://www.arcil.co.in/about-us/corporate-governance.

Gist of Nomination and Remuneration Policy for Directors and Key Managerial Personnel of the Company:

The Policy is designed to attract, motivate and retain best human talent in a competitive market. The Policy reflects the Company's objectives for good corporate governance as well as sustained long-term value creation for shareholders. The Policy applies to the Company's Board of Directors and members of the Senior Management including Key Managerial Personnel.

Objective:

The objective of the Policy is to:

- have a Board of an effective composition, size, competence, qualification and commitment to adequately discharge its responsibilities and duties;
- have coherent remuneration policies and practices to attract and retain directors and executives who will create value for the shareholders;
- adhere /adopt to policies and best practices as prevalent in the market place.
- ensure that the remuneration to Directors, key managerial personnel, senior management and other employees involves a balance between fixed and variable pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

Constitution of Nomination and Remuneration Committee:

"Membership"

- The Committee shall consist of a minimum of 3 non-executive directors, majority of them being independent;
- Minimum two (2) members including at least 1 independent director in attendance or one third of the members of the committee including at least 1 independent director in attendance, whichever is greater, shall constitute a quorum of the Committee and the participation of members by video conferencing or other audio visual means shall also be counted for the purpose of quorum;
- Membership of the Committee shall be disclosed in the Annual Report;
- Terms of the Committee shall be continued unless terminated by the Board of Directors.

"Chairman"

- Chairman of the Committee shall be an Independent Director;
- Chairman of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee;
- In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman;
- Chairman of the NRC or in his absence, any other member of the Committee authorised by him in this behalf shall attend the General Meeting of the Company and answer the shareholders' queries, if any.

"Frequency of Meetings"

- The Committee shall meet at least once in a financial year.

Review and Amendment of the Policy:

The Policy may be amended or substituted by the Board as and when required or when there are statutory or regulatory changes necessitating the change in the Policy. This Policy shall be reviewed by the Board on the recommendation of NRC Committee on an annual basis. Any deviation from the policy shall be approved by the Board of Directors.

Details of remuneration paid to Non-Executive Directors during the Financial Year 2025-2026:

Our Non-Executive Directors are entitled to receive sitting fees of ₹0.6 Lakh for each meeting of the Board and Audit Committee. Further, they are entitled to ₹0.5 Lakh for attending each meeting of the Committees of our Board excluding Audit Committee.

Our Non-Executive Directors were paid the following remuneration for the financial year ended March 31, 2026:

(₹in Lakh)

S. No.	Name of Director	Sitting Fees	Commission	Remuneration	Total Remuneration
1.	Ashish Shukla	Nil	Nil	Nil	Nil
2.	Ashok Kumar Sharma*	8.90	Nil	Nil	8.90
3.	Sudarshan Sen	Nil	Nil	Nil	Nil

* The remuneration is directly paid to the State Bank of India, and not to the Non-Executive Director, in his individual capacity.

Our Non-Executive Independent Directors were paid the following remuneration for the financial year ended March 31, 2026:

(₹in Lakh)

S. No.	Name of Director	Sitting Fees	Commission	Remuneration	Total Remuneration
1.	Narayanan Subramaniam	29.00	Nil	Nil	29.00
2.	Pavan Pal Kaushal*	6.30	Nil	Nil	6.30
3.	Raksha Shashikant Kothari	31.40	Nil	Nil	31.40
4.	Balachander Rajaraman	16.30	Nil	Nil	16.30
5.	Prasad Naga	11.40	Nil	Nil	11.40

*Pavan Pal Kaushal ceased to be a member of our Board with effect from August 26, 2025.

Details of the remuneration paid to the Executive Directors of the Company for the financial year ended March 31, 2026, is as follows:

Our Company has paid the following remuneration to our Executive Director in Fiscal 2026:

(₹in Lakh)

S. No.	Name of Director	Sitting Fees	Commission	Remuneration	Total Remuneration
1.	Pallav Mohapatra*	Nil	Nil	365.80	365.80
2.	Phanindranath Kakarla**	Nil	Nil	11.90	11.90

*Phanindranath Kakarla has been appointed on our Board with effect from March 8, 2026.

**Pallav Mohapatra ceased to be a member of our Board with effect from March 7, 2026.

Pursuant to the resolutions passed by our Board on June 4, 2025, and our Shareholders on June 27, 2025, our Company has approved the ARCIL Employee Stock Option Scheme 2025 ("ESOP 2025") for issue of options to the eligible employees. The ESOP 2025 has been framed in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

S. No.	Name of Director	ESOP
1.	Pallav Mohapatra*	156,620
2.	Phanindranath Kakarla	116,175

*Since forfeited

Our Company has not made any allotment of Equity Shares pursuant to ESOP 2025.

#As on date of the report, the constitution and terms of reference of Nomination and Remuneration Committee is amended as per SEBI LODR Regulations.

STAKEHOLDERS RELATIONSHIP COMMITTEE

In accordance with the Regulation 19 of SEBI (LODR) Regulations, 2015, the Board of Directors of the Company has constituted the Stakeholders Relationship Committee (SRC). As on March 31, 2026, the SRC was comprised of Ms. Raksha Shashikant Kothari, Mr. Balachander Rajaraman, Mr. Ashish Shukla, and Mr. Ashok Kumar Sharma.

The Committee met one (1) time during the financial year 2025-26. This meeting was held on 12.03.2026. The composition of the SRC of the Board of Directors of the Company along with the details of the meetings held and attended during the financial year ended on March 31, 2026 are detailed below:

The details of Stakeholders Relationship Committee are as follows:

Sr. No.	Name of the Director	Designation in Committee	Nature of Directorship in the Company	No. of Meetings attended up to March 31, 2026
1.	Ms. Raksha Shashikant Kothari	Chairperson	Non Executive Independent Director	1
2.	Mr. Balachander Rajaraman	Member	Non Executive Independent Director	1
3.	Mr. Ashish Shukla	Member	Non-Executive Director	1
4.	Mr. Ashok Sharma	Member	Non-Executive Director	None

The necessary quorum was present for the meeting. The Company Secretary of the Company acts as Secretary to the Stakeholder Relationship Committee.

The scope of activities and terms of reference of the SRC is governed by a charter, and complied with the provisions of SEBI (LODR) Regulations, 2015.

The terms of reference of the Stakeholders Relationship Committee, inter alia, includes the following:

a) Consider and resolve the grievances of security holders of the Company, including complaints related to:
   - Transfer and transmission of shares,
   - Non-receipt of annual reports,
   - Non-receipt of declared dividends,
   - Issue of new/duplicate certificates,
   - Issues relating to dematerialisation/rematerialisation of shares,
   - General meetings
   - Any other grievances raised by security holders.

b) Review measures taken for effective exercise of voting rights by shareholders.

c) Review adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.

d) Review various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend/ dividend warrants/ annual reports/statutory notices by the shareholders of the company.

e) Resolving grievances of debenture holders related to creation of charge, payment of interest/principal, maintenance of security cover and any other covenants.

f) Ensure compliance with the investor-related obligations under SEBI regulations, the Companies Act, 2013, and other applicable laws.

g) Carry out any other function as may be assigned by the Board of Directors from time to time or as prescribed by applicable law to formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII to the Companies Act, 2013.

[#]As on date of the report, the Company has constituted and terms of reference of Stakeholders Relationship Committee is as per SEBI LODR Regulations.

CORPORATE SOCIAL RESPONSIBILITY & ENVIRONMENTAL SOCIAL GOVERNANCE (CSR & ESG) COMMITTEE

In accordance with the provisions of Section 135 of the Companies Act, 2013, the Board of Directors of the Company has constituted the Corporate Social Responsibility & Environmental Social Governance Committee (CSR & ESG). As on March 31, 2026, the CSR & ESG Committee was comprised of Mr. Narayanan Subramaniam, Mr. Prasad Parameswaranpillai Naga, Mr. Ashok Kumar Sharma and Mr. Phanindranath Kakarla.

The Committee met four (4) times during the financial year ended on March 31, 2026 on 18.06.2025, 24.09.2025, 17.11.2025, and 11.02.2026. The composition of the CSR & ESG Committee of the Board of Directors of the Company along with the details of the meetings held and attended during the financial year ended on March 31, 2026 are detailed below:

The details of Corporate Social Responsibility & Environmental Social Governance Committee are as follows:

Sr. No.	Name of the Director	Designation in Committee	Nature of Directorship in the Company	No. of Meetings attended up to March 31, 2026
1.	Mr. Narayana Subramaniam*	Chairman	Non Executive Independent Director	4
2.	Mr. Pavan Pal Kaushal**	Member	Non Executive Independent Director	1
3.	Ms. Raksha Shashikant Kothari[#]	Member	Non Executive Independent Director	-
4.	Mr. Prasad Parameswaranpillai Naga[##]	Member	Non Executive Independent Director	3
5.	Mr. Ashok Kumar Sharma	Member	Non-Executive Director	1
6.	Mr. Pallav Mohapatra[$]	Member	Chief Executive Officer and Managing Director	4
7.	Mr. Phanindranath Kakarla[$$]	Member	Chief Executive Officer and Managing Director	None

*Mr. Narayanan Subramaniam was designated as the Chairman of CSR & ESG w.e.f. April 01, 2025.

**Mr. Pavan Pal Kaushal was designated as the Member of CSR & ESG w.e.f. April 01, 2025. Further, Mr. Pavan Pal Kaushal ceased to be a Member of CSR & ESG w.e.f. August 25, 2025.

[#]Ms. Raksha Shashikant Kothari ceased to be a Member of CSR & ESG w.e.f. April 01, 2025.

[##]Mr. Prasad Parameswaranpillai Naga appointed as a Member of CSR & ESG w.e.f. August 25, 2025.

[$]Mr. Pallav Mohapatra ceased to be a Member of CSR & ESG w.e.f. March 07, 2026.

[$$]Mr. Phanindranath Kakarla was appointed as a Member of the CSR & ESG w.e.f. March 08, 2026.

The necessary quorum was present for all the meetings. The Company Secretary of the Company acts as Secretary to the CSR & ESG Committee.

The scope of activities and terms of reference of the CSR & ESG Committee is governed by a charter, and complied with the provisions of Section 135 of the Companies Act, 2013.

The terms of reference of the CSR & ESG Committee, inter alia, includes the following:

Corporate Social Responsibility (CSR):

a) to formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII to the Companies Act, 2013;

b) to recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and

c) to monitor the Corporate Social Responsibility Policy of the Company from time to time.

d) Any other matters relating to or incidental to the implementation of CSR Activities as per the provisions of Section 135 of the Companies Act, 2013 and rules made there under, as amended from time to time.

Environmental, Social, and Governance (ESG):

a) Approve the Company's ESG strategy (the 'ESG Strategy') including related targets;

b) Provide oversight of the execution of the ESG Strategy and the Company's progress on its ESG commitments and targets.

c) Provide an oversight of the key policies and programmes required to implement the ESG Strategy.

d) Provide advice and direction to the Company's management on implementation of the Company's ESG Strategy, the opportunities and risks to the Company's operations and reputation and its corporate responsibility.

RISK MANAGEMENT COMMITTEE

The Risk Management Committee (RMC) is to assist the Board in discharging its duties in overseeing the Risk Management function as part of its Corporate Governance responsibilities. This constitutes identifying, measuring, monitoring, reporting and managing the risks arising from its main risk-taking activities. The Committee shall review the risk profile of the Company and effective implementation of related policies and procedures.

The Committee met four (4) times during the financial year 2025-26. These meetings were held on 19.06.2025, 23.09.2025, 19.12.2025 and 26.02.2026. The composition of the Risk Management Committee of the Board of Directors of the Company, along with the details of the meetings held and attended by the members of the Committee during the financial year ended on March 31, 2026, is detailed below:

The details of the Risk Management Committee are as follows:

Sr. No.	Name of the Director	Designation in Committee	Nature of Directorship in the Company	No. of Meetings attended up to March 31, 2026
1.	Mr. Sudarshan Sen*	Chairman	Non-Executive Director	4
2.	Mr. Ashish Shukla@	Chairman	Non-Executive Director	1
3.	Mr. Ashok Kumar Sharma	Member	Non-Executive Director	None
4.	Mr. Balachander Rajaraman**	Member	Non Executive Independent Director	3
5.	Mr. Pavan Pal Kaushal$	Member	Non Executive Independent Director	1
6.	Mr. Pallav Mohapatra#	Member	Chief Executive Officer and Managing Director	3
7.	Mr. Phanindranath Kakarla##	Member	Chief Executive Officer and Managing Director	-

*Mr. Sudarshan Sen designated as a Chairman of RMC w.e.f. August 25, 2025.

@Mr. Ashish Shukla ceased as a Chairman of RMC w.e.f. August 25, 2025.

**Mr. Balachander Rajaraman was appointed as a Member of RMC w.e.f. August 25, 2025.

$Mr. Pavan Pal Kaushal ceased to be a Member of RMC w.e.f. August 25, 2025.

#Mr. Pallav Mohapatra ceased to be a Member of RMC w.e.f. March07, 2026.

##Mr. Phanindranath Kakarla was appointed as a Member of RMC w.e.f. March 08, 2026.

The terms of reference of Risk Management Committee, inter alia, includes the following:

a. Oversee the identification, measurement, monitoring, reporting and management of the risks arising from or associated with the main activities of the Company, either internal or external or any other risk as determined by the committee, including but not restricted to credit risk, operational risk, liquidity risk and market risk.

b. Recommend to the Board to approve the policies and strategies for implementing a Company-wide integrated risk management system, for addressing the specific material risks faced by the Company.

c. Ensure that key risk areas have an associated policy, process and other measures for its identification, measurement, monitoring, reporting and management, and that these are implemented as intended.

d. Review the 'Risk Appetite' framework and parameters formulated in line with the Company's business strategy and recommend the same to the Board for approval.

e. Oversee the functioning of the management-level risk management framework.

f. Ensure a sufficiently robust data infrastructure, data architecture, information technology infrastructure that is in sync with developments such as balance sheet and revenue growth; increasing complexity of the business, risk configuration or operating structure; geographical expansion, etc.

g. Recommend to the Board risk mitigation parameters and limits in respect of the main risks. Monitor adherence to the risk appetite limits set by the Board.

h. Monitor the adequacy of risk reporting systems to ensure that these are dynamic, comprehensive, accurate and draw on all relevant data, including the external environment, market conditions, trends that may have an impact on the company's current or future risk profile, including results of stress testing and scenario analyses, and identify limitations of the data and risk estimates.

i. Review the underwriting framework and processes for acquisition of risk assets in general and loan assets in particular.

j. Review the fixation of exposure ceilings for various types of exposures, sectors, industries, borrower segments and groups, etc. based on identified criteria.

k. Monitor the management of Business continuity, Reputation risk, Model risk, Strategic risk, Information & Cyber security risk, Outsourcing risk, superannuation obligation risk and other material risks faced by the Company.

l. Monitor, on an ongoing basis, the capital adequacy of the Company under both forward-looking business-as-usual and stress scenarios and initiate remedial action where needed.

m. Ensure the independence of the CRO and the risk management teams from the revenue-generating functions, processes and associated incentives.

n. Interact informally with the CRO, without the presence of management, as needed,

o. Seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

p. Establish effective communication/ coordination with the audit committee to facilitate the exchange of information, effective coverage of all risks, including emerging risks, and any needed adjustments to the risk governance framework of the Company.

q. Fraud Risk management as enumerated in the fraud risk management policy.

r. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

Any other similar or other functions as may be laid down by Board from time to time and/or as may be required under applicable law, as and when amended from time to time, including the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

THE DISCLOSURES OF THE COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND REGULATION 46(2) OF SEBI (LISTING OBLIGATION & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

During the financial year the company has complied, to the extent applicable, with all the requirements of Corporate Governance as specified in regulation 17 to 27 and Regulation 46(2) of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.

GENERAL BODY MEETINGS

Location and time of the previous three Annual General Meetings are as under:

Year	Venue	Date	Time
2022-2023	Through Video Conference or Other Audio-Visuals Means	June 27, 2023	04.00 p.m.
2023-2024	Through Video Conference or Other Audio-Visuals Means	September 27, 2024	04.00 p.m.
2024-2025	Through Video Conference or Other Audio-Visuals Means	September 29, 2025	04.00 p.m.

Details of Special Resolutions passed in the previous three Annual General Meetings.

Date of Annual General Meeting	Number of Special Resolutions passed	Details of Special Resolutions Passed
June 27, 2023	1	• To revise the remuneration paid of Mr. Pallav Mohapatra, Chief Executive Officer and Managing Director for FY 2023-24.
September 27, 2024	1	• To re-appoint Mr. Narayanan Subramaniam (DIN:00166621) as an Independent Director of the Company.
September 29, 2025	2	• Investment Limits for Non-Resident Indians and Overseas Citizens of India. • Remuneration of Mr. Pallav Mohapatra, Chief Executive Officer and Managing Director for FY 2025-26.

All special resolutions set out in the notices for the Annual General Meetings were passed by the shareholders at the respective meetings with requisite majority.

Extraordinary General Meeting

During the financial year, extraordinary General Meeting of the members was held on June 27, 2025.

Postal Ballot

During the year, members of the Company have not approved of any resolutions through postal ballot.

MEANS OF COMMUNICATION

1. **Publication of quarterly financial results:**

   During the financial year under review, publication of quarterly, half-yearly, nine-monthly and annual financial results was not applicable to the company.

2. **Website and News Releases:**

   A separate dedicated section under 'Corporate Governance/ Investors Relations' on the Company's website gives information of Annual Report, and Annual financial results along with the applicable policies of the Company.

   During the year under review, disclosure with respect to the information related to Unclaimed dividend, Quarterly/Half yearly/Nine-monthly Financial Results are not applicable to the company.

3. **Stock Exchange:**

   The Equity shares of the Company are not listed on any of the Stock Exchange.

GENERAL SHAREHOLDER'S INFORMATION

Corporate Identity Number (CIN): U65999MH2002PLC134884

ISIN number: INE148G01016

Annual General Meeting

Date and time	: August 28, 2026 at 04:00 p.m.
Venue / Mode	: Through Video Conference or Other Audio-Visuals Means (VC/ OVAM)
Financial Year Ending	: March 31, 2026
Tentative Schedule for declaration of results during the financial year 2026-2027	
• **1st Quarter (June, 2026)**	: Second week of August, 2026
• **2nd Quarter (September, 2026)**	: Second week of November, 2026
• **3rd Quarter (December, 2026)**	: Second week of February, 2026
• **4th Quarter (March 2027) and Audited Financial Results for the year ended March 31, 2027.**	: Last week of May, 2027
Date of Book Closure	: From August 18, 2026 to August , 2026 (both days inclusive) for the purpose of Annual General Meeting and payment of Dividend which will be subject to approval of shareholders.
Dividend Payment date: • **Final Dividend 2025-2026 recommended by the Board of Directors at its Meeting held on May 15, 2026.**	: Within 30 days after August 28, 2026 (subject to approval of the shareholders)
Listing on Stock Exchange and Stock Code	: Equity Shares of the Company are not listed at BSE Limited and National Stock Exchange of India Limited.
Face Value of Equity Shares	: ₹10/- each.

Monthly High/Low price of Equity Shares of the Company during the financial year 2025-2026 on BSE Limited and National Stock Exchange of India Limited.

Not Applicable

Month	BSE Limited (BSE)		National Stock Exchange of India Limited (NSE)	
	Month's High Price (₹)	Month's Low Price (₹)	Month's High Price (₹)	Month's Low Price (₹)
NA	NA	NA	NA	NA

REGISTRAR AND TRANSFER AGENT

For any queries relating to the shares of the Company, correspondence may please be addressed to:

MUFG Intime India Private Limited

A part of MUFG Corporate Markets, a division of MUFG Pension & Market Services
(Formerly Link Intime India Private Limited)
C-101, Embassy 247, L.B.S. Marg, Vikhroli (West),
Mumbai - 400 083
Tel: (022) 4918 6000, Fax : (022) 4918 6060
Website: www.in.mpms.mufg.com
E-mail: mumbai@in.mpms.mufg.com

SHARE TRANSFER SYSTEM

During FY 2025-26, MUFG Intime India Private Limited ("MUFG"), the Registrar and Share Transfer Agent (RTA) of the Company ensured compliance with all the procedural requirements with respect to transfer, transmission and transposition of shares and formalities with respect to name deletion, sub-division, consolidation, renewal, exchange and endorsement of share certificates.

In accordance with the mandate of the Securities and Exchange Board of India (SEBI), securities of listed companies can be transferred only in dematerialised form. Consequently, the Company and its RTA do not accept any requests transfer of shares in physical form. Members holding shares in physical form are advised to avail the facility of dematerialisation. However, investors are not barred from holding shares in physical form. Transfers in electronic form are much simpler and quicker as the members have to approach their respective depository participants and the transfers are processed by NSDL/ CDSL, as the case may be, with no requirement of any separate communication to be made to the Company.

DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2026

Not Applicable

SHAREHOLDING PATTERN AS ON MARCH 31, 2026

Sr. No.	Category of Shares	No. of Shares	% of total shares
(A)	**Promoter & Promoter Group :**		
	(a) Individuals/Hindu Undivided Family	0	0
	(b) Bodies Corporate	291,383,245	89.68
	Sub Total :	291,383,245	89.68
(B)	**Public Shareholding :**		
	1. Institutions		
	(a) Financial Institutions/Banks	16,841,200	5.18
	(b) Foreign Institutional Investors	0	0
	2. Non-Institutions		
	(a) Directors and their relatives (excluding Independent Directors and Nominee Directors)	0	0
	(b) Individuals	404,837	0.12
	(c) Trust	0	0
	(d) Hindu Undivided Family	0	0
	(e) Non-Resident Indians (NRI)	0	0
	(f) Investor Education and Protection Fund Authority Ministry of Corporate Affairs	0	0
	(g) Bodies Corporate	16,267,858	5.01
	(h) Body Corp-Ltd Liability Partnership	0	0
	Sub Total :	33,513,895	10.31
	GRAND TOTAL	**324,897,140**	**100.00**

Dematerialization of Shares:

The Company's equity shares are in dematerialised form. The Company has arrangements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for demat facility. The status of dematerialisation as on March 31, 2026 is as follows:

Description	No. of Shareholders	Shares	% Equity
NSDL	28	324,887,083	99.99
CDSL	2	10,057	0.01
Total	30	324,897,140	100

324,897,140 Equity Shares of ₹ 10/- each (i.e. 100%) of the total capital of the Company have been dematerialized as on March 31, 2026. For any clarification, assistance or information, please contact the Registrar and Transfer Agent of the Company.

Outstanding GDRs/ADRs/Warrants/Convertible Instruments and their impact on equity:

The Company does not have any outstanding GDRs/ ADRs/ Warrants/ Convertible Instruments as on March 31, 2026.

ADDRESS FOR CORRESPONDENCE

Asset Reconstruction Company (India) Limited

The Ruby, 10th Floor, 29, Senapati Bapat Marg,
Dadar (West), Mumbai – 400 028.
E-mail: cs@arcil.co.in

Shareholders are requested to quote their folio no./DP ID & Client ID, e-mail address, telephone number and full address while corresponding with the Company and its Registrar & Transfer Agent.

National Electronic Clearing System (NECS) for dividend:

The remittance of dividend through Electronic Clearing System has been moved to National Electronic Clearing System (NECS) platform through core banking system effective 1st October 2009. Accordingly, dividend will be credited to the shareholders' bank account through NECS where complete core banking details are available with the Company. In the event any branch of a bank has not migrated to core banking system, or where core banking account is not furnished by the shareholder to the Depository/ Company as the case may be, the Company will print details available in its records on the dividend warrants to be issued to the shareholders.

For shares in electronic/dematerialized form:

Investors holding shares in dematerialized or electronic form may check the details on record with the concerned Depository Participant (DP). Pursuant to the Depository Regulations, the Company is obliged to pay dividend on dematerialized shares as per the details furnished by the concerned DP. The Company or the Registrar and Transfer Agent cannot make any change in such records received from the Depository.

Transfer of unclaimed dividend to Investor Education and Protection Fund:

During the year under review, there was no transfer of unclaimed dividend to Investor Education and Protection Fund.

OTHER DISCLOSURES

a. Related Party Transactions:

All the related party transactions as required under Ind AS - 24 are reported in the notes to the financial statement.

Further, there were no contracts or arrangements with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013.

During the year under review, Policy on materiality of RPTs is not applicable to the Company.

The Audit Committee and the Board of Directors of the Company have formulated the Policy on dealing with RPTs and which is uploaded on the website of the Company and can be accessed through the following link: https://www.arcil.co.in/about-us/corporate-governance.

b. Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or SEBI or any statutory authority, on any matter related to capital markets, during the last three years:

No penalty, strictures imposed on the company by stock exchange(s) or the SEBI or any statutory authority, on any matter related to capital markets, during the last three years i.e.- 2023-2024, 2024-25 and 2025-2026, respectively.

There is no significant material orders passed by the Regulators/ Courts or Tribunals impacting the going concern status of the Company's operations in future.

c. Whistle Blower Policy:

The Company has adopted a whistle blower policy and has established the necessary vigil mechanism for employees and directors to report concerns about unethical behavior. No person has been denied access to the Chairman of the Audit Committee. The said policy has been also put up on the website of the Company at the following link: https://www.arcil.co.in/about-us/corporate-governance.

d. Reconciliation of Share Capital Audit:

During the year under review, reconciliation of share capital audit report is not applicable to the company.

e. Code of Conduct:

During the year review, the Code of Conduct was not applicable to the Board as well as the designated employees.

f. Risk Management:

Business risk evaluation and management is an ongoing process within the Company. The assessment is periodically examined by the Risk Management Committee.

g. Non-mandatory requirements:

During the year under review, adoption of non-mandatory requirements is not applicable to the Company.

The following non-mandatory requirements under Part E of Schedule II of the SEBI Listing Regulations to the extent they have been adopted are mentioned below:

- Shareholders' Rights: The Annual Financial Statements are posted on the Company's website and can be accessed at https://www.arcil.co.in/about-us/corporate-governance.
- Modified Opinion in Auditor's Report: During the year under review, there is no audit qualification on the Company's financial statements. The Company continues to adopt best practices to ensure regime of unmodified audit opinion.
- Reporting of Internal Auditor: The Internal Auditor Report along with their observations, if any, are reported to the Audit Committee and has direct access to the Audit Committee.
- Non-Executive Chairman's Office: The Chairman of the Company is Non-Executive Independent Director and his office is separate from the Chief Executive Officer and Managing Director's Office.
- Disclosure on loans or advances: Loans or advances extended by the Company or its subsidiaries, which bear resemblance to loans, to any firms or companies where the Directors of the Company hold an interest are disclosed in notes to the financial statements, if any.

h. Compliances with Governance Framework:

During the financial year the company has complied, to the extent applicable, with the requirements of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.

i. Certificate from a Company Secretary in Practice:

The Company has received a certificate as required under Part C of Schedule V of the Listing Regulations from M/s. Khanna & Co., Practicing Company Secretaries, that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority and the same is annexed to this Report.

j. Recommendation of any Committee:

During the year, there were no instances where Board had not accepted any recommendation of any Committee of the Board which is mandatorily required.

k. Statutory Auditors' Fees:

Total fees paid to MSKA & Associates, Chartered Accountants, Statutory Auditors on annual remuneration of ₹ 55,58,000/- for the Financial Year 2025-2026.

l. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

a. Number of complaints filed during the financial year - NIL

b. Number of complaints disposed of during the financial year - NIL

c. Number of complaints pending at the end of the financial year - NIL

SUBSIDIARY COMPANIES

As per the Companies Act, 2013 ("the Act"), the Company has neither any subsidiary/associate company, nor has entered into any joint venture agreement. The Company continues to be a subsidiary of Avenue India Resurgence Pte. Ltd. The consolidated financial statements of the Company include the accounts of 216 Trusts, consolidated as per Ind-AS. While the Company did not undertake any merger or acquisition during the year at the Company level, its focus was evident in the accelerated growth of the retail business, reflecting a conscious pivot towards granular assets and fee-based model, capital-light business models.

During the year under review, policy for determining 'material subsidiaries' is not applicable to the company.

For and on behalf of the Board
Asset Reconstruction Company (India) Limited

Sd/-
Phanindranath Kakarla
Chief Executive Officer and Managing Director
DIN: 02076676
Date: July 30, 2026
Place: Chennai

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Asset Reconstruction Company (India) Limited,
The Ruby, 10th Floor, 29,
Senapati, Bapat Marg,
Dadar (West), Mumbai - 400 028

We have examined the relevant registers, records, forms, returns and disclosures received from Directors of **Asset Reconstruction Company (India) Limited having CIN No. U65999MH2002PLC134884** and having registered office at The Ruby, 10th Floor, 29, Senapati, Bapat Marg, Dadar (West), Mumbai - 400 028 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2026 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment
1.	Narayanan Subramaniam	00166621	27/05/2021
2.	Sudarshan Sen	03570051	13/11/2023
3.	Ashish Shukla	09145210	06/09/2022
4.	Ashok Kumar Sharma	09832521	26/12/2024
5.	Prasad Naga	07430506	15/07/2025
6.	Balachander Rajaraman	08012912	01/11/2023
7.	Raksha Shashikant Kothari	02184815	16/04/2024
8.	Phanindranath Kakarla	02076676	08/03/2026

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Khanna & Co.
Practicing Company Secretaries

Sd/-
Preeti A. Moorkoth Khanna
Mem.no: F7683
COP: 8468
UDIN: F007683H000993503
Peer Review: 6305/2024

CERTIFICATE IN TERMS OF REGULATION 17(8) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURES REQUIREMENT) REGULATIONS, 2015

The Board of Directors
Asset Reconstruction Company (India) Limited

a) We have reviewed financial statement and the cash flow statement for the year ended March 31, 2026, and that to the best of our knowledge and belief:

   (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.

   (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.

b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we have aware, and the steps taken or propose to take to rectify these deficiencies.

d) We have indicated to the Auditors and the Audit Committee that –

   (i) There has not been any significant change in internal control over financial reporting during the year under reference;

   (ii) There has not been any significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   (iii) there has not been any instances during the year of significant fraud of which we had become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For and on behalf of the Board
Asset Reconstruction Company (India) Limited

Sd/-
Phanindranath Kakarla
Chief Executive Officer and Managing Director
DIN: 02076676

Sd/-
Pramod Kumar Gupta
Chief Financial Officer

Date: July 30, 2026
Place: Mumbai

CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Asset Reconstruction Company (India) Limited

We have examined the compliance of conditions of Corporate Governance by Asset Reconstruction Company (India) Limited (CIN: U65999MH2002PLC134884) (the Company) for the year ended March 31, 2026.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company is an unlisted public company and has complied, to the extent applicable, with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Khanna & Co.
Practicing Company Secretaries

Sd/-
Preeti A. Moorkoth Khanna
Mem.no: F7683
COP: 8468
UDIN: F007683H000993492
Peer Review: 6305/2024

INDEPENDENT AUDITOR'S REPORT

To the Members of
Asset Reconstruction Company (India) Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Asset Reconstruction Company (India) Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2026, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including significant accounting policy information and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No	Key Audit Matters	How the Key Audit Matters was addressed in our audit
1	Valuation of Investments in Security Receipts ("SRs")	We have understood the process of submitting input data and information i.e. Expected future cashflow statements for the recoverable amount of the underlying assets of the related NPAs taken over, as prepared and submitted by the management at the time of first rating, to the approved rating agencies. Subsequent to first rating, updated cash flows are considered of major Trusts to determine NAV.
	Total Investment in SRs as at March 31, 2026: ₹ 402,468.43 Lakhs.	We also held discussions with external agencies to understand their procedures for evaluating the expected cash flows and the methodology used for determining the rating bands of the Security Receipts.
	Security Receipts Written Off ₹ 7,195.93 Lakhs.	On a Sample basis, we have verified the Expected Future Cashflow Statements and understood the management estimates and assumptions and its reasonableness in this regard for the NPAs acquired during the year.
	Fair Valuation Gain of ₹ 19,516.31 Lakhs for the year ended March 31, 2026.	The estimates and associated assumptions are based on historical experience of the management and other factors that are considered relevant by management. These are subject to significant uncertainty. Actual results may differ from these estimates made.
	The Company holds its investment in the form of Security Receipts (SR) issued by the Trusts and represents investment in underlying pool of assets. These investments are classified as fair value through profit and loss.	We have verified the design and operating effectiveness of internal controls over the process of measurement of fair value and the declaration of NAV.

Sr. No	Key Audit Matters	How the Key Audit Matters was addressed in our audit
	The fair value of SRs is determined through discounted cash flow method which involves significant management judgement using inputs such as projection of future cash flows and expenses and recovery rate bands obtained from rating agencies.	Verified the adequacy and accuracy of the disclosures related to investments in SRs and fair valuation included in these financial statements.
	Further, the management has done an assessment to ascertain future recoverability estimates of the underlying assets. In making this assessment the management has used estimates, assumptions and internal and external information available at the date of the Financial Statements.	
	Refer Note 7, Note 24 and Note 30 to the Standalone Financial Statements.	

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors of the Company are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate

in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management and Board of Directors.

- Conclude on the appropriateness of Management and Board of Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the year ended March 31, 2026 (current year) and are therefore, the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid standalone financial statements.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2(h)(vi) below on reporting under Rule 11(g).

   (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the standalone financial statements.

   (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

   (e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.

   (f) The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 2(b) above on reporting under Section 143(3)(b) and paragraph 2(h)(vi) below on reporting under Rule 11(g).

   (g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company does not have any pending litigations which would impact its financial position.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2026.

iv. a. The Management has represented that, to the best of it's knowledge and belief, as disclosed in the note 65 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b. The Management has represented that, to the best of it's knowledge and belief, as disclosed in the note 65 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

c. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.

v. The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend. (Refer Note 71 to the Standalone financial statements).

vi. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility, except in the absence of sufficient and appropriate audit evidence, we are unable to comment that audit trail feature was enabled at the database level in respect of an accounting software to log any direct data changes as explained in Note 74 to the financial statements.

Further, where enabled, audit trail feature has been operated for all relevant transactions recorded in the accounting softwares. Also, during the course of our audit, we did not come across any instance of audit trail feature being tampered with in respect of such accounting software. Additionally, the audit trail of prior year(s) has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in respective years.

3. In our opinion, according to information, explanations given to us, the remuneration paid or provided by the Company to its directors is within the limits laid prescribed under Section 197 read with Schedule V of the Act.

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration Number: 105047W/W101187

Swapnil Kale
Partner
Membership Number: 117812
UDIN: 26117812GCLMWN5013

Mumbai
May 15, 2026

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF ASSET RECONSTRUCTION COMPANY (INDIA) LIMITED FOR THE YEAR ENDED March 31, 2026

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

i. (a) A The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment, investment property and relevant details of right-of-use assets.

B The Company has maintained proper records showing full particulars of intangible assets.

(b) Property, Plant and Equipment have been physically verified by the management at during the year and no material discrepancies were identified on such verification but right of use assets have not been physically verified by the management during the year but there is a regular programme of verification, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in the standalone financial statements, are held in the name of the Company.

(d) According to the information and explanations given to us, the Company has not revalued its property, plant and Equipment (including Right of Use assets) and intangible assets during the year. Accordingly, the provisions stated under clause 3(i)(d) of the Order are not applicable to the Company.

(e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the provisions stated under clause 3(i)(e) of the Order are not applicable to the Company.

ii. (a) The Company is involved in the business of rendering services and does not hold any inventory. Accordingly, the provisions stated under clause 3(ii)(a) of the Order are not applicable to the Company.

(b) During any point of time of the year, the Company has been sanctioned working capital limits more than Rs. 5 crores rupees, in aggregate from Banks, on the basis of security of investment in security receipts. Based on the records examined by us in the normal course of audit of the standalone financial statements, statements filed with such Banks are in agreement with the books of accounts of the Company. Refer note 15 to the standalone financial statements.

iii. According to the information and explanations provided to us, the Company has made investments and granted loans, secured, to company and other parties. The Company has not provided any other Guarantee/Security to companies, firms, Limited Liability Partnerships or any other parties.

iii. (a) According to the information and explanations provided to us, the Company has provided loans to other entity. The details of such loan to party other than Subsidiaries, Joint ventures and Associates are as follows:

Particulars	Loans (₹ in Lakhs)
Aggregate amount granted/ provided during the year - Others	2,000.00
Balance Outstanding as at balance sheet date in respect of above cases - Others	1,987.03

(b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the investments made and terms and conditions in relation to grant of all loans and advances in the nature of loans, investments made are not prejudicial to the interest of the Company.

(c) In case of the loans and advances in the nature of loan, schedule of repayment of principal and payment of interest have been stipulated and the borrowers have been regular in the repayment of the principal and payment of interest.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no amounts overdue for more than ninety days in respect of the loans granted to Company.

(e) According to the information and explanations provided to us, the loans granted has not fallen due during the year. Accordingly, the provisions stated under clause 3(iii)(e) of the Order are not applicable to the Company.

(f) According to the information and explanations provided to us, the Company has not granted loans, including to promoters or related parties as defined in clause (76) of section 2 of the Companies Act, 2013

either repayable on demand or without specifying any terms or period of repayment during the year. Accordingly, the requirement to report under clause 3(iii)(f) of the Order is not applicable to the Company.

iv. According to the information and explanations given to us, there are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013, are applicable and accordingly, the requirement to report under clause 3(iv) of the Order is not applicable to the Company.

v. According to the information and explanations given to us, the Company has neither accepted any deposits from the public nor any amounts which are deemed to be deposits, within the meaning of the provisions of Sections 73 to 76 of the Companies Act, 2013 (or mention 'the Act' if already defined) and the rules framed there under. Accordingly, the requirement to report under clause 3(v) of the Order is not applicable to the Company.

vi. The provisions of sub-Section (1) of Section 148 of the Companies Act, 2013 are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products/ services of the Company. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.

vii. (a) According to the information and explanations given to us and the records examined by us, in our opinion, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, cess, and other statutory dues have been generally been regularly deposited by the Company with appropriate authorities during the year though there has been a slight delay in a few cases. No undisputed amounts payable in respect of these statutory dues were outstanding as at March 31, 2026, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and the records examined by us, there are no dues relating to goods and services tax, provident fund, employees' state insurance, income-tax, cess, and other statutory dues which have not been deposited on account of any dispute.

viii. According to the information and explanations given to us, there are no transaction which are not recorded in the books of account which have been surrendered or disclosed as income during the year in Income-tax Assessment under the Income Tax Act, 1961. Accordingly, the requirement to report as stated under clause 3(viii) of the Order is not applicable to the Company.

ix. (a) In our opinion and according to the information and explanations given to us and the records of the Company examined by us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations provided to us, money raised by way of term loans during the year have been applied for the purpose for which they were raised. Refer Note 15 to the standalone financial statements.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been utilised for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from an any entity or person on account of or to meet the obligations of its subsidiaries, associates, or joint ventures.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has raised loans during the year on the pledge of securities held in its subsidiaries or associate. Further, the Company has not defaulted in repayment of such loans raised.

For details refer Annexure I (A) of Note 7 of the accompanying Standalone Financial Statements

x. (a) In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting requirement under clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partly, or optionally convertible) during the year. Accordingly,

the requirements to report under clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) Based on our examination of the books and records of the Company and according to the information and explanations given to us, we report that no fraud by the Company or no material fraud on the Company has been noticed or reported during the year in the course of our audit.

(b) During the year no report under Section 143(12) of the Act, has been filed by [secretarial auditor or by us] in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the Management, there are no whistle-blower complaints received by the Company during the year.

xii. The Company is not a Nidhi Company. Accordingly, the provisions stated under clause 3(xii)(a) to (c) of the Order are not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till the date of our audit report, for the period under audit.

xv. According to the information and explanations given to us, and based on our examination of the records of the Company, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, the requirement to report on clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the requirements to report under clause 3(xvi)(a) of the Order is not applicable to the Company. The company is registered as a Securitization and Reconstruction Company under SARFAESI Act, 2002 and has a valid certificate to operate as an Asset Reconstruction Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities during the year and accordingly, the provisions stated under clause 3 (xvi)(b) of the Order are not applicable to the Company.

(c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report under clause 3 (xvi)(c) of the Order is not applicable to the Company.

(d) The Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any Core Investment Company (as part of its group. Accordingly, the requirement to report under clause 3(xvi)(d) of the Order is not applicable to the Company

xvii. Based on the overall review of standalone financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Accordingly, the requirement to report under clause 3(xvii) of the Order is not applicable to the Company.

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a Fund as specified in Schedule VII of the Companies Act, 2013 as disclosed in Note 42 to the standalone financial statements.

(b) In respect of ongoing projects, there are no unspent amounts that are required to be transferred to a special account as specified in Schedule VII of the Companies Act, 2013 as disclosed in note 42 to the standalone financial statements.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said Clause has been included in the report.

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration Number: 105047W/W101187

Swapnil Kale
Partner
Membership Number: 117812
UDIN: 26117812GCLMWN5013
Mumbai
May 15, 2026

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF ASSET RECONSTRUCTION COMPANY (INDIA) LIMITED

[Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Asset Reconstruction Company (India) Limited on the Financial Statements for the year ended March 31, 2026]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of Asset Reconstruction Company (India) Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Opinion

In our opinion, the Company, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2026, based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI').

Management's and Board of Director's Responsibility for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls With reference to Standalone Financial Statements

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls With reference to Standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override

of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone1 financial statements to future periods are subject to the risk that the internal financial control with reference to standalone1 financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration Number: 105047W/W101187

Swapnil Kale
Partner
Membership Number: 117812
UDIN: 26117812GCLMWN5013

Mumbai
May 15, 2026

Standalone Balance Sheet

as at 31st March 2026

(₹ in Lakhs)

S. No.	Particulars	Note No.	As at 31st March, 2026	As at 31st March, 2025
I	**Assets**			
(1)	**Financial assets**			
	(a) Cash and Cash Equivalents	3	3,274.24	13,690.75
	(b) Bank Balance other than Cash and Cash Equivalents	4	6,610.52	12,178.04
	(c) Trade Receivables	5	12,239.14	7,204.93
	(d) Loans	6	1,987.03	-
	(e) Investments	7	402,468.43	277,165.13
	(f) Other Financial Assets	8	3,310.48	2,420.96
	Total Financial assets (I)		**429,889.84**	**312,659.81**
(2)	**Non-financial assets**			
	(a) Current Tax Assets (Net)		5,600.13	3,558.77
	(b) Property, Plant and Equipment	10	3,674.05	3,546.14
	(c) Other Intangible Assets	11	353.18	374.96
	(d) Intangible assets under development	12	3.24	67.59
	(e) Other Non-Financial Assets	13	6,564.75	6,174.34
	Total Non-financial assets (II)		**16,195.35**	**13,721.80**
	Total Assets (I + II)		**446,085.19**	**326,381.61**
	Liabilities and Equity			
	Liabilities			
(1)	Financial liabilities			
	(a) Payables	14		
	(i) total otal outstanding dues of micro enterprises and small enterprises		-	34.13
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		2.13	151.28
	(b) Borrowings (other than Debt securities)	15	120,549.46	30,592.97
	(c) Other Financial Liabilities	16	2,743.36	2,985.69
	Total Financial liabilities (III)		**123,294.95**	**33,764.07**
(2)	**Non-financial liabilities**			
	(a) Provisions	17	1,794.22	4,215.28
	(b) Deferred Tax Liabilities (Net)	9	10,481.99	4,565.48
	(c) Other Non-Financial Liabilities	18	2,574.74	7,056.97
	Total Non-financial liabilities (IV)		**14,850.95**	**15,837.73**
(3)	**Equity**			
	(a) Equity Share Capital	19	32,489.71	32,489.71
	(b) Other Equity	19A	275,449.58	244,290.10
	Total Equity (V)		**307,939.29**	**276,779.81**
	Total Liabilities and Equity (III+ IV + V)		**446,085.19**	**326,381.61**

Significant accounting policies

The above balance sheet should be read in conjunction with the accompanying notes 1-76 .

As per our report of even date attached

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration Number : 105047W / W101187

Swapnil Kale
Partner
Membership Number : 117812

Place: Mumbai
Date: May 15, 2026

For Asset Reconstruction Company (India) Limited

Narayanan Subramaniam
Chairman
DIN: 00166621

Phanindranath Kakarla
CEO & MD
DIN: 02076676

Pramod Gupta
Chief Financial Officer

Ameet Kela
Company Secretary

Place: Mumbai
Date: May 15, 2026

Standalone Statement of Profit & Loss

for the year ended on 31st March 2026

(₹ in Lakhs)

S. No.	Particulars	Note No.	Year ended 31st March, 2026	Year ended 31st March, 2025
	Revenue from Operations			
(i)	Fees and Other Income	20	28,009.40	17,190.68
(ii)	Other Operating Income	21	19,131.15	19,225.37
(iii)	Recovery of Security Receipts, Unrealized Fee & Expenses (written off earlier)	22	6,591.41	10,003.12
(iv)	Interest Income	23	2,055.75	1,378.31
(v)	Net Gain on Fair Value Changes-Unrealised	24	19,516.31	11,844.53
	Total Revenue from Operations (I)		**75,304.02**	**59,642.01**
	Other Income (II)	**25**	**3,203.56**	**2,697.63**
	Total Income (III=I+II)		**78,507.58**	**62,339.64**
	Expenses			
(i)	Finance Costs	26	3,618.39	1,249.23
(ii)	Impairment of Financial Instruments/ Financial Assets	27	726.46	389.35
(iii)	Employee Benefits Expenses	28	6,358.86	6,094.13
(iv)	Depreciation, Amortization and Impairment	29	302.28	215.27
(v)	Write off of Security Receipts, Unrealized Fee & Expenses	30	8,680.86	3,671.34
(vi)	Other Expenses	31	3,848.27	2,996.75
	Total Expenses (IV)		**23,535.12**	**14,616.07**
	Profit before tax (V=III-IV)		**54,972.46**	**47,723.57**
	Tax Expense (VI)			
	(1) Current Tax	32	8,271.55	8,688.82
	(2) Deferred Tax (including MAT Credit utilised/ entitlement)		5,916.50	3,503.11
			14,188.05	**12,191.93**
			40,784.41	**35,531.64**
	Profit for the year (VII=V-VI)			
	Other Comprehensive Income			
	a. Items that will not be realised to profit & loss			
	- Remeasurement of defined benefit plans		52.36	(173.26)
	b. Income tax relating to items that will not be realised to profit & loss		(13.18)	43.61
	Total Other Comprehensive Income (a+b)		**39.18**	**(129.65)**
	Comprehensive Income for the period		**40,823.59**	**35,401.99**
	Earnings per equity share: (Nominal Value INR 10/- per share)	35		
	- Basic (in INR)		12.55	10.94
	- Diluted (in INR)		12.55	10.94

Significant accounting policies

The above balance sheet should be read in conjunction with the accompanying notes 1-76 .

As per our report of even date attached

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration Number : 105047W / W101187

Swapnil Kale
Partner
Membership Number : 117812

Place: Mumbai
Date: May 15, 2026

For Asset Reconstruction Company (India) Limited

Narayanan Subramaniam
Chairman
DIN: 00166621

Phanindranath Kakarla
CEO & MD
DIN: 02076676

Pramod Gupta
Chief Financial Officer

Ameet Kela
Company Secretary

Place: Mumbai
Date: May 15, 2026

Standalone Statement of Cash flow

as at 31st March 2026

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit Before Tax	54,972.46	47,723.57
Adjustments for:		
Security Receipts written off	6,908.92	2,040.06
Realisation against investments written off in previous years	(5,240.84)	(1,441.70)
Unrealised fees & expenses written off (net)	134.36	(6,930.14)
Profit on sale of Property, plant & equipment	(4.84)	(2.95)
Depreciation, amortization and impairment	302.28	215.27
Loss on sale of equity shares	-	(11.56)
Profit on mutual fund redemption	(19.81)	(129.83)
Fair Value (gain)/ loss on equity shares	-	5.91
Fair Value (gain)/ loss on security receipts	(19,516.31)	(11,847.38)
Fair Value (gain)/ loss on mutual funds	-	(3.06)
Impairment gain/(loss) on financial instruments	726.46	389.35
Provision for Litigations	(2,349.00)	-
Interest on Income Tax Refund	-	(2,178.20)
Interest on Priority Debt Funding	(15.75)	-
Interest on deposits with Banks	(1,642.15)	(990.38)
Amortisation of deferred employee compensation (Employee Stock Option)	82.80	-
Finance cost	3,618.39	1,249.23
Operating Cash Flow before Working Capital changes	**37,956.97**	**28,088.19**
Working Capital Changes:		
Decrease / (Increase) in Trade Receivables	(5,480.17)	3,942.50
Decrease / (Increase) in Other Financial and Non-Financial Assets	(1,586.64)	1,888.29
Increase / (Decrease) in Payables	(183.28)	43.19
Increase / (Decrease) Other Financial Liabilities	(521.25)	(8,159.30)
Increase/ (Decrease) in Remeasurements of defined benefit plans	52.36	(173.26)
Increase / (Decrease) in Other Non Financial Liabilities and Provisions	(4,554.29)	5,404.68
Cash generated from operations	**25,683.70**	**31,034.29**
Direct taxes paid (net of refunds)	(10,326.12)	985.55
NET CASH GENERATED FROM OPERATING ACTIVITIES (A)	**15,357.58**	**32,019.84**
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets including capital advances	(180.29)	(154.66)
Proceeds from Sale of Fixed Assets	5.30	3.18
Proceeds from redemption of Investments	90,846.58	72,460.81
Investments in Security Receipts	(202,304.40)	(128,148.86)
Payment of Priority Debt Funding	(2,000.00)	-
Investments in Mutual Fund	(7,999.60)	(27,198.74)
Proceeds from sale of equity shares/NCDs	-	19.82
Redemption in Mutual Fund	12,022.27	23,328.77
(Increase) / Decrease in Bank deposits not considered as cash & cash equivalent	5,656.16	(4,253.74)
(Increase) / Decrease in earmarked constituent balances	(156.07)	(157.07)
Interest Received on deposits with bank	1,709.57	927.91
NET CASH (USED IN) INVESTING ACTIVITIES (B)	**(102,400.48)**	**(60,994.38)**

Standalone Statement of Cash flow

as at 31st March 2026

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds / (Repayment) from Short Term Borrowings (net)	47,711.63	10,598.27
Proceeds / (Repayment) from Term Loan (net)	42,244.86	5,000.00
Dividend paid	(9,746.91)	(4,873.46)
Finance cost	(3,525.56)	(1,240.55)
Repayment of Lease Liabilites	(57.63)	(67.24)
NET CASH (USED IN) / GENERATED FROM FINANCING ACTIVITIES (C)	**76,626.39**	**9,417.02**
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	**(10,416.51)**	**(19,557.52)**
Cash and Cash Equivalents at the beginning of the year	**13,690.75**	**33,248.27**
Cash and Cash Equivalents at the end of the year (Refer Note 3)	**3,274.24**	**13,690.75**
Components of Cash & Cash Equivalents		
Balances with banks		
- on current account	3,274.24	2,579.10
- on deposits with maturity less than 3 months	-	11,111.65
	3,274.24	**13,690.75**

The above statement of Cash Flows has been prepared under the Indirect method as set out in Ind AS 7 on Statement of Cash Flows.

Significant accounting policies

The above Statement of cash flow should be read in conjunction with the accompanying notes 1-76 .

As per our report of even date attached

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration Number : 105047W / W101187

Swapnil Kale
Partner
Membership Number : 117812

Place: Mumbai
Date: May 15, 2026

For Asset Reconstruction Company (India) Limited

Narayanan Subramaniam
Chairman
DIN: 00166621

Pramod Gupta
Chief Financial Officer

Place: Mumbai
Date: May 15, 2026

Phanindranath Kakarla
CEO & MD
DIN: 02076676

Ameet Kela
Company Secretary

Standalone Statement of Changes in Equity

for the year ended on 31st March 2026

A. Equity Share Capital

(₹ in Lakhs)

Balance as at April 01, 2025	Changes in Equity Share Capital due to prior period errors	Restated balance as at April 01, 2025	Changes in equity share capital during the year	Balance as at March 31, 2026
32,489.71	-	-	-	32,489.71

Balance as at April 01, 2024	Changes in Equity Share Capital due to prior period errors	Restated balance as at April 01, 2024	Changes in equity share capital during the year	Balance as at March 31, 2025
32,489.71	-	-	-	32,489.71

B. Other Equity

(₹ in Lakhs)

Particulars	Reserves & Surplus						Items of Other Comprehensive Income	Total
	Securities Premium	General Reserve	Impairment Reserve	Contingency Reserve	Stock option outstanding account	Retained Earnings	Re-measurement of net defined benefit plans	
Balance as at March 31, 2024	**90,942.55**	**945.31**	**833.90**	**5,184.56**	**-**	**116,096.32**	**(241.08)**	**213,761.56**
Profit for the year after income tax	-	-	-	-	-	35,531.64	-	35,531.64
Appropriation for Impairment Reserve	-	-	-	-		-	-	-
Other Comprehensive income for the year before income tax	-	-	-	-	-	-	(173.26)	(173.26)
Less: Income tax on Other Comprehensive Income	-	-	-	-	-	-	43.61	43.61
Other Adjustments/Transfer		5,184.56		-5,184.56				
Total Comprehensive Income for the year	**-**	**5,184.56**	**-**	**-5,184.56**	**-**	**35,531.64**	**(129.65)**	**35,401.99**
Dividend paid	-	-	-	-	-	(4,873.46)	-	(4,873.46)
Balance as at March 31, 2025	**90,942.55**	**6,129.87**	**833.90**	**-**	**-**	**146,754.51**	**(370.73)**	**244,290.10**
Profit for the year after income tax	-	-	-	-	-	40,784.41	-	40,784.41

Standalone Statement of Changes in Equity

for the year ended on 31st March 2026

Standalone

(₹ in Lakhs)

Particulars	Reserves & Surplus						Items of Other Comprehensive Income	Total
	Securities Premium	General Reserve	Impairment Reserve	Contingency Reserve	Stock option outstanding account	Retained Earnings	Re-measurement of net defined benefit plans	
Appropriation for Impairment Reserve	-	-	-	-		-	-	-
Other Comprehensive income for the year before income tax	-	-	-	-	-	-	52.36	52.36
Less: Income tax on Other Comprehensive Income	-	-	-	-	-	-	(13.18)	(13.18)
Other Adjustments/Transfer		-		-	82.80			82.80
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**82.80**	**40,784.41**	**39.18**	**40,906.39**
Dividend paid	-	-	-	-	-	(9,746.91)	-	(9,746.91)
Balance as at March 31, 2026	**90,942.55**	**6,129.87**	**833.90**	**-**	**82.80**	**177,792.01**	**(331.55)**	**275,449.58**

Significant accounting policies

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes 1-76 .

As per our report of even date attached

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration Number : 105047W / W101187

Swapnil Kale
Partner
Membership Number : 117812

Place: Mumbai
Date: May 15, 2026

For Asset Reconstruction Company (India) Limited

Narayanan Subramaniam
Chairman
DIN: 00166621

Pramod Gupta
Chief Financial Officer

Place: Mumbai
Date: May 15, 2026

Phanindranath Kakarla
CEO & MD
DIN: 02076676

Ameet Kela
Company Secretary

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2026

1. Corporate Information

Asset Reconstruction Company (India) Limited (Arcil) was incorporated as a public limited company on February 11, 2002 under the Companies Act 1956, and in pursuance of Section 3 under the Securitisation Asset Reconstruction and Security Interest Act, 2002 (SARFAESI Act).

It holds a certificate of registration issued by the Reserve Bank of India (RBI) vide RBI certificate of registration no. 01/2003 dated August 29, 2003 and operates as an Asset Reconstruction Company with powers conferred under the SARFAESI Act.

The company is engaged in the business of non-performing and distressed assets (NPA) from Banks & Financial institutions and resolving them. It is regulated by Reserve Bank of India as a Non-Banking Financial Company (u/s 45 I (f) (iii) of RBI Act, 1934).

The Company is domiciled in India and its registered office is at 10th Floor, The Ruby, Senapati Bapat Marg, Dadar (W), Mumbai – 400 028.

2. Significant accounting policies

2.1 Basis of preparation and presentation

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. The financial statements are presented in INR, the functional currency of the Company and all values are rounded to the nearest lacs. (INR 00,000), except as otherwise indicated.

"The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. The financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards, notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended from time to time, and other accounting principles generally accepted in India.

Historical cost is generally based on actual consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these financial statements is determined on this basis."

Fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety.

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

2.2 Application of new and revised Ind AS

Standard issued and effective:

All the Ind AS issued and notified by the Ministry of Corporate Affairsunder the Companies (Indian Accounting Standards) Amendment Rules, 2025 and the Companies (Indian Accounting Standards) Second Amendment Rules, 2025 till the financial statements are authorised for issue have been considered in preparing these financial statements.

2.3 Key accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, the management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2026

Fair value measurement of Security Receipts

Investments in SRs are measured at latest declared NAV which is based on recovery ratings bands as determined by the independent rating agencies. (Refer 2.13.1.5)

Defined benefit obligations

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. (Refer 2.6)

Useful Lives of Property, Plant and Equipment

The Company reviews the useful life of assets at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods. (Refer 2.8)

Intangible Assets

The Company reviews the useful life of intangible assets at the end of each reporting period. This reassessment may result in change in amortisation expense in future periods. (Refer 2.9)

Expected Credit Loss

ECL on trade receivables, contract asset and funded interest is based on simplified method of ECL computation as permitted under Ind AS 109.

On a prudential basis, an ECL @ 0.40% is being made on outstanding NCDs.

For Loans and priority debt funding, ECL is provided for on individual assessment basis.

Provisions and Contingent Liabilities

A provision is recognized when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. (Refer 2.11)

2.4 Revenue recognition

2.4.1 Management / Trusteeship and other related fees:

Management / Trusteeship and other related fees are recognised when the company satisfies the performance obligation. The Company recognises such revenue from contracts with customers based on a five step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation

Revenue is measured at the amount transaction price (net of variable consideration) allocated to that performance obligation.

Management fee in excess of billing is recognized as unbilled Management fee in the financial statement.

Accrual of management fees is based on commercial arrangement with trusts where Management Fees is accrued and charged as a percentage on the lower band of NAV specified by Credit Rating Agency or declared NAV whichever is lower. The accrual of management fee is discontinued once the NAV rating is withdrawn/ discontinued.

2.4.2 Dividend Income:

Dividend income is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably).

2.4.3 Interest Income:

Interest income from interest bearing financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2026

income can be measured reliably. Interest income is recognised/ estimated using the effective interest rate method. The effective interest rate which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. However, recognition of interest on receivables from Trusts is discontinued when NAV of Security receipts of the Trust becomes Nil. The unrecognised interest is recognised on realisation.

2.4.4 Net income from financial instruments at FVTPL:

Net income from financial instruments at FVTPL includes all realized and unrealized fair value changes.

2.5 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.6 Employee benefits

2.6.1 Retirement benefit costs and termination benefits

Defined contribution plans - Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Defined benefit plans - For defined retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest income), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs and the Gains / loss arising on remeasurement are presented in Other Comprehensive Income.

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

2.6.2 Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered.

Liabilities recognised in respect of other long-term employee benefits in are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

2.6.3 Contributions from employees or third parties to defined benefit plans

Discretionary contributions made by employees or third parties reduce service cost upon payment of these contributions to the plan.

When the formal terms of the plans specify that there will be contributions from employees or third parties, the accounting depends on whether the contributions are linked to service, as follows:

- If the contributions are not linked to services (e.g. contributions are required to reduce a deficit arising from losses on plan assets or from actuarial losses), they are reflected in the remeasurement of the net defined benefit liability (asset).
- If contributions are linked to services, they reduce service costs. For the amount of contribution that is dependent

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on the number of years of service, the Company reduces service cost by attributing the contributions to periods of service using the attribution method required by Ind AS 19.70 for the gross benefits. For the amount of contribution that is independent of the number of years of service, the Company reduces service cost in the period in which the related service is rendered / reduces service cost by attributing contributions to the employees' periods of service in accordance with Ind AS 19.70.

2.6.4 Share based payment

- Equity settled share based payments to employee of the Company are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity settled share based payments to employees is recognized as deferred employee compensation and is expensed in the Statement of Profit and Loss over the vesting period with a corresponding increase in employee stock option outstanding in other equity.

- At the end of each year, the Company revisits its estimate of the number of equity instruments expected to vest and recognised any impact in profit or loss, such that the cumulative expenses reflect the revised estimate, with a corresponding adjustment in other equity.

2.7 Taxation

Income tax expense represents the sum of the current tax and deferred tax.

2.7.1 Current tax

The current tax is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

2.7.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences Deferred Tax Asset will can be utilised.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, is considered as deferred tax in the Balance Sheet when the assets can be measured reliably and it is probable that the future economic benefit associated with it will be realized.

2.7.3 Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.8 Property, plant and equipment (PPE)

The cost of an item of property, plant and equipment is recognised if it is probable that future economic benefits associated with the item will flow to the company and the cost thereof can be measured reliably. All property, plant and equipment are initially recognised at cost. Cost comprises the purchase price and any directly attributable cost to bring the asset to its working condition for its intended use.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Assets purchased during the year are depreciated on the basis of actual number of days the asset has been put to use in the year. Assets individually costing Rs. 5,000/- or less are fully depreciated in the year of purchase.

Estimated Useful life of Assets is as Below:

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for the year ended 31st March 2026

Category of PPE	Estimated Useful life
Office Building	60 years or over the lease period whichever is lower
Leasehold improvements	60 years or over the lease period whichever is lower
Furniture & Fixtures	6.67 years
Office Equipment	5 years
Computers	3 years
Vehicles	5 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or sale of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.9 Intangible assets

2.9.1 Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Estimated useful life of software is 4 years.

2.9.2 Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in Statement of profit or loss when the asset is derecognised.

2.10 Investment in Subsidiary and Associates

Trusts are special purpose vehicles formed under SARFAESI and RBI guidelines which are managed by Arcil in its capacity as a Trustee.

Control is defined to mean where an entity has power over the investee, existing rights that give it the current ability to direct the relevant activities and it also has exposure to variable returns from the Trusts.

For Trusts where Arcil's outstanding Investment in Security Receipts are more than 25%, have been considered as subsidiaries. For Trusts where Arcil's outstanding Investment in Security Receipts are between 20% to 25%, have been considered as Associates.

Investment in subsidiaries and associates are measured in accordance with Ind AS 109 in Standalone Financial Statements.

2.11 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

A Contingent Liability is disclosed unless the possibility of an outflow of resources embodying the economic benefits is remote. Contingent assets are not recognized in the financial statements.Contingent Assets are neither recognised nor disclosed in the Financial Statements.

2.12 Financial instruments

Financial assets and financial liabilities are recognised when Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Notes forming part of the Standalone Financial Statements

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2.13.1 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

2.13.1.1 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in profit or loss OCI for FVTOCI debt instruments. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss.

All other debt instruments are subsequently measured at fair value through profit and loss.

The Financial assets contain Management fees and expenses recoverable from Trusts.

2.13.1.2 Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument which are at amortised cost and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the “Other income” line item.

2.13.1.3 Investments in equity instruments at FVTOCI

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the ‘Reserve for equity instruments through other comprehensive income’. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

2.13.1.4 Equity investments at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss.

Dividends on investments in equity instruments are recognised as ‘other income’ when the Company’s right to receive the dividends is established.

2.13.1.5 Investment in Security receipts at fair value through profit or loss (FVTPL)

Investments in Security receipts are classified as at FVTPL. Investment in Security receipts at FVTPL are measured at fair value at the end of each reporting period, with any gains

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or losses arising on remeasurement recognised in profit or loss. In respect of Security Receipts, the last declared NAV which is based on rating / grading reviewed by an approved Credit Rating agencies are considered as fair value. For cases which fall under planning period as defined by the RBI guidelines for SC/RC, cost of Security Receipts are considered as fair value which is normally the transaction cost. The initial rating is assigned within six months from the date of acquisition of assets. Thereafter, ratings are reviewed at six monthly intervals i.e as on 30th June and 31st December every year. However, the NAV has been reviewed on a continuous basis so that any material change in valuation of SRs is recognized immediately .

2.13.1.6 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI and other contractual rights to receive cash or other financial assets.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

ECL on trade receivables, contract asset and funded interest is based on simplified method of ECL computation as permitted under Ind AS 109.

On a prudential basis, an ECL @ 0.40% is being made on outstanding NCDs.

For Loans and priority debt funding, ECL is provided for on individual assessment basis.

2.13.1.7 Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss, other than on sale of equity instruments designated at FVTOCI.

2.13.1.18 Write Off

a) Security Receipts

Outstanding Investments in Security Receipts are written off if there is no realistic prospect of recovery from such trusts on expiry of maximum resolution period of 8 years (including period with other ARCs) or on closure of the concerned Trust; whichever is earlier. Any subsequent recoveries made are recognised in profit or loss.

b) Management Fees and Other recoverable from Trust

Management Fees and Other recoverable from trust are written off if there is no realistic prospect of recovery from such trusts on expiry of maximum resolution period or on closure of the concerned Trust; whichever is earlier. Any subsequent recoveries made are recognised in profit or loss.

c) Loans

Loan and Debt securities will be written off when they remain overdue continuously for a period more than 3 years and there is no reasonable expectation of recovery from such financial assets. Any subsequent recoveries towards the same will be credited in statement of profit and loss.

2.13.2 Financial liabilities and equity instruments

2.13.2.1 Classification as debt or equity

Debt and equity instruments issued by Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2.13.2.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by Company are recognised at the proceeds received, net of direct issue costs.

2.13.2.3 Financial liabilities

All financial liabilities are initially measured at fair value, net of transaction costs and are subsequently measured at amortised cost using the effective interest method or at FVTPL when the financial liability is held for trading.

A financial liability is classified as held for trading if:

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- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

2.13.2.4 Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.13.3 Offsetting of Financial Assets and Financial Liabilities:

The financial assets and financial liabilities are offset and the net amount is reported in the balance sheet when:

- the Company currently has a legally enforceable right to offset the amounts; and
- it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty

2.14 Earnings per equity share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the year.

Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

2.15 Statement of Cash Flows

The statement of cash flows shows the changes in cash and cash equivalents arising during the year from operating activities, investing activities and financing activities

The cash flows from operating activities are determined by using the indirect method. Net income is therefore adjusted by non-cash items, such as measurement gains or losses, changes in provisions, impairment of property, plant and equipment and intangible assets, as well as changes from receivables and liabilities. In addition, all income and expenses from cash transactions that are attributable to investing or financing activities are eliminated.

The cash flows from investing and financing activities are determined by using the indirect method.

2.16 Foreign Currency Transactions

Foreign currency transactions are recorded at the rate prevailing on the date of transaction. Foreign currency monetary items outstanding as at the Balance Sheet date are restated at the closing rate of exchange. The resulting exchange gain/loss is reflected in the Statement of Profit and Loss.

2.17 Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

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The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

2.18 Impairment of non-financial assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

2.19 Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2.20 Expenses on behalf of the trusts

Pre- Acquisition expenses

Expenses incurred at pre-acquisition stage are recognised as expenses for the period in which such costs are incurred.

Post- Acquisition expenses

Expenses incurred after acquisition of assets on the formation of the trusts like stamp duty and registration charges which are recoverable from the trusts, are written off, if these expenses are not realised within 180 days from the planning period or downgrading of SRs [i.e. Net Asset Value (NAV) is less than 50% of the face value of SRs] whichever is earlier. Any subsequent recoveries made are recognised in profit or loss.

3. Cash and Cash Equivalents

(₹ in Lakhs)

Particulars		As at 31st March, 2026	As at 31st March, 2025
I.	Cash on Hand	-	-
II.	Balances with Banks;		
(a)	In current accounts	3,274.24	2,579.10
(b)	In deposits with maturity of 3 months or less	-	11,111.65
Total		**3,274.24**	**13,690.75**

4. Bank Balance other than Cash and Cash Equivalents

(₹ in Lakhs)

Particulars		As at 31st March, 2026	As at 31st March, 2025
I.	Bank Balance other than Cash and Cash Equivalents	-	-
(a)	Deposits with maturity greater than 3 months but less than 12 months	4,001.59	9,725.18
(b)	Earmarked Balances/Deposits		
	-Deposit held for statutory disputes	1,955.78	1,832.91
	-Monies held on behalf of Trusts/other constituents	391.82	375.55
	-FD against bank guarantee issued on behalf of trusts	261.33	244.40
Total		**6,610.52**	**12,178.04**

Notes forming part of the Standalone Financial Statements

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5. Trade Receivables

(₹ in Lakhs)

Particulars		As at 31st March, 2026	As at 31st March, 2025
	Trade Receivables - Not due		
(a)	Secured, considered good	-	-
(b)	Unsecured, considered good:		
	Billed Revenue	8,214.15	4,572.69
	Unbilled Revenue	5,761.73	3,639.38
		13,975.88	**8,212.07**
	Less: Impairment Loss Allowance (ECL)	(1,736.74)	(1,007.14)
Total		**12,239.14**	**7,204.93**

Ageing for trade receivables outstanding as at March 31, 2026

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Billed Revenue	5,074.64	1,299.51	696.54	1,136.06	7.40	8,214.15
Unbilled Revenue	2,902.88	848.14	1,608.15	401.93	0.63	5,761.73
Total	**7,977.52**	**2,147.65**	**2,304.69**	**1,537.99**	**8.03**	**13,975.88**

Ageing for trade receivables outstanding as at March 31, 2025

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Billed Revenue	2,658.85	374.06	1,472.25	7.40	60.13	4,572.69
Unbilled Revenue	2,675.15	415.94	419.27	21.73	107.29	3,639.38
Total	**5,334.00**	**790.00**	**1,891.52**	**29.13**	**167.42**	**8,212.07**

6. Loans

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Priority Debt	2,000.00	-
Accrued Interest	15.75	-
Gross	**2,015.75**	**-**
Less: Impairment Loss Allowance (ECL)	(28.72)	-
Net	**1,987.03**	**-**

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2026

7. Investments

(₹ in Lakhs)

Particulars	As at March 31, 2026			As at March 31, 2025		
	Amortised Cost	Fair Value through profit or loss	Total	Amortised Cost	Fair Value through profit or loss	Total
Investments						
Security Receipts						
-Subsidiaries	-	250,911.15	250,911.15	-	168,126.09	168,126.09
-Associates	-	20,628.01	20,628.01	-	7,479.63	7,479.63
-Others	-	130,929.27	130,929.27	-	97,556.55	97,556.55
Mutual Fund	-	-	-		4,002.86	4,002.86
Total	**-**	**402,468.43**	**402,468.43**	**-**	**277,165.13**	**277,165.13**
(i) Overseas Investments	-	-	-	-	-	-
(ii) Investments in India	-	402,468.43	402,468.43	-	277,165.13	277,165.13
Total	**-**	**402,468.43**	**402,468.43**	**-**	**277,165.13**	**277,165.13**
Current	-	86,940.40	86,940.40	-	70,741.16	70,741.16
Non Current	**-**	**315,528.03**	**315,528.03**	**-**	**206,423.97**	**206,423.97**

Annexure I

(A) Investments in Security Receipts :

(₹ in Lakhs)

Sr. No	Trust / Scheme Name	Number of Security Receipts as at March 31, 2026	Number of Security Receipts as at March 31, 2025	Outstanding Face Value (Rs. Per Unit) as at March 31, 2026	Outstanding Face Value (Rs. Per Unit) as at March 31, 2025	Fair value as at March 31, 2026	Fair value as at March 31, 2025
Investments classified as Subsidiary							
1	Arcil-AST-001-X-Trust	-	473,400.00	-	618.34	-	191.15
2	Arcil-AST-001-XI-Trust	79,300.00	79,300.00	1.00	1,000.00	-	396.50
3	Arcil-AST-024-I-Trust	47,200.00	47,200.00	825.20	1,000.00	-	92.65
4	Arcil-AST-026-I-Trust	111,200.00	111,200.00	760.16	932.38	-	136.13
5	Arcil-AST-024-II-Trust ^ @	650,000.00	650,000.00	543.63	601.05	0.35	139.08
6	Arcil-CPS-008-II-Trust ^ @	-	825,000.00	-	1.00	-	705.69
7	Arcil-CPS-II-Trust - Class A ^ @	-	433,031.00	-	427.17	-	1,849.78
8	Arcil-CPS-II-Trust - Class B ^ @	-	87,003.00	-	1,000.00	-	702.81
9	Arcil-SBPS-060-I-Trust ^ @	125,575.00	125,575.00	193.04	425.60	363.62	801.66
10	Arcil-SBPS-041-I-Trust ^ @	290,000.00	290,000.00	1.00	1.00	585.52	861.56
11	Arcil- SBPS-006-VII Trust ^ @	251,500.00	251,500.00	1.00	1.00	2,342.01	2,485.45
12	Arcil-Retail Port-048-A-Trust	-	59,780.00	-	1.00	-	231.92
13	Arcil-Retail Port-042-A-Trust ^ @	-	332,500.00	-	1.00	-	73.92
14	Arcil-Retail Port-032-A-Trust ^ @	-	49,666.00	-	1.00	-	98.81
15	Arcil-Retail Port-049-A-Trust ^ @	-	46,800.00	-	1.00	-	-
16	Arcil Retail Loan Portfolio-045-B-Trust ^ @	377,600.00	377,600.00	1.00	114.02	2.83	645.81
17	Arcil Retail Loan Portfolio-042-B-Trust ^ @	205,728.00	205,728.00	1.00	1.00	296.26	428.00
18	Arcil Retail Loan Portfolio-053-A-Trust ^ @	262,814.00	262,814.00	479.78	649.46	578.89	853.44

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2026

(₹ in Lakhs)

Sr. No	Trust / Scheme Name	Number of Security Receipts as at March 31, 2026	Number of Security Receipts as at March 31, 2025	Outstanding Face Value (Rs. Per Unit) as at March 31, 2026	Outstanding Face Value (Rs. Per Unit) as at March 31, 2025	Fair value as at March 31, 2026	Fair value as at March 31, 2025
19	Arcil-Retail Loan Portfolio-058-B-Trust	616,547.00	616,547.00	1.00	152.73	9.25	1,412.48
20	Arcil-Retail Loan Portfolio-060-A-Trust	142,500.00	142,500.00	17.90	93.53	625.49	714.22
21	Arcil-Retail Loan Portfolio-061-A-Trust	153,421.00	153,421.00	269.85	336.62	207.00	258.22
22	Arcil-Retail Loan Portfolio-058-C-Trust	211,375.00	211,375.00	1.00	1.00	816.54	1,154.57
23	Arcil-Retail Loan Portfolio-42-D-Trust	240,854.00	240,854.00	1.00	78.59	791.72	283.93
24	Arcil-Retail Loan Portfolio-042-E-Trust	269,051.00	269,051.00	1.27	130.24	1,425.21	559.15
25	Arcil-Retail Loan Portfolio-042-F-Trust	219,769.00	219,769.00	762.83	829.49	1,257.35	1,822.96
26	Arcil-Retail Loan Portfolio-042-I-Trust	32,694.00	32,694.00	662.09	749.65	162.35	245.09
27	Arcil-Retail Loan Portfolio-042-H-Trust	97,252.00	97,252.00	586.39	693.58	427.71	674.52
28	Arcil-Retail Loan Portfolio-042-G-Trust	226,915.00	226,915.00	584.57	702.40	994.86	1,593.85
29	Arcil-Retail Loan Portfolio-029-B-Trust ^ @	342,648.00	342,648.00	181.72	457.06	934.01	2,349.16
30	Arcil-Retail Loan Portfolio-074-A-Trust ^ @	199,971.00	199,971.00	1.00	138.80	2,946.54	3,538.00
31	Arcil-SBPS-I-Trust ^ @	-	779,500.00	-	420.48	-	2,458.23
32	Arcil-SBPS 073-I Trust ^ @	542,000.00	542,000.00	1.00	1.00	5,414.71	4,270.50
33	Arcil-Retail Loan Portfolio-074-B-Trust	133,375.00	133,375.00	101.74	219.63	924.86	964.97
34	Arcil-Retail Loan Portfolio-045-C-Trust	137,500.00	137,500.00	503.82	633.48	1,039.13	1,306.55
35	Arcil-AST-001-XVIII-Trust - Class A ^ @	-	145,962.00	-	195.41	-	427.84
36	Arcil-AST-003-VIII-Trust - Class A ^ @	-	118,349.00	-	167.38	-	292.04
37	Arcil-AST-RA-001 Trust ^ @	300,000.00	300,000.00	790.62	805.51	1,778.90	1,812.40
38	Arcil-AST-030-II-Trust - Class A ^ @	-	9,338.00	-	231.73	-	20.19
39	Arcil-CPS-IV-Trust - Class A ^ @	-	1,443,558.00	-	362.19	-	4,770.17
40	Arcil-CPS-IV-Trust - Class B ^ @	-	306,442.00	-	1,000.00	-	2,795.83
41	Arcil-Retail Loan Portfolio-092-A-Trust - Class A	-	472,748.00	-	231.16	-	1,006.08
42	Arcil-Retail Loan Portfolio-092-A-Trust - Class B	-	106,368.00	-	1,000.00	-	979.27
43	Arcil-2024C-001 -Trust	149,486.00	149,486.00	406.94	541.58	912.48	1,214.38
44	Arcil-2024C-003 -Trust	1,493,029.00	1,493,029.00	462.41	710.55	10,355.87	15,913.08
45	Arcil-2024C-004 -Trust	1,402,991.00	1,402,991.00	397.33	657.89	8,361.79	13,845.24
46	Arcil-2024C-005 -Trust	135,232.00	135,232.00	796.21	862.27	1,615.10	1,749.10
47	Arcil-2024C-007-Trust ^ @	541,000.00	541,000.00	683.09	957.70	4,924.27	6,383.19
48	Arcil-2024C-006 -Trust	97,070.00	97,070.00	894.60	975.79	1,302.58	1,420.80
49	Arcil-Trust-2025C-001 ^ @	192,792.00	192,792.00	908.60	1,000.00	2,627.56	2,711.62

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2026

(₹ in Lakhs)

Sr. No	Trust / Scheme Name	Number of Security Receipts as at March 31, 2026	Number of Security Receipts as at March 31, 2025	Outstanding Face Value (Rs. Per Unit) as at March 31, 2026	Outstanding Face Value (Rs. Per Unit) as at March 31, 2025	Fair value as at March 31, 2026	Fair value as at March 31, 2025
50	Arcil-Trust-2025C-005 ^ @	970,000.00	970,000.00	915.54	1,000.00	12,858.42	13,006.73
51	Arcil-Trust-2025C-003	33,645.00	33,645.00	738.36	773.38	372.63	390.31
52	Arcil-Trust-2025C-004	250,400.00	250,400.00	726.99	780.19	2,730.57	2,930.39
53	Arcil-Trust-2025C-006	113,440.00	113,440.00	739.23	930.39	1,257.87	1,583.15
54	Arcil-Trust-2025C-007 ^ @	135,000.00	135,000.00	1,000.00	1,000.00	2,025.00	1,949.27
55	Arcil-Trust-2025C-008	305,300.00	305,300.00	955.41	1,000.00	3,652.79	3,786.64
56	Arcil-Trust-2025C-010	117,500.00	117,500.00	861.35	1,000.00	1,518.13	1,762.50
57	Arcil-Trust-2025C-009	116,800.00	116,800.00	824.09	899.72	1,443.81	1,576.31
58	Arcil-Trust-2025C-012	273,803.00	273,803.00	721.75	910.30	2,571.59	2,923.62
59	Arcil-Trust-2025-008 - Class A	701,050.00	701,050.00	790.30	938.92	5,078.41	5,856.29
60	Arcil-Trust-2025-008 - Class B	195,293.00	195,293.00	1,000.00	1,000.00	1,790.09	1,737.53
61	Arcil-Trust-2025C-015 ^ @	295,955.00	295,955.00	982.83	1,000.00	4,014.64	2,959.55
62	Arcil-Trust-2025C-013 ^ @	1,200,000.00	1,200,000.00	462.44	596.18	6,817.29	7,154.16
63	Arcil-Trust-2025C-011	63,200.00	63,200.00	814.22	951.48	771.88	878.91
64	Arcil-Trust-2025C-014	92,500.00	92,500.00	712.77	1,000.00	988.97	925.00
65	Arcil-Trust-2025-015 - Class A	652,953.00	652,953.00	765.97	983.78	4,711.47	6,423.62
66	Arcil-Trust-2025-015 - Class B	94,102.00	94,102.00	1,000.00	1,000.00	886.50	941.02
67	Arcil-Trust-2025-016 - Class A	-	388,885.00	-	652.73	-	2,538.37
68	Arcil-Trust-2025C-016	78,600.00	78,600.00	855.07	937.80	1,008.13	737.11
69	Arcil-Trust-2025C-019 ^ @	150,000.00	150,000.00	681.74	1,000.00	1,533.92	1,500.00
70	Arcil-Trust-2025C-018 ^ @	1,100,000.00	1,100,000.00	936.62	1,000.00	15,429.50	11,000.00
71	Arcil-Trust-2025-010 - Class A	-	137,040.00	-	1,000.00	-	1,370.40
72	Arcil-Trust-2025C-017	114,800.00	114,800.00	887.41	1,000.00	1,528.12	1,148.00
73	Arcil-Trust-2026C-003 ^ @	1,757,230.00	-	1,000.00	-	23,242.88	-
74	Arcil-Trust-2026C-002 ^ @	69,500.00	-	1,000.00	-	834.56	-
75	Arcil-Trust-2026C-001	340,300.00	-	914.93	-	4,670.26	-
76	Arcil-Trust-2026-001 - Class B	110,010.00	-	299.49	-	494.20	-
77	Arcil-Trust-2026-003	43,150.00	-	572.50	-	239.14	-
78	Arcil-Trust-2026-004	48,630.00	-	695.29	-	353.19	-
79	Arcil-Trust-2026C-004 ^ @	98,972.00	-	1,000.00	-	1,095.32	-
80	Arcil-Trust-2026C-005 ^ @	343,400.00	-	1,000.00	-	3,601.92	-
81	Arcil-Trust-2026C-006 ^ @	240,000.00	-	819.99	-	2,717.18	-
82	Arcil-Trust-2026C-008 ^ @	185,000.00	-	1,000.00	-	2,122.51	-
83	Arcil-Trust-2026C-009	167,700.00	-	995.34	-	2,503.78	-
84	Arcil-Trust-2026-016 - Class A	180,318.00	-	495.51	-	811.03	-
85	Arcil-Trust-2026-016 - Class B	38,127.00	-	1,000.00	-	346.10	-
86	Arcil-Trust-2026-009 - Class A	145,080.00	-	238.89	-	519.87	-
87	Arcil-Trust-2026-009 - Class B	67,704.00	-	1,000.00	-	782.93	-
88	Arcil-Trust-2026C-007	312,500.00	-	911.30	-	4,271.72	-
89	Arcil-AST-001-XVIII-Trust - Class B ^ @	-	16,086.00	-	1,000.00	-	241.29
90	Arcil-AST-003-VIII-Trust - Class B ^ @	-	13,043.00	-	1,000.00	-	174.05
91	Arcil-AST-030-II-Trust - Class B ^ @	-	1,030.00	-	1,000.00	-	12.25

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2026

(₹ in Lakhs)

Sr. No	Trust / Scheme Name	Number of Security Receipts as at March 31, 2026	Number of Security Receipts as at March 31, 2025	Outstanding Face Value (Rs. Per Unit) as at March 31, 2026	Outstanding Face Value (Rs. Per Unit) as at March 31, 2025	Fair value as at March 31, 2026	Fair value as at March 31, 2025
92	Arcil-Trust-2025-005 - Class A	-	286,000.00	-	422.23	-	1,092.15
93	Arcil-Trust-2025-005 - Class B	-	54,600.00	-	1,000.00	-	493.81
94	Arcil-Trust-2025-016 - Class B	-	108,333.00	-	1,000.00	-	1,083.33
95	Arcil-Trust-2025-010 - Class B	-	30,834.00	-	1,000.00	-	308.34
96	Arcil-Trust-2026C-013 ^ @	470,000.00	-	1,000.00	-	4,700.00	-
97	Arcil-Trust-2026C-014 ^ @	430,963.00	-	978.00	-	4,215.12	-
98	Arcil-Trust-2026C-011 ^ @	615,000.00	-	611.00	-	3,754.76	-
99	Arcil-Trust-2026C-012 ^ @	250,000.00	-	980.00	-	2,449.75	-
100	Arcil-Trust-2026C-010 ^ @	421,700.00	-	1,000.00	-	4,217.00	-
101	Arcil-Trust-2026-013 - Class A	119,610.00	-	924.00	-	1,105.51	-
102	Arcil-Trust-2026-013 - Class B	31,900.00	-	1,000.00	-	319.00	-
103	Arcil-Trust-2026-022 - Class A	2,563,900.00	-	825.00	-	21,149.87	-
104	Arcil-Trust-2026-022 - Class B	470,000.00	-	1,000.00	-	4,700.00	-
105	Arcil-Trust-2026-021 - Class A	609,100.00	-	554.00	-	3,374.17	-
106	Arcil-Trust-2026-021 - Class B	102,800.00	-	1,000.00	-	1,028.00	-
107	Arcil-Trust-2026-023 - Class A	291,200.00	-	625.00	-	1,821.14	-
108	Arcil-Trust-2026-023 - Class B	99,150.00	-	1,000.00	-	991.50	-
109	Arcil-Trust-2026-028 - CLASS A	116,240.00	-	1,000.00	-	1,162.40	-
110	Arcil-Trust-2026-028 - CLASS B	31,000.00	-	1,000.00	-	310.00	-
111	Arcil-Trust-2026-029 - CLASS A	79,450.00	-	1,000.00	-	794.50	-
112	Arcil-Trust-2026-029 - CLASS B	20,291.00	-	1,000.00	-	202.91	-
113	Arcil-Trust-2026-030 - CLASS A	33,450.00	-	1,000.00	-	334.50	-
114	Arcil-Trust-2026-030 - CLASS B	11,390.00	-	1,000.00	-	113.90	-
115	Arcil-Trust-2026-034 - CLASS A	123,780.00	-	250.00	-	309.69	-
116	Arcil-Trust-2026-034 - CLASS B	505,800.00	-	1,000.00	-	5,058.00	-
117	Arcil-Trust-2026C-015 ^ @	40,584.00	-	1,000.00	-	405.84	-
118	Arcil-Trust-2026C-017	104,300.00	-	1,000.00	-	1,043.00	-
119	Arcil-Trust-2026C-019	632,950.00	-	1,000.00	-	6,329.50	-
120	Arcil-Trust-2026C-023	540,000.00	-	1,000.00	-	5,400.00	-
	Sub Total (I)	**30,194,909.00**	**24,058,026**			**250,911.15**	**168,126.09**
	Investments classified as Associate						
121	Arcil-AST-003-IV-Trust	-	100,000.00	-	203.20	-	0.51
122	Arcil-Retail Loan Portfolio-022-A-Trust	76,946.00	76,946.00	98.00	200.70	-	42.22
123	Arcil-CPS-081-I-Trust ^ @	183,900.00	183,900.00	446.00	727.73	820.40	1,338.30
124	ARCIL-TRUST-2024-001 ^ @	280,000.00	280,000.00	915.00	986.98	1,921.88	2,072.65
125	Arcil-Trust-2025-013	72,620.00	72,620.00	905.00	1,000.00	652.66	726.20
126	Arcil-Trust-2025-012	246,275.00	246,275.00	628.00	1,000.00	1,387.72	2,462.75
127	Arcil-Trust-2025-018	83,700.00	83,700.00	769.00	1,000.00	582.43	837.00
128	Arcil-Trust-2026-012 ^ @	180,000.00	-	1,000.00	-	1,350.00	-
129	Arcil-Trust-2026-019	60,620.00	-	853.00	-	477.93	-
130	Arcil-Trust-2026-017	179,800.00	-	964.00	-	1,520.03	-

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2026

(₹ in Lakhs)

Sr. No	Trust / Scheme Name	Number of Security Receipts as at March 31, 2026	Number of Security Receipts as at March 31, 2025	Outstanding Face Value (Rs. Per Unit) as at March 31, 2026	Outstanding Face Value (Rs. Per Unit) as at March 31, 2025	Fair value as at March 31, 2026	Fair value as at March 31, 2025
131	Arcil-Trust-2026-018	124,300.00	-	952.00	-	1,071.62	-
132	Arcil-Trust-2026-011	99,260.00	-	872.00	-	800.24	-
133	Arcil-Trust-2026-010	304,120.00	-	966.00	-	2,578.65	-
134	Arcil-Trust-2026-024	81,000.00	-	959.00	-	776.43	-
135	Arcil-Trust-2026-025 - CLASS A	128,610.00	-	378.00	-	486.25	-
136	Arcil-Trust-2026-025 - CLASS B	109,320.00	-	1,000.00	-	1,093.20	-
137	Arcil-Trust-2026-031	72,440.00	-	1,000.00	-	724.40	-
138	Arcil-Trust-2026-032	82,860.00	-	1,000.00	-	828.60	-
139	Arcil-Trust-2026-033	102,560.00	-	1,000.00	-	1,025.60	-
140	Arcil-Trust-2026-035	66,800.00	-	1,000.00	-	668.00	-
141	Arcil-Retail Loan Portfolio-092-A-Trust - CLASS A	472,748.00	-	198.00	-	870.87	-
142	Arcil-Retail Loan Portfolio-092-A-Trust - CLASS B	106,368.00	-	1,000.00	-	991.09	-
		-	-	-	-	-	-
Sub Total (II)		**3,114,247.00**	**1,043,441.00**			**20,628.01**	**7,479.63**
	Investment classified as Others						
143	Arcil-AST-002-IV-Trust ^ @	481,135.00	481,135.00	421.03	647.78	3,038.58	2,337.52
144	Arcil-AST-017-III-Trust	-	47,250.00	-	1,000.00	-	236.25
145	Arcil-AST-001-XIV-Trust ^ @	96,000.00	96,000.00	1.00	1.00	159.57	20.23
146	Arcil-AST-026-II-Trust ^ @	36,345.00	36,345.00	1.00	1.00	68.71	16.24
147	Arcil-AST-063-I-Trust ^ @	59,985.00	59,985.00	1,000.00	1,000.00	599.85	599.85
148	Arcil-AST-063-II-Trust ^ @	97,515.00	97,515.00	1,000.00	1,000.00	975.15	975.15
149	Arcil-AST-IX Trust ^ @	1,351,500.00	1,351,500.00	155.11	334.04	2,370.58	4,064.48
150	Arcil-AST 023-VI Trust ^ @	-	84,975.00	-	510.48	-	1,002.29
151	Arcil-AST-071-I-Trust ^ @	9,750.00	9,750.00	1.00	1.00	11.81	7.54
152	Arcil-AST-072-I-Trust ^ @	-	171,300.00	-	517.18	-	2,000.61
153	Arcil-CPS-015-II-Trust ^ @	-	45,000.00	-	394.89	-	44.43
154	Arcil-CPS-062-I-Trust ^ @	915,000.00	915,000.00	444.24	819.72	2,068.60	5,502.84
155	Arcil-CPS-I Trust ^ @	1,024,500.00	1,024,500.00	245.13	293.50	2,511.36	3,006.91
156	Arcil-CPS-065-I-Trust ^ @	1,650,000.00	1,650,000.00	885.50	947.07	12,718.74	13,562.35
157	Arcil-SBPS-008-II-Trust ^ @	339,480.00	339,480.00	695.00	732.58	1,585.81	1,839.85
158	Arcil-SBPS-008-III-Trust ^ @	514,905.00	514,905.00	221.00	577.80	1,043.93	2,535.50
159	Arcil-SBPS-049-I-Trust ^ @	-	147,000.00	-	140.85	-	202.66
160	Arcil-Retail Port-047-B-Trust ^ @	-	33,845.00	-	1.00	-	16.17
161	Arcil Retail Loan Portfolio-058-A-Trust ^ @	69,094.00	69,094.00	89.00	221.16	46.06	152.81
162	Arcil-Retail Loan Portfolio-042-C-Trust ^ @	17,566.00	17,566.00	171.00	344.06	30.07	60.44
163	Arcil-Retail Loan Portfolio-059-A-Trust ^ @	8,341.00	8,341.00	140.00	254.65	8.73	21.24
164	Arcil-Retail Loan Portfolio-017-B-Trust	34,275.00	34,275.00	1.00	1.00	453.35	0.34
165	Arcil-AST-026-III-Trust ^ @	-	225,000.00	-	565.88	-	2,597.90
166	Arcil-SBPS-008-IV-Trust ^ @	102,000.00	102,000.00	669.00	818.00	370.76	578.13

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2026

(₹ in Lakhs)

Sr. No	Trust / Scheme Name	Number of Security Receipts as at March 31, 2026	Number of Security Receipts as at March 31, 2025	Outstanding Face Value (Rs. Per Unit) as at March 31, 2026	Outstanding Face Value (Rs. Per Unit) as at March 31, 2025	Fair value as at March 31, 2026	Fair value as at March 31, 2025
167	Arcil-Retail Loan Portfolio-073-A-Trust $ #	49,778.00	49,778.00	1.00	1.00	141.58	180.81
168	Arcil-Retail Loan Portfolio-073-B-Trust ^ @	46,742.00	46,742.00	1.00	1.00	116.07	115.59
169	Arcil-Retail Loan Portfolio-077-A-Trust ^ @	56,566.00	56,566.00	130.00	198.31	71.55	108.11
170	Arcil-Retail Loan Portfolio-078-A-Trust $	517,447.00	517,447.00	627.00	633.74	2,432.36	3,080.21
171	Arcil-Retail Loan Portfolio-078-B-Trust	288,182.00	288,182.00	756.00	790.17	1,089.43	1,707.85
172	Arcil-AST-001-XVI-Trust ^ @	-	40,600.00	-	669.24	-	407.57
173	Arcil-AST-004-III-Trust ^ @	-	60,701.00	-	670.60	-	610.59
174	Arcil-AST-085-I Trust ^ @	74,642.00	74,642.00	1,000.00	1,000.00	746.42	746.42
175	Arcil-CPS-III Trust ^ @	1,053,000.00	1,053,000.00	1,000.00	1,000.00	10,530.00	10,530.00
176	Arcil-Retail Loan Portfolio-078-C-Trust	400,755.00	400,755.00	658.00	693.09	1,977.25	2,083.19
177	Arcil-Retail Loan Portfolio-087-A-Trust	41,158.00	41,158.00	451.00	556.84	172.11	206.32
178	Arcil-Retail Loan Portfolio-086-A-Trust	46,978.00	46,978.00	599.00	690.50	261.84	294.55
179	Arcil-Retail Loan Portfolio-077-B-Trust	19,917.00	19,917.00	33.00	139.04	8.31	28.86
180	Arcil-AST-089-I-Trust ^ @	10,027.00	10,027.00	1.00	828.22	-	91.49
181	Arcil-Retail Loan Portfolio-091-A-Trust	1,051,199.00	1,051,199.00	1.00	1.00	10.29	10.44
182	Arcil-2024C-002 Trust ^ @	3,000.00	3,000.00	1,000.00	1,000.00	30.00	30.00
183	Arcil-AST-088-I-Trust - Class A ^ @	117,184.00	117,184.00	344.00	487.35	605.14	856.64
184	Arcil-AST-088-I-Trust - Class B ^ @	35,156.00	35,156.00	1,000.00	1,000.00	351.56	351.56
185	Arcil-Trust-2025-001 ^ @	127,500.00	127,500.00	1,000.00	1,000.00	1,324.50	1,134.41
186	Arcil-Trust-2025-002	44,295.00	44,295.00	828.00	849.72	274.91	336.26
187	Arcil-Trust-2025-003 ^ @	93,630.00	93,630.00	1.00	1,000.00	-	913.74
188	Arcil-Trust-2025-007 ^ @	6,045,000.00	2,025,000.00	859.00	956.42	49,751.64	16,331.81
189	Arcil-Trust-2025-004	32,235.00	32,235.00	548.00	795.57	190.03	266.46
190	Arcil-Trust-2025-006	354,000.00	354,000.00	682.00	772.87	2,207.61	2,264.57
191	Arcil-Trust-2025-009 ^ @	1,249,857.00	1,249,857.00	1,000.00	1,000.00	12,156.44	12,498.57
192	Arcil-Trust-2025-014	27,435.00	27,435.00	934.00	1,000.00	283.38	274.35
193	Arcil-Trust-2025-011	16,965.00	16,965.00	683.00	1,000.00	167.32	169.65
194	Arcil-Trust-2025-017	54,480.00	54,480.00	631.00	1,000.00	258.81	544.80
195	Arcil-Trust-2026-002	56,940.00	-	912.00	-	445.16	-
196	Arcil-Trust-2026-005	56,070.00	-	686.00	-	337.37	-
197	Arcil-Trust-2026-007	26,340.00	-	964.00	-	217.03	-
198	Arcil-Trust-2026-008	49,560.00	-	964.00	-	400.88	-
199	Arcil-Trust-2026-014 ^ @	246,750.00	-	999.00	-	1,896.99	-
200	Arcil-Trust-2026-020	43,920.00	-	971.00	-	391.65	-
201	Arcil-AST-001-XVIII-Trust - Class B ^ @	16,086.00	-	805.00	-	194.28	-

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2026

(₹ in Lakhs)

Sr. No	Trust / Scheme Name	Number of Security Receipts as at March 31, 2026	Number of Security Receipts as at March 31, 2025	Outstanding Face Value (Rs. Per Unit) as at March 31, 2026	Outstanding Face Value (Rs. Per Unit) as at March 31, 2025	Fair value as at March 31, 2026	Fair value as at March 31, 2025
202	Arcil-AST-003-VIII-Trust - Class B ^ @	13,043.00	-	781.00	-	152.72	-
203	Arcil-AST-030-II-Trust - Class B ^ @	1,030.00	-	1,000.00	-	15.13	-
204	Arcil-Trust-2025-005 - Class B	54,600.00	-	825.00	-	383.43	-
205	Arcil-Trust-2025-016 - Class B	108,333.00	-	644.00	-	690.73	-
206	Arcil-Trust-2025-010 - Class B	30,834.00	-	414.00	-	118.63	-
207	Arcil-AST-043-II-Trust	-	19,515.00	-	564.90	-	-
208	Arcil-CPS-018-I-Trust ^ @	-	124,635.00	-	347.23	-	-
209	Arcil-Trust-2025C-002 ^ @	-	3,263.00	-	1,000.00	-	-
210	Arcil-Trust-2026-015	809,835.00	-	958.00	-	7,755.47	-
211	Arcil-CPS-II-Trust - Class B ^ @	87,003.00	-	1.00	-	0.89	-
212	Arcil-Trust-2026-006 - Class B	196,014.00	-	847.00	-	1,520.01	-
213	Arcil-CPS-IV-Trust - Class B ^ @	306,442.00	-	899.00	-	2,590.61	-
214	Arcil-Trust-2026-026	13,962.00	-	1,000.00	-	139.62	-
215	Arcil-Trust-2026-027	29,670.00	-	977.00	-	289.85	-
216	Arcil-Trust-2026-036	16,860.00	-	1,000.00	-	168.60	-
		-	-	-	-	-	-
Sub Total (III)		**20,827,811**	**15,647,603**			**130,929.27**	**97,556.55**
Total (IV)=(I + II + III)		**54,136,967.00**	**40,749,070.00**			**402,468.43**	**273,162.26**

^ - Pledged Fully as on March 31, 2026 @ - Pledged Fully as on March 31, 2025

$ - Pledged partially as on March 31, 2026 # - Pledged partially as on March 31, 2025

(B) Investments in Equity shares (Fair Value through Profit and Loss account)

(₹ in Lakhs)

	Trust / Scheme Name	Number of Security Receipts as at March 31, 2026	Number of Security Receipts as at March 31, 2025	Outstanding Face Value (Rs. Per Unit) as at March 31, 2026	Outstanding Face Value (Rs. Per Unit) as at March 31, 2025	Fair value as at March 31, 2026	Fair value as at March 31, 2025
	Unquoted :						
1	OCM (net of impairment of Rs. NIL (previous year Rs. NIL))	109,746	109,746	10.00	10.00	-	-
	Total (B)	**109,746**	**109,746**			**-**	**-**

(C) Investments in Mutual Fund (Fair Value through Profit and Loss account)

(₹ in Lakhs)

	Trust / Scheme Name	Number of Security Receipts as at March 31, 2026	Number of Security Receipts as at March 31, 2025	Outstanding Face Value (Rs. Per Unit) as at March 31, 2026	Outstanding Face Value (Rs. Per Unit) as at March 31, 2025	Fair value as at March 31, 2026	Fair value as at March 31, 2025
	Quoted :						
1	SBI Mutual Funds	-	97,627.47	-	-	-	4,002.86
	Total (C)	**-**	**97,627.47**			**-**	**4,002.86**
	Total Investments (A+B+C)					**402,468.43**	**277,165.13**

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2026

8. Other Financial Assets

(₹ in Lakhs)

Particulars		As at 31st March, 2026	As at 31st March, 2025
		Amortised Cost	Amortised Cost
i)	Deposits- Considered Good	375.57	1,164.02
ii)	Amount Recoverable from Trusts and Others	3,071.35	1,425.24
	Less: Impairment Loss Allowance (ECL)	(136.44)	(168.30)
	Net Amount Recoverable from Trusts and Others	2,934.91	1,256.94
Total		**3,310.48**	**2,420.96**

9. Deferred Tax Assets / (Liability) (Net)

(₹ in Lakhs)

Particulars		As at 31st March, 2026	As at 31st March, 2025
Deferred Tax Asset			
i)	Expenses provided but allowable in Income Tax on payment basis	87.90	83.69
ii)	Provision for diminution in value of investments	3.64	3.64
iii)	Provision for litigations	-	591.20
iv)	Expected Credit Loss	478.67	295.83
Sub Total		**570.21**	**974.36**
Deferred Tax Liability			
i)	Difference between book depreciation & tax depreciation	567.23	500.28
ii)	Financial Assets at FVTPL (Net)	10,484.97	5,039.56
Sub Total		**11,052.20**	**5,539.84**
Total		**(10,481.99)**	**(4,565.48)**

10. Property, Plant and Equipment

(₹ in Lakhs)

Particulars	As at March 31, 2026							
	Office Building	Furniture and Fixtures	Ofice Equipments	Vehicles	Computers	Leasehold Improvements	Right to use Leasehold Assets	Total
Cost								
Balance at 31 March, 2024	**3,927.65**	**45.15**	**118.63**	**83.40**	**300.56**	**48.46**	**261.49**	**4,785.34**
Additions	-	7.18	4.40	-	35.89	-	21.17	68.64
Disposals	-	(2.26)	(6.04)	(28.86)	(8.01)	-	(119.66)	(164.83)
Balance at 31 March, 2025	**3,927.65**	**50.07**	**116.99**	**54.54**	**328.44**	**48.46**	**163.00**	**4,689.15**
Additions	-	4.19	2.66	-	60.39	-	246.98	314.22
Disposals/ Adjustments	-	(0.32)	(2.07)	-	(73.15)	-	(105.65)	(181.19)
Balance at 31 March, 2026	**3,927.65**	**53.94**	**117.58**	**54.54**	**315.68**	**48.46**	**304.33**	**4,822.18**
Accumulated Depreciation and Impairment								
Balance at 31 March, 2024	**510.31**	**42.14**	**106.62**	**37.29**	**246.70**	**6.55**	**136.05**	**1,085.66**
Depreciation for the year	73.00	3.28	4.53	9.90	39.16	0.83	58.20	188.90
Disposals	-	(2.24)	(6.00)	(28.86)	(7.84)	-	(86.61)	(131.55)
Balance at 31 March, 2025	**583.31**	**43.18**	**105.15**	**18.33**	**278.02**	**7.38**	**107.64**	**1,143.01**
Depreciation for the year	72.27	1.69	4.44	9.90	43.69	1.56	49.04	182.59
Disposals/ Adjustments	-	(0.27)	(2.07)	-	(72.74)	-	(102.39)	(177.47)
Balance at 31 March, 2026	**655.58**	**44.60**	**107.52**	**28.23**	**248.97**	**8.94**	**54.29**	**1,148.13**
Carrying Amount								
Balance at 31 March, 2025	**3,344.34**	**6.89**	**11.84**	**36.21**	**50.42**	**41.08**	**55.36**	**3,546.14**
Balance at 31 March, 2026	**3,272.07**	**9.34**	**10.06**	**26.31**	**66.71**	**39.52**	**250.04**	**3,674.05**

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2026

11. Other Intangible Assets

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
	Computer Software	Computer Software
At cost, beginning of the year	568.54	198.94
Additions	97.97	369.60
Disposals	-	-
Total Cost	**666.51**	**568.54**
Accumulated amortization and Impairment:		
At beginning of the year	193.58	167.03
Amortization	119.75	26.55
Disposals	-	-
Total amortization and impairment	**313.33**	**193.58**
Net Carrying amount	**353.18**	**374.96**

12. Intangible Assets Under Development

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Projects in progress (Refer note 49)	3.24	67.59
Total	**3.24**	**67.59**

13. Other non-financial assets

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Balances with Government Authorities	5,610.38	5,610.38
GST (Input) Credit Receivable	193.56	104.92
Capital Advances	79.43	-
Prepaid Expenses	237.12	267.32
Other Advances	444.26	191.72
Total	**6,564.75**	**6,174.34**

Directorate General of Central Excise Intelligence (DGCEI) and Office of Principal Commissioner of Service TAX-III has issued show cause notices demanding service tax to the extent of ₹ 5610.38 lacs (apart from interest and penalty amount) relating to the period 16.05.2008 to 30.06.2017. Subsequently, an order has also been issued by Service Tax Commissionarate III, Mumbai in April 2017 demanding an amount of ₹ 4,585.05 lacs relating to the period 16.05.2008 to 31.03.2015 and the penalty as per order is ₹ 4024.00 lacs whereas interest liability has not been quantified in the said order. Another order for the period of 01.04.2015 to 30.06.2017 issued by Office of the commissioner of CGST & Central Excise, Mumbai in June 2019 demanding amount of ₹ 1025.33 lacs and the penalty as per order is ₹ 102.53 lacs whereas interest liability has not been quantified in the said order. Based on the legal opinion, the Company is confident of getting this order quashed and there is not expected to be any liability on the same. The Company has also preferred an appeal in the Tribunal against the order.

Although the Company believes that it has a strong case on the aforesaid matter, however considering the amount and the time involved in the settlement of the case, the Company has deposited an amount of ₹ 5,610.38 lacs “”Under Protest”” to freeze the interest liability.

In a recent hearing held for the said matter, on June 04, 2025, the Customs, Excise and Service Tax Appellate Tribunal, Mumbai has remanded the appeal. On 29th January 2026, we have received CESTAT order dtd 23rd January 2026.

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2026

14. Payables

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Payables		
(I) Trade Payables		
(i) Total outstanding dues of micro enterprises and small enterprises	-	34.13
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	2.13	151.28
Total	**2.13**	**185.41**

Dues to micro enterprises and small enterprises have been determined to the extent such parties have been identified on the basis of information collected. There is no interest payable to any supplier under the Micro, Small and Medium Enterprises Development Act, 2006.

Ageing for trade payables outstanding as at March 31, 2026

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) MSME	-	-	-	-	-
ii) Others	2.13	-	-	-	2.13
iii) Disputed dues - MSME	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-
Total	**2.13**	**-**	**-**	**-**	**2.13**

Ageing for trade payables outstanding as at March 31, 2025

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) MSME	34.13	-	-	-	34.13
ii) Others	151.28	-	-	-	151.28
iii) Disputed dues - MSME	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-
Total	**185.41**	**-**	**-**	**-**	**185.41**

15. Borrowings (Other than Debt Securities)

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
	Amortised Cost	Amortised Cost
(a) Term Loans		
from banks*	52,244.86	10,000.00
(b) Working Capital Term Loans		
from banks*	59,008.98	20,592.97
(c) Loans repayable on demand		
from banks*	9,295.62	-
Total	**120,549.46**	**30,592.97**
Borrowings in India	120,549.46	30,592.97
Borrowings outside India	-	-
Total	**120,549.46**	**30,592.97**

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2026

*The rate of interest of above term loans are linked with MCLR and Repo rate and subject to change from time to time, it ranges from 8.50% - 10.00% p.a. Facilities from banks in the nature of term loan, working capital and cash credit facilities are secured by way of pledge of certain identified security receipts.(Refer Annexure I (A)).

16. Other Financial Liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2026 Amortised Cost	As at 31st March, 2025 Amortised Cost
Recovery on behalf of Trusts/ other constituents	460.91	412.23
Others		
- Liability for expenses	937.41	602.47
- Liability for leases	259.90	62.67
Interest accrued but not due	87.34	5.65
Other Liabilities	997.80	1,902.67
Total	**2,743.36**	**2,985.69**

17. Provisions

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Provision for employee benefits	1,794.22	1,866.28
Others	-	2,349.00
Total	**1,794.22**	**4,215.28**

18. Other Non Financial Liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Income received in advance	1,416.01	5,071.36
Statutory dues	1,158.73	1,985.61
Total	**2,574.74**	**7,056.97**

19. Equity Share Capital

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
(a) Authorised Capital		
500,000,000 equity shares of Rs. 10/- each	50,000.00	50,000.00
(Previous Year 500,000,000 equity shares of Rs. 10/- each)		
(b) Issued, Subscribed & Paid up		
324,897,140 equity shares of Rs. 10/- each, fully paid up	32,489.71	32,489.71
(Previous year 324,897,140 equity shares of Rs. 10/- each, fully paid up		

(c) Reconciliation of the number of shares outstanding at the beginning and at the end of the year

Particulars	As at 31st March, 2026	As at 31st March, 2025
Balance at the beginning of the year	**324,897,140**	**324,897,140**
Issued during the year	-	-
Reductions during the year	-	-
Balance at the end of the year	**324,897,140**	**324,897,140**

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2026

(d) Rights, preferences and restrictions attached to shares

Equity shares: The Company has one class of equity shares having a par value of Rs. 10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholding.

(e) Detail of shareholders holding 5 percent or more

Particulars	As at 31st March, 2026		As at 31st March, 2025	
Name of Shareholder	No. of Shares held	% of holding	No. of Shares held	% of holding
Avenue India Resurgence Pte. Ltd.	226,566,265	69.73%	226,566,265	69.73%
State Bank of India	64,816,980	19.95%	64,816,980	19.95%
Lathe Investment Pte Ltd.	16,244,858	5.00%	16,244,858	5.00%

(f) Disclosure of Shareholding of Promoters

Particulars	As at 31st March, 2026		As at 31st March, 2025		% change in holding during the year
	No. of Shares held	% of holding	No. of Shares held	% of holding	
Avenue India Resurgence Pte. Ltd.	226,566,265	69.73%	226,566,265	69.73%	0.00%
State Bank of India	64,816,980	19.95%	64,816,980	19.95%	0.00%

19A Other Equity

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Securities Premium (Refer I below)	90,942.55	90,942.55
General Reserve (Refer II below)	6,129.87	6,129.87
Impairment Reserve (Refer III below)	833.90	833.90
Stock option outstanding account (Refer IV below)	82.80	-
Retained Earnings (Refer V below)	177,792.01	146,754.51
Other Comprehensive Income (Refer VI below)	(331.55)	(370.73)
Total	**275,449.58**	**244,290.10**

I. **Securities Premium:** It is the additional amount which the shareholder had paid more than the face value of issued shares. The securities premium can be utilised as per the provisions of Companies Act, 2013.

II. **General Reserve:** It can be utilised from time to time to transfer profit from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of Other Comprehensive Income, items included in general reserve will not be reclassified subsequently to profit or loss.

III. **Impairment Reserve:** Impairment allowance reserve represents reserve created in accordance with the Reserve Bank of India (RBI) circular no. RBI/2019-20/170 DOR(NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13th March, 2020 on implementation of Indian Accounting Standard. The balance in the 'Impairment Reserve' shall not be reckoned for regulatory capital. Further, no withdrawals shall be permitted from this reserve without prior permission from the Department of Supervision, RBI

IV. **Stock option outstanding account:** Stock options outstanding account relates to the stock options granted by the Company to its employees under Employee Stock Option Plan (Refer note 56).

V. **Retained Earnings:** These are the profits that the Company has earned till date, less any transfer to General Reserve, Statutory Reserve, dividends or other distributions paid to shareholders.

VI. **Other Comprehensive Income:** This represents remeasurement of defined employee benefit plans (net of taxes).

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2026

20. Fees and Other Income

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Management Fees/ Trusteeship Fees	21,060.75	13,689.28
Unbilled Management Fees	1,917.85	(1,221.70)
Restructuring Fees	51.53	-
Portfolio Recovery Fees	4,965.30	4,669.05
Other Fees	13.97	54.05
Total	**28,009.40**	**17,190.68**

21. Other Operating Income

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
(a) Upside Income - Management Incentive	1,099.28	763.63
(b) Income from Investments	18,031.87	18,461.74
	19,131.15	**19,225.37**

22. Recovery of Security Receipts, Unrealized Fee & Expenses (written off earlier)

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Management Fees	140.06	590.76
Unbilled Management Fees	316.69	3,743.31
Expenses Recoverable from Trusts	893.82	4,227.35
Investment in Security Receipts	5,240.84	1,441.70
Total	**6,591.41**	**10,003.12**

23. Interest Income

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
On Financial Assets measured at Amortised Cost		
Interest on Loans	15.75	-
Interest on deposits with Banks	1,642.15	990.38
Interest on funded amount from Trust	316.93	384.36
Interest on CIRP Expenses	80.92	3.57
Total	**2,055.75**	**1,378.31**

24. Net gain/(loss) on Fair Value Changes-Unrealised

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Net gain/(loss) on financial instruments at fair value through profit or loss account :-		
a) On Security Receipts	19,516.31	11,847.38
b) On financial instruments designated at fair value through profit or loss	-	(5.91)
c) On Mutual Fund designated at fair value through profit or loss	-	3.06
Total	**19,516.31**	**11,844.53**

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2026

25. Other Income

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Net gain/ (loss) on derecognition of Property, Plant and Equipment	4.84	2.95
Provision for litigation no longer required reversed	2349.00	-
Others	849.72	2694.69
Total	**3,203.56**	**2,697.64**

26. Finance Costs

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
On Financial Liabilities measured at Amortised Cost		
Interest on borrowings	3,364.70	1,130.11
Others	253.69	119.12
Total	**3,618.39**	**1,249.23**

27. Impairment of Financial Instruments/ Financial Assets

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Impairment on financial assets at Amortised Cost		
Fees and expenses	697.74	389.35
Loans	28.72	-
Total	**726.46**	**389.35**

28. Employee Benefits Expenses

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Salaries and wages	5,554.40	5,679.19
Contribution to provident and other funds	614.35	335.58
Share based payment (Ref Note No.56)	82.80	-
Staff welfare expenses	107.31	79.36
Total	**6,358.86**	**6,094.13**

29. Depreciation, amortization and impairment

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Depreciation of Tangible Assets	133.55	130.52
Amortization of Intangible Assets	119.75	26.55
Depreciation on Right to use Leasehold assets	48.98	58.20
Total	**302.28**	**215.27**

30. Write off of Security Receipts, Unrealized Fee & Expenses

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Unrealised Management fees written off	60.91	14.04
Unbilled Management fees written off	112.20	130.51
Unrealised expenses written off	1,311.82	1,486.73
Investment in Security Receipts Written off	7,195.93	2,040.06
Total	**8,680.86**	**3,671.34**

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2026

31. Other Expenses

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Rent, taxes and energy cost	44.63	26.19
Repairs and maintenance	359.11	339.30
Communication Costs	14.82	12.57
Advertisement and publicity	8.87	3.37
Director's fees, allowances and expenses	132.32	139.85
Auditor's fees and expenses		
- Audit fees	55.58	43.22
- Tax Audit fees	5.89	5.12
- For Reimbursement of Expenses	3.25	1.82
Legal Expenses	249.86	165.21
Professional Charges	1,134.41	890.18
Insurance	16.83	10.01
Travelling, Boarding & Lodging expenses	208.49	194.94
Contribution towards Corporate Social Responsibility	809.70	619.26
Software Expenses	357.33	245.92
Other expenditure	447.18	299.79
Total	**3,848.27**	**2,996.75**

32 The major components of the tax expense for the year ended March 31, 2026 and March 31, 2025

(₹ in Lakhs)

Sr. No.	Particulars	As at 31st March, 2026	As at 31st March, 2025
	Standalone statement of Profit & Loss		
(a)	(i) Profit & loss section		
	Current Income Tax :		
	Current Income Tax charge	8,271.55	8,688.82
	Deferred Tax:		
	Relating to originating and reversal of temporary differences	5,916.50	3,503.11
	Income Tax expense reported in the statement of Profit & Loss	**14,188.05**	**12,191.93**
(b)	Other Comprehensive Income (OCI) Section		
	Current Income Tax :		
	Net gain/ (loss) on remeasurement of defined benefit plans	(13.18)	43.61
	Income Tax expense reported in OCI section	**(13.18)**	**43.61**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic Tax rate for the year ended March 31, 2026 and March 31, 2025

Sr. No.	Particulars	As at 31st March, 2026	As at 31st March, 2025
1	Profit before Tax	54,972.46	47,723.57
2	Applicable Tax Rate	25.17%	25.17%
3	PBT * Applicable Tax Rate (1*2)	13,835.47	12,011.07
4	Item leading to difference in effective tax rate compared to statutory tax rate:		
(a)	Difference in tax for items which are not allowed as deduction	245.21	131.60
(b)	Effect of Deferred tax items	107.37	49.26
	Total	352.58	180.86
	Tax expense recognised during the year (3+4)	**14,188.05**	**12,191.93**

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2026

Component of Deferred Tax Assets and Liabilities recognised in Balance Sheet and Statement of Profit & loss

(₹ in Lakhs)

Sr. No.	Component of Deferred Tax (Assets)/ Liabilities	Balance Sheet		Statement of Profit & Loss	
	Particulars	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2026	As at 31st March, 2025
1	Expected Credit Loss	(478.67)	(295.83)	(182.84)	(97.99)
2	Provision for doubtful debt and advance	(4.37)	(4.37)	-	(1.49)
3	Provision for litigations	(0.00)	(591.20)	591.20	-
4	Provision for compensated absences disallowed u/s 43B	(52.18)	(51.82)	(0.36)	(4.90)
5	Difference in book and Income Tax depreciation	567.24	500.29	66.95	13.01
6	Fair Valuation change	10,484.96	5,039.57	5,445.39	3,585.06
7	MAT credit utilised/ entitlement	-	-	-	-
8	Others	(34.99)	(31.15)	(3.84)	9.43
	Deferred Tax Expense/ (income)				
	Net Deferred Tax (Assets)/ Liabilities	**10,481.99**	**4,565.49**	**5,916.50**	**3,503.12**

Reconciliation of the deferred tax expense for the year ended March 31, 2026

(₹ in Lakhs)

Sr. No.	Particulars	Opening Balance as on April 01, 2025	Tax income/ (expense) during the year recognised statement of Profit/ Loss under Profit/Loss section	Tax income/ (expense) during the year recognised statement of Profit/ Loss under OCI section	Deferred Tax due to Fair Value Change	Closing Balance as on March 31, 2026
1	Expected Credit Loss	(295.83)	(182.84)	-	-	(478.67)
2	Provision for doubtful debt and advance	(4.37)	-	-	-	(4.37)
3	Provision for litigations	(591.20)	591.20	-	-	(0.00)
4	Provision for compensated absences disallowed u/s 43B	(51.82)	(0.36)	-	-	(52.18)
5	Difference in book and Income Tax depreciation	500.29	66.95	-	-	567.24
6	Fair Valuation change	5,039.57	5,445.39	-	-	10,484.96
8	Others	(31.15)	(3.84)	-	-	(34.99)
	Total	**4,565.49**	**5,916.50**	**-**	**-**	**10,481.99**

Reconciliation of the deferred tax expense for the year ended March 31, 2025

(₹ in Lakhs)

Sr. No.	Particulars	Opening Balance as on April 01, 2024	Tax income/ (expense) during the year recognised statement of Profit/ Loss under Profit/Loss section	Tax income/ (expense) during the year recognised statement of Profit/ Loss under OCI section	Deferred Tax due to Fair Value Change	Closing Balance as on March 31, 2025
1	Expected Credit Loss	(197.84)	(97.99)	-	-	(295.83)
2	Provision for doubtful debt and advance	(2.88)	(1.49)	-	-	(4.37)
3	Provision for litigations	(591.20)	-	-	-	(591.20)
4	Provision for compensated absences disallowed u/s 43B	(46.92)	(4.90)	-	-	(51.82)
5	Difference in book and Income Tax depreciation	487.28	13.01	-	-	500.29
6	Fair Valuation change	1,454.51	3,585.06	-	-	5,039.57
8	Others	(40.58)	9.43	-	-	(31.15)
	Total	**1,062.37**	**3,503.12**	**-**	**-**	**4,565.49**

There are no items on which deferred tax asset has not been recognised in the Balance Sheet

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2026

33 Capital Adequacy Ratio

As per Reserve Bank of India Guidelines, the Capital Adequacy Ratio of the Company as at March 31, 2026 :

Particulars	As at 31st March, 2026	As at 31st March, 2025
Capital Adequacy Ratio	65.31%	90.32%

34 Employee Benefits:

Employee benefits include Provident Fund, Employee State Insurance Scheme (ESIC), Pension, Superannuation, Gratuity and compensated absences.

i) Defined Contribution Plans:

These are plans in which the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. These comprise of contributions to the Employees' Provident Fund, ESIC, Family Pension Fund, Superannuation Fund and National Pension Scheme. The company's payments to the defined contribution plans are reported as expenses in the year in which the employees perform the services that the payment covers. During the current year, on account of Defined Contribution Plans, the Company has charged Rs. 245.87 lacs (Previous year: Rs. 248 lacs) to Statement of Profit & Loss.

ii) Defined Benefit Plans:

(A) Gratuity

Expenses for defined-benefit plans are calculated as at each balance sheet date by independent actuaries. These commitments are valued at the present value of the expected future payments, with consideration for calculated future salary increases, using a discount rate corresponding to the interest rate estimated by the actuary having regard to the interest rate on government bonds with a remaining term that is almost equivalent to the average balance working year of employees. Incremental liability based on the projected unit credit method as at the reporting date, is charged to the Statement of Profit and Loss. The actuarial gains / losses are accounted in the Statement of Profit and Loss. Excess of fair value of Plan Assets over Defined Benefit Obligation is not recognised on grounds of prudence.

The Company makes a provision for gratuity and compensated absences based on Acturial Reports

Employee benefit plans

The principal assumptions used for the purposes of the actuarial valuations were as follows.

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Discount rate(s)	7.06% p.a.	6.72% p.a.
Expected rate(s) of salary increase	7.5% p.a.	7.5% p.a.
Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)

Amounts recognised in the statement of profit and loss in respect of these defined benefit plans are as follows.

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Service cost:		
Current service cost	125.49	90.38
Past service cost and (gain)/loss from settlements	230.43	-
Net interest expense	12.56	11.76
Components of defined benefit costs recognised in profit or loss	**368.48**	**102.14**

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2026

Particulars	As at 31st March, 2026	As at 31st March, 2025
Remeasurement on the net defined benefit liability:		
Return on plan assets (excluding amounts included in net interest expense)	49.66	(1.59)
Actuarial (gains) / losses arising from changes in financial assumptions	(25.06)	142.18
Actuarial (gains) / losses arising from experience adjustments	(78.88)	32.67
Actuarial (gains) / losses arising from demographic assumptions	1.92	-
Components of defined benefit costs recognised in other comprehensive income	**(52.36)**	**173.26**
Total	**316.12**	**275.40**

The amount included in the balance sheet arising from the Company's obligation in respect of its defined benefit plans is as follows:

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Present value of funded defined benefit obligation	(931.80)	(843.33)
Fair value of plan assets	790.68	717.49
Funded status	(141.12)	(125.84)
Restrictions on asset recognised		
Others		
Net liability arising from defined benefit obligation	**(141.12)**	**(125.84)**
Current Liability	(141.12)	(125.84)
Non-Current Liability	-	-

Movements in the present value of the defined benefit obligation are as follows.

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Opening defined benefit obligation	843.33	716.90
Current service cost	125.49	90.38
Interest cost	64.02	51.43
Past Service Cost	230.43	-
Remeasurement (gains)/losses:		
Actuarial gains and losses arising from changes in financial assumptions	(25.06)	142.18
Actuarial gains and losses arising from experience adjustments	(78.88)	32.67
Actuarial (gains) / losses arising from demographic assumptions	1.92	-
Benefits paid	(229.45)	(190.23)
Closing defined benefit obligation	**931.80**	**843.33**

Movements in the fair value of the plan assets are as follows.

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Opening fair value of plan assets	717.49	553.59
Interest income	51.46	39.68
Contributions by the Employer		
Remeasurement gain (loss):	300.84	312.87
Return on plan assets (excluding amounts included in net interest expense)	(49.66)	1.59
Contributions from the employer	-	-
Benefits paid	(229.45)	(190.23)
Closing fair value of plan assets	**790.68**	**717.49**

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2026

Category of Assets	As at 31st March, 2026	As at 31st March, 2025
Insurance fund	790.68	717.49
Total	**790.68**	**717.49**

Risks associated with defined benefit plan

Gratuity is a defined benefit plan and company is exposed to the Following Risks:

Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting year on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

Sensitivity Analysis

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Projected Benefit Obligation on Current Assumptions	931.80	843.33
Delta Effect of +1% Change in Rate of Discounting	(66.52)	(52.90)
Delta Effect of -1% Change in Rate of Discounting	76.42	60.25
Delta Effect of +1% Change in Rate of Salary Increase	75.33	59.19
Delta Effect of -1% Change in Rate of Salary Increase	(66.85)	(53.01)
Delta Effect of +1% Change in Rate of Employee Turnover	(5.49)	(5.69)
Delta Effect of -1% Change in Rate of Employee Turnover	5.79	6.06

Maturity Profile of Defined Benefit Plans

(₹ in Lakhs)

Projected Benefits Payable in Future Years From the Date of Reporting	As at 31st March, 2026	As at 31st March, 2025
1st Following Year	135.20	94.51
2nd Following Year	54.03	107.32
3rd Following Year	106.90	83.18
4th Following Year	47.99	91.58
5th Following Year	52.08	72.14
Sum of Years 6 To 10	345.92	275.11
Sum of Years 11 and above	1,086.20	752.53

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2026

(B) Compensated Absences:

a) Assets & Liabilities Recognized in the Financial Statement

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Non-Current Liabilities	143.63	137.84
Current Liabilities	61.71	66.08
Total	**205.34**	**203.91**

b) Actuarial Assumptions :

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Discount rate	7.06%	6.72%
Future Salary Rise	7.50%	7.50%
Attrition Rate :		
- For service 4 yrs & below	12.00%	10.00%
- For service 5 yrs & below	5.00%	7.00%

35 Earnings Per Share (EPS)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Profit / (Loss) attributable to equity shareholders for basic/ diluted earnings per share after tax (Rs. In lacs)	40,784.41	35,531.64
No. of Shares	324,897,140	324,897,140
Weighted Average no. of equity shares outstanding during the year for basic/ diluted earnings per share	324,897,140	324,897,140
EPS (Basic - Rs. Per share)	**12.55**	**10.94**
EPS (Diluted - Rs. Per share)*	**12.55**	**10.94**
Nominal value per share - Rs per share	10	10

*Since dilutive EPS has anti-dilutive impact, hence Basic EPS is equal to Diluted EPS.

36 Category wise Financial Assets and Financial Liabilities

As at March 31, 2026

(₹ in Lakhs)

Particulars	Amortised Cost	Fair value		
		FVTPL	FVTOCI	Total carrying Value
Financial Assets				
- Cash & Cash Equivalents	3,274.24	-	-	3,274.24
- Bank balance and other than Cash & Cash Equivalents	6,610.52	-	-	6,610.52
- Trade receivables	12,239.14	-	-	12,239.14
- Investment in Mutual Funds	-	-	-	-
- Investment in SRs	-	402,468.43	-	402,468.43
- Loans	1,987.03	-	-	1,987.03
- Deposits	375.57	-	-	375.57
- Recoverable from Trusts and Others	2,934.91	-	-	2,934.91
Total	**27,421.41**	**402,468.43**	**-**	**429,889.84**

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2026

Particulars	Amortised Cost	Fair value		
		FVTPL	FVTOCI	Total carrying Value
Financial Liabilities				
- Trade payable	2.13	-	-	2.13
- Bank Borrowings	120,549.46	-	-	120,549.46
- Recovery on behalf of Trust and other Constituents	460.91	-	-	460.91
- Liability for Leases	259.90	-	-	259.90
- Liability for expenses	937.41	-	-	937.41
- Interest accrued but not due	87.34	-	-	87.34
- Other Liabilities	997.80	-	-	997.80
Total	**123,294.95**	**-**	**-**	**123,294.95**

As at March 31, 2025

(₹ in Lakhs)

Particulars	Amortised Cost	Fair value		
		FVTPL	FVTOCI	Total carrying Value
Financial Assets				
- Cash & Cash Equivalents	13,690.75	-	-	13,690.75
- Bank balance and other than Cash & Cash Equivalents	12,178.04	-	-	12,178.04
- Trade receivables	7,204.93	-	-	7,204.93
- Investment in Mutual Funds	-	4,002.86	-	4,002.86
- Investment in SRs	-	273,162.26	-	273,162.26
- Loans	-	-	-	-
- Deposits	1,164.02	-	-	1,164.02
- Recoverable from Trusts and Others	1,256.94	-	-	1,256.94
Total	**35,494.68**	**277,165.13**	**-**	**312,659.81**
Financial Liabilities				
- Trade payable	185.41	-	-	185.41
- Bank Borrowings	30,592.97	-	-	30,592.97
- Recovery on behalf of Trust and other Constituents	412.23	-	-	412.23
- Liability for Leases	602.47	-	-	602.47
- Liability for expenses	62.67	-	-	62.67
- Interest accrued but not due	5.65	-	-	5.65
- Other Liabilities	1,902.67	-	-	1,902.67
Total	**33,764.07**	**-**	**-**	**33,764.07**

37 Fair Value measurements recognised on the Balance Sheet

As at March 31, 2026

(₹ in Lakhs)

	Level 1	Level 2	Level 3	Total
Financial Assets				
- Investment in Equity	-	-	-	-
- Investment in Mutual Funds	-	-	-	-
- Investment in SRs	-	-	402,468.43	402,468.43

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2026

As at March 31, 2025

(₹ in Lakhs)

	Level 1	Level 2	Level 3	Total
Financial Assets				
- Investment in Equity	-	-	-	-
- Investment in Mutual Funds	4,002.86	-	-	4,002.86
- Investment in SRs	-	-	273,162.26	273,162.26

This explains the judgments and estimate made in determining the Fair Value of financial instruments that are (a) recognised and measured at Fair Value (b) measured at amortised cost and for which fair values are disclosed in the financial statements. The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consist of following three levels:

Level 1 : Level 1 hierarchy includes financial instruments measured using quoted price. This includes listed equity shares, traded bonds, mutual funds, etc., that have quoted price.

Level 2 : The fair value of financial instruments that are not traded in active market is determined using valuation techniques which maximise the use of observable market data and rely as little possible on entity specific estimates. If all significant inputs required for determining fair value of an financial instrument are observable, the instrument is included in Level 2.

Level 3 : If one or more of the significant input is not based on observable market data, the instrument is included in Level 3.

Valuation Methodologies

Quoted market prices in active markets are available for investments in equity and, as such, these instruments are classified within Level 1.

Investments: The Companies investments primarily consists of Investments in SRs. Fair value of investments in Security Receipts are classified as Fair Value through Profit & loss, and are determined using NAV by Rating Agencies as specified by RBI Guidelines and are classified as Level 2. The ratings are based on recovery rating scale.

Fair value of Financial Assets and Financial Liabilities, measured at Amortised Cost

Management has assessed that all financial assets and financial liabilities measured at amortised cost approximates their fair value.

38 Maturity Analysis of Assets & Liabilities

Particulars	As at March 31, 2026			As at March 31, 2025		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
1 Financial assets						
(a) Cash and Cash Equivalents	3,274.24		3,274.24	13,690.75		13,690.75
(b) Bank Balance other than Cash and Cash Equivalents	6,610.52		6,610.52	12,178.04		12,178.04
(c) Trade Receivables	7,611.95	4,627.19	12,239.14	2,882.39	4,322.54	7,204.93
(d) Loans	1,987.03		1,987.03	-		-
(e) Investments	86,940.40	315,528.03	402,468.43	70,741.16	206,423.97	277,165.13
(f) Other Financial Assets	3,064.92	245.56	3,310.48	2,114.60	306.36	2,420.96
2 Non-financial assets				-		
(a) Current Tax Assets (Net)	-	5,600.13	5,600.13	-	3,558.77	3,558.77
(b) Property, Plant and Equipment	-	3,674.05	3,674.05	-	3,546.14	3,546.14
(c) Other Intangible Assets	-	353.18	353.18	-	374.96	374.96
(d) Intangible assets under development	3.24		3.24	67.59		67.59
(e) Other Non-Financial Assets	954.37	5,610.38	6,564.75	563.96	5,610.38	6,174.34
Total Assets	**110,446.67**	**335,638.52**	**446,085.19**	**102,238.49**	**224,143.11**	**326,381.61**
Liabilities and Equity						

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2026

Particulars	As at March 31, 2026			As at March 31, 2025		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Liabilities						
1 Financial liabilities						
(a) Payables	2.13		2.13	185.41		185.41
(b) Borrowings (other than Debt securities)	81,893.60	38,655.86	120,549.46	23,092.97	7,500.00	30,592.97
(c) Other Financial Liabilities	2,532.13	211.23	2,743.36	2,956.43	29.26	2,985.69
2 Non-financial liabilities						
(a) Provisions	1,650.59	143.63	1,794.22	4,077.44	137.84	4,215.28
(b) Deferred Tax Liabilities (Net)	-	10,481.99	10,481.99	-	4,565.48	4,565.48
(c) Other Non-Financial Liabilities	2,574.74		2,574.74	7,056.97		7,056.97
Total Liabilities	**88,653.18**	**49,492.72**	**138,145.90**	**37,369.22**	**12,232.58**	**49,601.80**

39 Financial Risk Management

The Company is exposed to market risk, credit risk and liquidity risk, which may impact the fair value of its financial instruments. The Company has a risk management policy to manage and mitigate these risks.

A) Market Risk

Market risk is the risk that future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of foreign currency risk and interest rate risk. The Company is primarily exposed to interest rate risk.

(i) Foreign Currency Risk

Foreign Currency Risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in market prices. Market risk comprises of foreign currency risk and interest exposure to the risk of changes in exchange rate as there are no off-shore business transactions.

(ii) Interest Rate Risk

Interest Rate Risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's investments are primarily in fixed deposits and security receipts issued by trusts. The Company's exposure to the risk of changes is market rates relates primarily to the Company's debt obligations with floating interest rates. Hence the Company is not significantly exposed to interest rate risk.

B) Credit Risk

Financial Instruments that potentially subject the Company to concentration of Credit risk consist principally of trade receivables, unbilled revenue, investment securities and other recoverable from trusts. By their nature, all such financial instruments involve risks, including the credit risk of non-performance by counterparties i.e. trusts. However, the Company being trustee of all the trusts managed by it, the priority of receivables/ outstanding is a priority as per the waterfall mechanism defined Trust Deed/ Offer Document. Hence, the Company is not significantly exposed to credit risk.

C) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its obligations associated with financial liabilities. The investment philosophy of the Company is capital preservation and liquidity in preference to returns. Although the investments in security receipts are not tradable in market , the Company consistently generates sufficient cash flows from operations and has access to other sources of funding to meet the financial obligations and maintain adequate liquidity for use.

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2026

Reconciliation of Gross Carrying Amount -

A) Trade Receivables

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Gross carrying Amount (Opening Balance)	8,212.07	7,965.05
Add: Origination of the Trade Receivables during the year	28,009.40	17,190.68
Less: Recoveries from Trade Receivables during the year	22,529.24	21,133.18
Less: Trade Receivables Written-off/ (Write-back)	(283.64)	(4,189.52)
Gross carrying Amount (Closing Balance)	**13,975.88**	**8,212.07**

B) Funded Interest - clubbed under Recoverable from Trusts

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Gross carrying Amount (Opening Balance)	140.20	113.97
Add: Assets Originated	397.85	387.93
Less: Net recoveries from Trusts	480.26	1,261.21
Less: Net Assets Written-off/ (Write-back)	(44.20)	(899.52)
Gross carrying Amount (Closing Balance)	**101.99**	**140.20**

C) Recoverable from Trusts

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Gross carrying Amount (Opening Balance)	1,285.03	1,094.17
Add: Assets Originated	23,193.34	12,988.70
Less: Net recoveries from Trusts	22,721.11	14,638.93
Less: Net Assets Written-off/ (Write-back)	462.20	(1,841.10)
Gross carrying Amount (Closing Balance)	**1,295.07**	**1,285.03**

Reconciliation of Expected Credit Loss (ECL) -

A) Trade Receivables

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Impairment Loss Allowance (Opening Balance)	1,007.13	667.67
Changes in Impairment Loss Allowance due to -		
Add: Origination of the Trade Receivables during the year	3,435.09	1,441.02
Less: Recoveries from Trade Receivables during the year	2,763.00	1,771.50
Less: Trade Receivables Written-off	(34.79)	(351.19)
Change in Estimates	**22.73**	**318.75**
Impairment Loss Allowance (Closing Balance)	**1,736.74**	**1,007.13**

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2026

B) Funded Interest - clubbed under Recoverable from Trusts

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Impairment Loss Allowance (Opening Balance)	14.17	118.42
Changes in Loss Allowance due to -		
Add: Assets Originated	40.21	403.08
Less: Net recoveries from Trusts	48.54	1,310.46
Less: Net Assets Written-off/ (Write-back)	(4.47)	(934.64)
Change in Estimates	**9.43**	**(131.51)**
Gross carrying Amount (Closing Balance)	**19.74**	**14.17**

C) ECL - clubbed under Recoverable from Trusts

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Impairment Loss Allowance (Opening Balance)	154.13	108.52
Changes in Loss Allowance due to -		
Add: Assets Originated	2,781.90	1,288.25
Less: Net recoveries from Trusts	2,727.06	1,451.92
Less: Net Assets Written-off/ (Write-back)	53.64	(182.60)
Change in Estimates	**(38.63)**	**26.68**
Impairment Loss Allowance (Closing Balance)	**116.70**	**154.13**

D) Operational Risk

The Company controls operational risks to ensure that operational losses (financial or reputational), including any related to conduct of business matters, do not cause material damage to the Company.

E) Reputational Risk

The Company protects is reputation from material damage by ensuring that any business activity is satisfactorily assessed and managed by the appropriate level of management and governance oversight.

F) Compliance Risk

The Company has no appetite for breaches in laws and regulation, while recognising that, regulatory non-compliance cannot be entirely avoided, the Company strives to reduce this to an absolute minimum.

40 Market (Price) risk sensitivity

a. Investment in Security receipts

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Investment in Security receipts	402,468.43	273,162.26
Increase /Decrease in the unobservable input	5%	5%
FV Increase	20,881.70	14,542.71
FV Decrease	(20,881.70)	(14,542.71)
Significant unobservable inputs	Estimated cash flow based on realisation of collaterals value, etc.	

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2026

41 Capital Management

The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through loans and operating cashflows generated. The Company is not subject to externally imposed capital requirements.

The Company's strategy is to maintain optimum gearing ratio. The gearing ratios are as follows:

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Cash/ Bank balance as per Books	3,274.24	13,690.75
Bank balance other than Cash and Cash Equivalents	4,001.59	9,725.18
Borrowings	120,549.46	30,592.97
Net Debt	113,273.63	7,177.04
Total Equity	307,939.29	276,779.81
Net Debt/ Equity Ratio	0.37	0.03

40 Market (Price) risk sensitivity

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
a) Amount required to be spent by the company during the year	805.25	613.79
b) Amount of expenditure incurred	809.70	619.26
c) Shortfall at the end of the year	-	-
d) Total of previous years shortfall	-	-
e) Nature of CSR activities	Healthcare & Nutrition, Education & Skill Development, Environmental Sustainability, Inclusivity & Empowerment, Sports Promotion, Disaster Management etc.	

43 Details of expenditure and Income in foreign currency:

a. Expenditure in Foreign currency

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Software Expenses & Maintenance	35.88	20.22
Total	**35.88**	**20.22**

b. Income in Foreign currency

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Income in Foreign currency	-	-

44 Revenue from contracts with customers

Disaggregated Revenue

The table below represents disaggregated revenues from contracts with customers by type of services, geographical market and timing of revenue recognition. The Management believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of its revenues and cash flows are affected by industry, market and other economic factors.

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2026

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Type of Services		
Fees Income	28,009.40	17,190.68
Total revenue from contract with customers	**28,009.40**	**17,190.68**
Geographical Markets		
India	28,009.40	17,190.68
Outside India	-	-
Total revenue from contract with customers	**28,009.40**	**17,190.68**
Timing of revenue recognition		
Services transferred at a point in time	-	-
Services transferred over time	28,009.40	17,190.68
Total revenue from contract with customers	**28,009.40**	**17,190.68**

Contract balance

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Trade Receivables	13,975.88	8,212.07

45 Related Party Transactions

Holding Company

Avenue India Resurgence Pte. Ltd

As per Ind AS 24 'Related Party Disclosures', the related party where control exists or where significant influence exists and with whom transactions have taken place are as below:

Subsidiaries

Sr No.	Name of the Trust
1	Arcil-Precision Fastners Ltd-Trust
2	Arcil-SBPS-001-II Trust
3	Arcil-SBPS-001-I Trust
4	Arcil-SBPS-004-I Trust
5	Arcil-SBPS-001-VI Trust
6	Arcil-Daewoo Motors India Ltd Trust
7	Arcil-Parasrampuria Synthetics ltd Trust
8	Arcil-Kesri Vanaspati Products Limited Trust
9	Arcil-SBPS-001-VIII Trust
10	Arcil-SBPS-001-XI Trust
11	Arcil-SBPS-001-X Trust
12	Arcil-CPS-002-IX Trust
13	Arcil-SBPS-007-II-Trust-Scheme A1
14	Arcil-SBPS-007-II-Trust-Scheme A2
15	Arcil-CPS-002-VII Trust-Scheme B
16	Arcil-CPS-002-VII Trust-Scheme C
17	Arcil-CPS-002-VII Trust-Scheme D
18	Arcil-LSIL Trust
19	Arcil-Parekh Platinum Ltd. Trust
20	Arcil-Bellary Steels & Alloys Ltd.-II Trust
21	Arcil-Indo Deutch Metallo Trust

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2026

Sr No.	Name of the Trust
22	Arcil-Hanuman Miner Oil Ltd. Trust
23	Arcil-Equipment Conductor & Cables Ltd. Trust
24	Arcil-CPS-012-II Trust
25	Arcil-CPS-012-I Trust
26	Arcil-SBPS 001-XII Trust
27	Arcil-SBPS 001-IV Trust-Scheme B
28	Arcil-CPS 001-IV Trust-Scheme A
29	Arcil-SBPS 001-IV Trust-Scheme A
30	Arcil-SBPS 001-III Trust-Scheme A
31	Arcil-SBPS 001-V Trust-Scheme A
32	Arcil-SBPS 001-V Trust-Scheme B
33	Arcil-SBPS 002-I Trust-Scheme A
34	Arcil-SBPS 013-I Trust-Scheme B
35	Arcil-SBPS 019-I Trust-Scheme B
36	Arcil-SBPS 001-III Trust-Scheme B
37	Arcil-CPS 002-II Trust-Scheme B
38	Arcil-CPS-002-I Trust-Scheme A4
39	Arcil-CPS-002-I Trust-Scheme A5
40	Arcil-CPS-002-I Trust-Scheme A6
41	Arcil-CPS-002-I Trust-Scheme B1
42	Arcil-CPS-002-I Trust-Scheme D
43	Arcil NHB Retail Loan Portfolio 001 Trust
44	Arcil-SBPS 014-II Trust-Scheme C
45	Arcil-NPPML Trust
46	Arcil-PSL II Trust
47	Arcil-Polar Industries Limited Trust
48	Arcil-PSL III Trust
49	Arcil-MVR-I Trust
50	Arcil-Ispat Profiles Trust
51	Arcil-SBPS 021-II Trust
52	Arcil-SBPS 021-I Trust-Scheme C
53	Arcil-SBPS 016-I Trust
54	Arcil-Nath Seeds Limited Trust
55	Arcil-PSL IV Trust
56	Arcil-JCT II Trust
57	Arcil-MVR-II Trust
58	Arcil-Maridia Steel Limited-I Trust
59	Arcil-Maridia Steel Limited-II Trust
60	Arcil-Maridia Steel Limited-III Trust
61	Arcil-Kiran Overseas Exports Ltd. Trust
62	Arcil-Kishore Dalal & Company Trust
63	Arcil-Shalimar Wires Industries Limited-II Trust
64	Arcil-Shalimar Wires Industries Limited-III Trust
65	Arcil-Shalimar Wires Industries Limited-IV Trust
66	Arcil-MVR-III Trust
67	Arcil-JCT III Trust
68	Arcil-KOEL-I Trust
69	Arcil Mukerian Paper Ltd Trust
70	Arcil-SBPS-025-I Trust
71	Arcil-Bentels Corporation Limited Trust

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2026

Sr No.	Name of the Trust
72	Arcil-Mafatlal Engineering Industries Ltd Trust
73	Arcil-Mukerian II Trust
74	Arcil-Maridia Steel Limited-IV Trust
75	Arcil-SBPS-007-II-Trust-Scheme C
76	Arcil-SBPS-014-I-Trust-Scheme A
77	Arcil-SBPS-014-I-Trust-Scheme B
78	Arcil-SBPS 022-I Trust-Scheme A1
79	Arcil-KOEL-II Trust
80	Arcil-SBPS 014-II Trust-Scheme A
81	Arcil-Jhagadia Copper Limited Trust
82	Arcil-Polar Industries Limited-II Trust
83	Arcil-BPL Display Devices Limited-I Trust
84	Arcil-SBPS-028-I-Trust
85	Arcil-SBPS 021-I Trust-Scheme B
86	Arcil-SBPS-027-I Trust
87	Arcil-Retail Loan Portfolio-002-A Trust
88	Arcil-SBPS 002-I Trust-Scheme B2
89	Arcil-SBPS-001-IX Trust-Scheme B
90	Arcil-Retail Loan Portfolio-002-B Trust
91	Arcil-AARF-II-Trust-Scheme 1
92	Arcil-Retail Loan Portfolio-003-A Trust
93	Arcil - Excel Oils and Chemicals Pvt. Ltd. Trust
94	Arcil-International Sree Balaji Hotels Private Limited Trust
95	Arcil-SBPS-026-II-Trust
96	Arcil-SBPS-002-II-Trust
97	Arcil-L. S. P. Agro Limited Trust
98	Arcil-Esteem Estate Projects Pvt. Ltd. Trust
99	Arcil-CPS-006-III-Trust
100	Arcil-CPS-032-I-Trust
101	Arcil-Uday Estates Pvt. Ltd. Trust
102	Arcil-The Dhar Textile Mills Ltd. Trust
103	Arcil-Jagat Edible Oil India Pvt. Ltd. Trust
104	Arcil-SBPS-008-I Trust
105	Arcil-Golden Fries Ltd. Trust
106	Arcil-CPS-003-IV Trust
107	Arcil-CPS-003-V Trust
108	Arcil-Vama Exports Ltd. Trust
109	Arcil-Retail Loan Portfolio-029-A-Trust
110	Arcil-CPS-012-III-Trust
111	Arcil-AST-IV-Trust
112	Arcil-AST-VII-Trust
113	Arcil-Retail Loan Portfolio -036-A-Trust
114	Arcil-AST-039-I-Trust
115	Arcil-AST-001-VI-Trust
116	Arcil-CPS-041-I-Trust
117	Arcil-SBPS-042-I-Trust
118	Arcil-Retail Port-044-A-T
119	Arcil-Retail Port-048-A-Trust
120	Arcil-AST-017-I-Trust
121	Arcil-Retail Port-042-A-Trust

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2026

Sr No.	Name of the Trust
122	Arcil-Retail Port-032-A-Trust
123	Arcil-CPS-008-II-Trust
124	Arcil-AST-018-I-Trust
125	Arcil-AST-001-IX-Trust
126	Arcil-AST-001-X-Trust
127	Arcil-Retail Port-049-A-Trust
128	Arcil-Retail Port-050-A-Trust
129	ARCIL-AST-001-XI-TRUST
130	Arcil-AST-017-V-Trust
131	Arcil Retail Loan Portfolio-045-B-Trust
132	Arcil Retail Loan Portfolio-042-B-Trust
133	Arcil Retail Loan Portfolio-053-A-Trust
134	Arcil-AST-024-I-Trust
135	Arcil-AST-026-I-Trust
136	Arcil-AST-024-II-Trust
137	ARCIL-SBPS-060-I TRUST
138	Arcil Retail Loan Portfolio-058-B-Trust
139	ARCIL SBPS-041-I TRUST
140	Arcil-Retail Loan Portfolio-060-A-Trust
141	Arcil-Retail Loan Portfolio-061-A-Trust
142	Arcil-Retail Loan Portfolio-058-C-Trust
143	Arcil-Retail Loan Portfolio-42-D-Trust
144	Arcil-Retail Loan Portfolio-42-E-Trust
145	ARCIL-SBPS-006-VII TRUST
146	Arcil-Retail Loan Portfolio-042-F-Trust
147	Arcil-Retail Loan Portfolio-042-I-Trust
148	Arcil-Retail Loan Portfolio-042-H-Trust
149	Arcil-Retail Loan Portfolio-042-G-Trust
150	Arcil-Retail Loan Portfolio-029-B-Trust
151	Arcil-Retail-Loan-Portfolio-074-A-Trust
152	Arcil-Retail Loan Portfolio-074-B-Trust
153	Arcil-SBPS-I-Trust
154	ARCIL-SBPS-073-I-TRUST
155	Arcil-Retail Loan Portfolio-045-C-Trust
156	Arcil-AST-RA-001 Trust
157	Arcil-2024C-001 -Trust
158	Arcil-2024C-003 -Trust
159	Arcil-2024C-004 -Trust
160	Arcil-2024C-005 -Trust
161	Arcil-2024C-006 -Trust
162	Arcil-2024C-007-Trust
163	Arcil-Trust-2025C-001
164	ARCIL-TRUST-2025C-005
165	ARCIL-TRUST-2025C-003
166	ARCIL-TRUST-2025C-004
167	ARCIL-TRUST-2025C-006
168	ARCIL-TRUST-2025C-007
169	ARCIL-TRUST-2025C-008
170	ARCIL-TRUST-2025C-010
171	ARCIL-TRUST-2025C-009

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2026

Sr No.	Name of the Trust
172	Arcil-Trust-2025-008
173	ARCIL-TRUST-2025C-012
174	ARCIL-TRUST-2025C-011
175	ARCIL-TRUST-2025C-013
176	ARCIL-TRUST-2025C-014
177	ARCIL-TRUST-2025C-015
178	Arcil-Trust-2025-015
179	ARCIL-TRUST-2025C-016
180	ARCIL-TRUST-2025C-017
181	ARCIL-TRUST-2025C-018
182	ARCIL-TRUST-2025C-019
183	Arcil-Trust-2026C-001
184	Arcil-Trust-2026C-003
185	Arcil-Trust-2026C-002
186	Arcil-Trust-2026-001
187	Arcil-Trust-2026-003
188	Arcil-Trust-2026-004
189	Arcil-Trust-2026C-004
190	Arcil-Trust-2026C-005
191	Arcil-Trust-2026-009
192	Arcil-Trust-2026C-007
193	Arcil-Trust-2026C-006
194	ARCIL-TRUST-2026C-008
195	Arcil-Trust-2026-016
196	Arcil-Trust-2026C-009
197	Arcil-Trust-2026C-011
198	Arcil-Trust-2026-013
199	Arcil-Trust-2026C-012
200	Arcil-Trust-2026C-013
201	Arcil-Trust-2026C-010
202	Arcil-Trust-2026-022
203	Arcil-Trust-2026-021
204	Arcil-Trust-2026-023
205	Arcil-Trust-2026C-014
206	Arcil-Trust-2026-029
207	Arcil-Trust-2026-028
208	Arcil-Trust-2026C-017
209	Arcil-Trust-2026-030
210	Arcil-Trust-2026-034
211	Arcil-Trust-2026C-015
212	Arcil-Trust-2026C-019
213	Arcil-Trust-2026C-023

Associates

Sr No.	Name of the Trust
1	Arcil-CPS-002-V Trust-Scheme A
2	Arcil-SBPS-022-II Trust
3	Arcil-SBPS-022-III-Trust
4	Arcil-SBPS-022-IV Trust
5	Arcil-Retail Port-046-A-T

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2026

Sr No.	Name of the Trust
6	Arcil Retail Portfolio-022-A Trust
7	Arcil-CPS-081-I-Trust
8	Arcil-Retail Loan Portfolio-092-A-Trust
9	ARCIL-TRUST-2024-001
10	Arcil-Trust-2025-013
11	Arcil-Trust-2025-012
12	Arcil-Trust-2025-018
13	Arcil-Trust-2026-011
14	Arcil-Trust-2026-012
15	Arcil-Trust-2026-019
16	Arcil-Trust-2026-017
17	Arcil-Trust-2026-010
18	Arcil-Trust-2026-018
19	Arcil-Trust-2026-024
20	Arcil-Trust-2026-025
21	Arcil-Trust-2026-033
22	Arcil-Trust-2026-031
23	Arcil-Trust-2026-032
24	Arcil-Trust-2026-035

Sr No.	Name of the Key Managerial Person
1	Mr. Narayanan Subramaniam (Chairman w.e.f. April 01, 2025, Independent Director)
2	Mr. Pallav Mohapatra (CEO & Managing Director) (till March 7, 2026)
3	Mr. Phanindranath Kakarla (CEO & Managing Director) (w.e.f. March 8, 2026)
4	Mr. Pavan Pal Kaushal (till August 26, 2025, Independent Director)
5	Mr. Sudarshan Sen (Sponsored Director, representative of Avenue India Resurgence Pte. Ltd)
6	Mr. Ashish Shukla (Sponsored Director, representative of Avenue India Resurgence Pte. Ltd)
7	Mr. Ashok Kumar Sharma (Nominee Director)
8	Mr. Prasad Naga (w.e.f. July 15, 2025, Independent Director)
9	Mr. Balachander Rajaraman (Independent Director)
10	Ms. Raksha Kothari (Independent Director)
11	Mr. Pramod Gupta (Chief Financial Officer)
12	Mr. Ameet Kela (Company Secretary)

(₹ in Lakhs)

Particulars	Year ended March 31, 2026			Year ended March 31, 2025		
	Holding	Subsidiaries	Associates	Holding	Subsidiaries	Associates
1) Income from trusts managed by Arcil						
a. Fees & Other Income	-	**4,454.56**	**2,637.27**	-	**4,431.14**	**407.62**
Arcil-CPS-II-Trust	-	-	-	-	560.61	-
Arcil-Trust-2025-008	-	1,098.23	-	-	587.11	-
Arcil-Trust-2026-022	-	1,078.30	-	-	-	-
ARCIL-CPS-IV-Trust	-	-	-	-	1,454.79	-
Arcil-Trust-2025-015	-	798.30	-	-	-	-
Others	-	1,479.73	2,637.27	-	1,828.63	407.62
b. Interest Income	-	**124.65**	**12.37**	-	**89.52**	**4.03**
Arcil-Retail Loan Portfolio-092-A-Trust	-	-	-	-	17.51	-
Arcil-SBPS-014-I-Trust-Scheme A	-	14.29	-	-	-	-

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2026

(₹ in Lakhs)

Particulars	Year ended March 31, 2026			Year ended March 31, 2025		
	Holding	Subsidiaries	Associates	Holding	Subsidiaries	Associates
Others	-	110.36	12.37	-	72.01	4.03
c. Other Operating Income	-	**10,936.15**	-	-	**7,538.81**	**60.83**
Arcil-SBPS-041-I-Trust	-	-	-	-	2,537.65	-
Arcil-SBPS 073-I Trust		2,170.11	-	-	-	-
ARCIL-SBPS-006-VII TRUST		1,487.49	-	-	-	-
Arcil-SBPS-I-Trust		1,359.32	-	-	-	-
Arcil-SBPS 013-I Trust-Scheme B	-	1,118.33	-	-	-	-
Others	-	4,800.90	-	-	5,001.16	60.83
d. Other Income	**-**	**431.65**	**50.16**	**-**	**110.08**	**4.26**
ARCIL-CPS-IV-TRUST	-	-	-	-	15.20	-
Arcil-2024C-004 -Trust	-	-	-	-	14.91	-
Arcil-2024C-003 -Trust	-	-	-	-	14.91	-
Arcil-Retail Loan Portfolio-092-A-Trust	-	-	-	-	13.55	-
Arcil-Trust-2025-008	-	287.32	-	-	-	-
Others	-	144.32	50.16	-	51.52	4.26
e. Recovery of Security Receipts, Unrealized Fee & Expenses (written off earlier)	**-**	**2,277.96**	**15.12**	**-**	**1,818.41**	**27.71**
Arcil-AARF-II-Trust-Scheme 1	-	-		-	475.17	
Arcil-Vama Exports Ltd. Trust	-	-	-	-	274.94	-
Arcil-Daewoo Motors India Ltd Trust	-	-	-	-	235.85	-
Arcil-SBPS-I-Trust	-	1,545.26	-	-	-	-
Arcil-SBPS-025-I Trust	-	306.58	-	-	-	-
Others	-	426.11	15.12	-	832.44	27.71
f. Write off of Security Receipts, Unrealized Fee & Expenses	**-**	**5,849.07**	**27.81**	**-**	**448.05**	**253.65**
Arcil-Daewoo Motors India Ltd Trust	-	-	-	-	136.09	-
Arcil-SBPS-022-IV Trust	-	-	-	-	-	236.83
Arcil-AST-001-X-Trust	-	2,685.17	-	-	-	-
Arcil-SBPS-I-Trust	-	1,553.87	-	-	-	-
Others	-	1,610.03	27.81	-	311.96	16.82
g. Impairment of Financial Instruments/ Financial Assets	**-**	**148.42**	**113.09**	**-**	**106.26**	**(4.16)**
Arcil-CPS-II-Trust	-	-	-	-	28.59	-
Arcil-Trust-2025-008	-	-	-	-	29.23	-
Arcil-Trust-2025-015	-	-	-	-	16.38	-
Others	-	148.42	113.09	-	32.06	(4.16)
2) Investments made during the period	**-**	**133,521.58**	**15,916.90**	**-**	**82,529.24**	**4,025.95**
Arcil-Trust-2025C-005	-	-	-	-	9,700.00	-
Arcil-Trust-2025C-013	-	-	-	-	12,000.00	-
Arcil-Trust-2025-008	-	-	-	-	8,963.43	-

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2026

(₹ in Lakhs)

Particulars	Year ended March 31, 2026			Year ended March 31, 2025		
	Holding	Subsidiaries	Associates	Holding	Subsidiaries	Associates
Arcil – Trust -2025C – 018	-	-	-	-	11,000.00	-
Arcil-Trust-2026C-003	-	17,572.30	-	-	-	-
Arcil-Trust-2026-022	-	30,339.00	-	-	40,865.81	4,025.95
Others		85,610.28	15,916.90			
3) Redemption during the period	-	**47,340.49**	**3,412.05**	-	**33,546.60**	**755.66**
Arcil-2024C-004 -Trust	-		-	-	4,585.65	-
Arcil-Trust-2026-001	-		-	-	4,845.84	-
Arcil-2024C-003 -Trust					3,814.69	
Others	-	47,340.49	3,412.05	-	20,300.42	755.66
4) Recoverable from trusts managed by Arcil	-			-		
a. Fees & expenses	-	**2,008.83**	**999.85**	-	**2,480.89**	**49.97**
Arcil-CPS-II-Trust	-	-	-	-	492.25	-
ARCIL-CPS-IV-TRUST	-	-	-	-	694.87	-
Arcil-Trust-2025-008	-	-	-	-	354.04	-
Arcil-Trust-2026-022	-	615.58	-	-	-	-
Others	-	1,393.25	999.85	-	939.73	49.97
b. Investments	-	**250,911.15**	**20,628.01**	-	**168,126.09**	**7,479.63**
Others	-	250,911.15	20,628.01	-	168,126.09	7,479.63
5) Dividend Paid						
Avenue India Resurgence Pte. Ltd	6,796.99	-	-	3,398.49	-	-

Compensation of key managerial personnel (Short term benefits)

(₹ in Lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Short term employee benefits #	699.16	594.09
Post employment benefits#	25.56	20.38
Directors Sitting fees and Commission	105.07	113.40

The above amount does not include gratuity provision made, as the actuarial valuation is done for company as a whole and also ESOP granted

46 Contingent Liability and Commitments (to the extent not provided for)

(i) Contingent Liabilities:

(₹ in Lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
a) Guarantees excluding financial guarantees		
- bank guarantee furnished by the Company	200.00	200.00

(ii) Commitments:

(₹ in Lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Estimated amount of contracts remaining to be executed on capital and not provided for	23.85	12.89

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2026

47 The Company held monies on behalf of Trusts as Term Deposits, in order to pay off contingencies arising from those trusts, after their closure. The deposits are held in the name of the Company itself and the deposit amount as well as the interest earned thereon are being classified as ""Other Financial Liabilities"" in the books of the Company. In a Tax dispute Matter, since the entire amount of Rs. 5,610.38 lacs was paid by ARCIL from its own funds, the Company has now taken a call to recognize such interest on the term deposits held on behalf of trusts, as Interest Income in its books. Thus, an additional interest income of Rs. 1,306.48 lacs as against the total FD interest of Rs. 1,329.65 lacs held on behalf of trusts has been booked by the Company in the current period ended March 31, 2026.

48 Table Showing Contractual maturities of Lease Liabilities on an undiscounted basis

(₹ in Lakhs)

On office Premises	As at 31st March, 2026	As at 31st March, 2025
Particulars		
Not later than one year	70.22	37.33
Later than one year and not later than five years	159.78	31.57
Later than five years	126.93	-
Total Undiscounted Lease Liabilities	**356.93**	**68.90**
Lease Liabilites included in the Statement of Financial Position		
Current	48.67	33.41
Non Current	211.23	29.26
Total	**259.90**	**62.67**

49 Intangible assets under development aging schedule

a) For Intangible assets under development

As at March 31, 2026

(₹ in Lakhs)

	Amount in CWIP for a period of				Total*
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Intangible assets under development					
Projects in progress-Software Platform for Wholesale Business	3.24	-	-	-	3.24
Projects temporarily suspended			Not applicable		

b) For Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan

	To be completed in				Total*
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Intangible assets Under development			Not applicable		

As at March 31, 2025

(₹ in Lakhs)

	Amount in CWIP for a period of				Total*
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Intangible assets under development					
Projects in progress-Software Platform for Wholesale Business	67.59	-	-	-	67.59
Projects temporarily suspended			Not applicable		

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2026

b) For Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan

	To be completed in				Total*
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Intangible assets Under development			Not applicable		

50 There are various cases/ claims filed against the Company by the Borrower, etc. which have been contested by the Company. As the cases are mostly frivolous and there are remote chances of any liability being devolved on the Company. Hence, no provisions are made in this regard.

51 The Company has operation in single business segment and hence there are no separate reportable segments to be disclosed under Ind As 108 - "Operating Segments"

52 The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provisions as required under any law/ accounting standards for material foreseeable losses on such long term contracts has been made in the books of account. The Company does not have any derivative contracts as at the Balance Sheet date.

53 The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. Ministry of Labour and Employment has notified the effective date as 21st November 2025. The Code has been published in the Gazette of India. Further, the Central Government has released fresh set of draft rules for the Code on December 30, 2025. As of now, the rules are still being finalized by various state and central authorities. In accordance with the notified effective date, the Company has conducted an actuarial assessment to quantify the impact of the new wage definition and revised eligibility criteria. And accordingly the impact for year ended March 31, 2026 is Rs.230 lacs (Previous year:- Nil) and the same is recognised by the Company under "Employee Benefit Expenses" in the Statement of Profit and Loss. This amount represents the past service cost arising from the re-measurement of long-term employee obligations as per the Code's requirements. The Company will continue to monitor the Central and State Government Rules and any change having financial impact will be accounted for as and when required.

54 The Company holds assets in Security Receipts (SRs) which have been written off but are rigorously being pursued for recovery on an ongoing basis. The Management expects a good amount of realisation in future. This acts as a natural hedge and provides reasonable cover for subsequent deterioration in the value of assets.

55 Additional Regulatory Informations

i) Ratios

Ratios	Numerator	Denominator	As at March 31, 2026	As at March 31, 2025
a) Capital to risk-weighted assets ratio (CRAR)	Net Owned Funds	Risk Wighted Assets	65.31%	90.32%
b) Tier I CRAR	Tier I Capital	Risk Wighted Assets	65.31%	90.32%
c) Tier II CRAR	N.A.	N.A.	N.A.	N.A.
d) Liquidity Coverage Ratio	N.A.	N.A.	N.A.	N.A.

56 Employee Stock Option Scheme 2025 (ESOP 2025)

i) Asset Reconstruction Company(India) Ltd (ARCIL) Board decided to allot stock options to eligible employees. And accordingly, Employee Stock Options Scheme 2025 was framed and same was approved by Board on June 23, 2025 and by shareholders in the EGM dated June 27, 2025.

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2026

Details of options granted under various series are as under

Particulars	Series I
Date of share holder approval	June 27, 2025
Grant date	July 15, 2025
Options granted	635,328
Options forfeited/cancelled till March 31, 2026	156,620
Outstanding at end of period	478,708
Exercisable at end of period	NIL
Vesting of options	Options granted under ESOP 2025 shall vest not earlier than minimum period of 1 (one) year and not later than maximum period of 4 (four) years from the date of Grant.
Maximum term of option granted	4 years from the date of Vesting
Source of shares (primary, secondary or combination)	Primary
Variation in terms of options	No variations
Method use to account for ESOP	Fair value method
Pricing formula	The Exercise Price per Option shall be determined by the Committee, which shall be upto 20% discount to Fair Market Value as on the date of Grant. However, the Exercise Price shall not be less than the face value of the Share.

The current status of the stock options granted to the Employees is as under:

Particulars	No of outstanding options	
	As at March 31, 2026	As at March 31, 2025
Number of options outstanding at the beginning of the period.	-	-
Number of options granted during the period	635,328	-
Number of options forfeited during the period	156,620	-
Number of options expired during the period	-	-
Number of options vested during the period	-	-
Number of options exercised during the period	-	-
Total number of shares arising as a result of exercise of options	-	-
Money realized by exercise of options (INR), if scheme is implemented directly by the company	-	-
Number of options outstanding at the end of the period	478,708	-
Number of options exercisable at the end of the period	-	-

The charge on account of the above scheme is included in employee benefit expense aggregating Rs.82.80 lacs (Previous year: ₹ Nil).

ii) IND AS 102 also states that the fair value of Options should be estimated using an option pricing model (Black Scholes or other option pricing model) that takes into account as of the grant date the exercise price and the

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2026

expected life of the option, the current price in the market of the underlying stock and its expected volatility, expected dividends on the stock, and risk-free interest rate for the expected term of the option. However, historically for the purpose of reporting the Company is following Black Scholes model for determining the fair value of the options. The fair value of an option estimated on the grant date shall not be subsequently adjusted for changes in the price of the underlying stock or its volatility, the life of the option, dividends on the stock, or the risk-free interest rate. IND AS 102 requires Companies to follow vest wise accounting. It means that services would be received over the vesting period; hence, the cost has been amortized over the vesting period. Unvested Options,if any, has been reversed from profit and loss account and Vested Options,if any, from general reserve.

Total expenses arising from Employee Stock Option Scheme (ESOP) recognised in statement of profit or loss as part of Employee Stock Option Scheme Compensation were as follows:

(₹ in Lakhs)

Employee option Plan	As at 31st March, 2026	As at 31st March, 2025
Option Series - I	82.80	-
	82.80	**-**

(₹ in Lakhs)

Particuars	As at 31st March, 2026	As at 31st March, 2025
Stock Option outstanding balance	82.80	-
	82.80	**-**

The Company follows fair value based method of accounting for determining compensation cost for its stock based compensation scheme. The fair value has been calculated by applying Black and Scholes model as valued by an independent valuer. The following tables list the inputs to the Black Scholes model used for the years ended:

Particuars	As at 31st March, 2026	As at 31st March, 2025
Market Price (Rs.)	151.00	-
Expected Life (In Years)	5.00	-
Volatility (%)	43.64%	-
Riskfree Rate (%)	6.01%	-
Dividend yield (%)	1.99%	-

57 A statement of the migration of financial assets from standard to non-performaing- Not applicable

58 No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

59 The Company has not been declared wilful defaulter by any bank or financial institutions or government or any government authority.

60 The Company has no transactions with the companies struck off under the Companies Act, 2013.

61 There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

62 The Company has complied with the number of layers prescribed under the Companies Act, 2013.

63 The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

64 There was no Sale of assets catergorised under Amortized Cost.

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2026

65 Utilisation of Borrowed funds and share premium:

(A) During the year, the company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate (Ultimate Beneficiaries) or

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

(B) During the year, the Company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

66 Undisclosed Income: The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

67 The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

68 Company is not holding any immovable property whose title deed is not in the name of the company.

69 The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets during the current or previous year.

70 The Financial Statement is prepared in accordance with Division III to Schedule III of the Companies Act, 2013. In preparing the financial statement, a balance has been maintained between providing excessive detail that may not assist users of financial statement. Accordingly, the line items as per prescribed format are not applicable to compnay and items which a are applicable to company but having nil balance in the current and previous reporting period are not disclosed in this financial statements.

71 Dividends declared by the Company are based on the profit available for distribution. On May 15, 2026, the Board of Directors of the Company have proposed a final dividend of Re. 1 per share in respect of the year ended March 31, 2026.

(₹ in Lakhs)

Proposed / Declared Dividends on Equity Shares not recognised:	As at March 31, 2026	As at March 31, 2025
Final Dividend for the year ₹ 1.00 per share (Previous year : ₹ 3.00 per share)	3,248.97	9,746.91

72 **Investor Education and Protection Fund**

There is no amount required to be transferred to Investor Education and Protection Fund by the Company (previous year: Nil)

73 There are no subsequent events occuring post balance sheet date which could have a material impact on the financial statements as on March 31, 2026

74 The Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility, except, that audit trail feature was not enabled at the database level to log any direct data changes. Further, to the extent enabled, audit trail feature has operated throughout the year for all relevant transactions recorded in the accounting software and audit trail feature has not been tampered with. Additionally, the audit trail of prior year(s) has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in respective years.

75 The financial statements were approved for issue by the Board of Directors on Date: May 15, 2026.

76 Disclosures as per the directions of Reserve Bank of India are given in Annexure II.

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2026

Annexure II

The following additional disclosures have been made taking into account RBI guidelines in this regards:

a) Names and addresses of the banks/financial institutions from whom financial assets were acquired and the value at which such assets was acquired from each such bank/financial institutions.

Name of the Selling Bank / Finance Institution	Address	Acquisition price as on Mar 31 2026 (₹ in lacs)	% to total
State Bank of India	Mumai Main Branch,2nd Floor,Mumbai Sanchar Marg,Mumbai - 400021	389,415.08	8.83%
Sub-Total (A)		**389,415.08**	**8.83%**
Non-Sponsors			
Abu Dhabi Commercial Bank	75-B, Rehmat Manzil,Veer Nariman Road, Mumbai - 400020	355.05	0.01%
Aditya Birla Capital Ltd (ABCL)	0	16450.00	0.37%
Ashv Finance Limited	12B, 3rd Floor, Techniplex II, Off Veer Savarkar Flyover, Goregaon West, Mumbai, Maharashtra 400062.	2953.00	0.07%
Assets Care & Reconstruction Enterp	Assets Care & Reconstruction Enterprise Ltd. Unit No. 502, C Wing, One BKC, G Block, Bandra Kurla Complex, Mumbai – 400 051	4976.10	0.11%
Axis Bank Limited	Maker Towers F, 13th Floor, Cuffe Parade, Mumbai-400005	27570.84	0.62%
AYE Finance Ltd	0	3622.00	0.08%
Aye Finance Private Limited	7th Floor, Unitech Commercial Tower 2 Sector 45, Gurugram 122 003 Haryana	8729.88	0.20%
Bajaj Finance Ltd	Akrudi, Pune - 411035	17167.26	0.39%
Bajaj Housing Finance Ltd.	2nd Floor, No 46, 20-2, 12th Main Rd, Opp Navarang Theatre, 1st Block, Rajajinagar, Bengaluru, Karnataka 560010	3246.57	0.07%
Bandhan Bank Kolkata	Floors 12-14, Adventz Infinity@5, BN 5, Sector V, Salt Lake City, Kolkata 700091	85935.20	1.95%
Bank of Bahrain & Kuwait B.S.C.	Jolly Maker Chamber,2, Ground Floor, Nariman Point, Mumbai - 400021	147.37	0.00%
Bank of Baroda	Baroda Sun Tower,C-34, 'G' Block, Bandra Kurla Complex, Bandra (East),Mumbai - 400051	113046.61	2.56%
Bank of India	Star India,C-5, 'G' Block,Bandra Kurla Complex, Bandra (East),Mumbai - 400051	125864.77	2.85%
Bank of Maharashtra	Apeejay House,1st Floor, 130, Dr. V. B. Gandhi Marg, Fort,Mumbai - 400001	25472.70	0.58%
Bank of Tokyo-Mitsubishi UFJ, Ltd.	Ground Floor, Jeevan Prakash, Sir P M Road Fort, Mumbai-400001	105.00	0.00%
Bhanix Finance and Investment Limited	Indiana Business Centre, 5th Floor, "B" Wing, Makwana Road, Off M. Vassanji Road, Marol Naka, Andheri (E), Mumbai – 400059	2149.00	0.05%
Canara Bank	Integrated Treasury Wing,6th Floor, A Wing, Canara Bank Building,C-14, G Block, Bandra Kurla Complex,Mumbai - 400051	47701.10	1.08%
Catholic Syrian Bank	CSB Bhavan, Head Office: P.B No. 502, St. Mary's College Road, Thrissur - 680 020, Kerala, India	2865.00	0.06%
Central Bank Of India	5th Floor, Chander Mukhi, Nariman Point, Mumbai - 400021	31890.64	0.72%

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2026

Name of the Selling Bank / Finance Institution	Address	Acquisition price as on Mar 31 2026 (₹ in lacs)	% to total
Centurion Bank of Punjab	1201, Raheja Centre, Free Press Journal Marg, Nariman Point, Mumbai-400021	1170.55	0.03%
CFM ARC	0	7800.00	0.18%
CFM Asset Reconstruction Company Lt	1st Flr, Wakefield House, Sprott Road, Ballard Estate, Mumbai/Maharashtra 400038. (022) 40055280	2532.00	0.06%
Cholamandalam Investment and Finance Company Limited	Cholamandalam Investment and Finance Company Limited (CIFCL), Chola Crest, C54-55 & Super B-4, Thiru-Vi-Ka Industrial Estate, Guindy, Chennai - 600032.	9669.50	0.22%
Citibank NA	8th Floor, First International Financial Centre C-54 & 55, G Block Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051	597.80	0.01%
City Union Bank Limited	149, TSR Big Street, Kumbakonam, 612001	21755.00	0.49%
Consortium of Lenders	0	3000.00	0.07%
DBS Bank India Ltd. (DBIL)	19th Floor, Express Towers, Nariman Point, Mumbai 400 021	11854.61	0.27%
DCB Bank	Raheja Chambers, 9th Floor, Mumbai-400023	18965.51	0.43%
Deutsche Bank	Deutsche Bank AG, Filiale Mumbai, The Capital, 14th Floor, C-70, G Block, 400 051 Mumbai, India	4596.00	0.10%
Deutsche Postbank Home Finance Ltd	12 - C & 12 - D, 2nd Floor Vasant Square Mall, Plot - A,Sector - B, Pocket - V,Vasant Kunj, New Delhi - 110070.	118.00	0.00%
Dewan Housing Finance Limited	10th Floor, TCG Financial Centre, BKC Road, Bandra Kurla Complex, Mumbai - 400098	33595.00	0.76%
ECL Finance Limited	Tower 3, Wing 'B', Kohinoor City Mall, Kohinoor City, Kirol Road, Kurla (West), Mumbai 400070	36603.30	0.83%
Edelweiss Asset Reconstruction Co. Ltd.	Edelwiess House, Windsor Ln, Kolivery Village, MMRDA Area, Kalina, Bandra East, Mumbai, Maharashtra 400098	38074.00	0.86%
Electronica Finance Limited	0	146.27	0.00%
Equitas Small Finance Bank Ltd.	4th Floor, Phase II, Spencer Plaza, Anna Salai, Chennai, 6000002	11818.70	0.27%
ESAF Small Finance Bank Limited	0	16851.00	0.38%
EXIM Bank	Post Bag No. 16100, Centre One, 21st Floor, World Trade Centre, Cuffe Parade, Mumbai-400005	34296.93	0.78%
Fedbank Financial Services Limited	0	1756.00	0.04%
Federal Bank	Federal Tower, Aluva-1 Kerala - 683101	17308.48	0.39%
Finova Capital Private Limited	0	8210.00	0.19%
Fullerton India Home Finance Company Ltd	Floor No. 5 & 6, B Wing, Supreme IT Park, Supreme City, Powai, Mumbai, Maharashtra 400076	2628.14	0.06%
Fullerton India Housing Finance Pvt	Floor No. 5 & 6, B Wing, Supreme IT Park, Supreme City, Powai, Mumbai, Maharashtra 400076	1534.21	0.03%
General Insurance Corporation	"Suraksha", 170. J. Tata Road, Churchgate, Mumbai – 400 020	62.50	0.00%

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2026

Name of the Selling Bank / Finance Institution	Address	Acquisition price as on Mar 31 2026 (₹ in lacs)	% to total
Grihum Housing Finance Ltd	Office Unit No. 806 & 807, 8th Floor, A - Wing, 215 Atrium, Chakala, Andheri Kurla Road, Andheri (East), Mumbai – 400069"	7806.32	0.18%
HDFC Bank Ltd.	Peninsula Business Park,Tower-B, 5th Floor,Senapati Bapat Marg, Mumbai - 400013	13640.00	0.31%
HDFC Ltd.	Ramon House,7th Floor, H.T. Parekh Marg,169, Backbay Reclamation, Churchgate, Mumbai - 400020	9567.43	0.22%
Hinduja Leyland	Hinduja Leyland Finance Limited, No. 27 A Developed Industrial Estate, Guindy, Chennai – 600032	80425.60	1.82%
ICICI Bank Ltd.	ICICI Bank Tower, North East Wing, 2nd floor, Bandra Kurla Complex, Bandra (East), Mumbai - 400051	611981.27	13.87%
ICICI Home Finance Ltd. (IHFCL)	Andheri - Kurla Rd, S B Singh Colony, J B Nagar, Andheri East, Mumbai, Maharashtra 400059	3448.46	0.08%
IDBI Ltd.	IDBI Tower, 17th Floor, WTC Complex, Cuffe Parade, Mumbai-400005	294397.71	6.67%
IDFC First Bank Limited	Ramon House, H.T. Parekh Marg, 169, Backbay Reclamation, Mumbai-400020	22956.46	0.52%
IFCI Ltd.	8th & 9th floor, Earnest House,Nariman Point,Mumbai - 400021	47965.50	1.09%
IIFL Finance Limited	IIFL Finance Limited, 802, 8th Floor, Hubtown Solaris, N. S. Phadke Marg, Vijay Nagar, Andheri East, Mumbai – 400 069	9800.00	0.22%
IIFL Housing Finance Limited	Plot 98, Phase IV, Udyog Vihar Gurugram 122016	75723.00	1.72%
INCRED FINANCIAL SERVICES LIMITED	Plot No. C, The Capital, Unit No. 1203, 12th floor, B Wing, 70, G Block Rd, Bandra Kurla Complex, Mumbai, Maharashtra 400051	11681.00	0.26%
India Infoline Finance Ltd.	12A-10, 13th Floor, Parinee Crescenzo, C-38 and C-39, G Block, behind MCA, Bandra Kurla Complex, Bandra East, Mumbai-400051	468.00	0.01%
India Infoline Housing Finance Ltd.	12A-10, 13th Floor,Parinee Crescenzo, C-38 and C-39, G Block, behind MCA, Bandra Kurla Complex, Bandra East, Mumbai-400051	36.00	0.00%
India Infrastructure Finance Company Ltd	8Th Floor, Hindustan Times House, 18 & 20, Kasturba Gandhi Marg, New Delhi -110001	23072.00	0.52%
Indiabulls Asset Reconstruction Com	Indiabulls Finance Centre, Tower – 1, 11th Floor, Senapati Bapat Marg, Elphinstone (West, Mumbai, Maharashtra 400013	2000.00	0.05%
Indian Bank	254-260 Avvai Shanmugam Salai,Royapettah,Raghunath Peth, Chennai -600014	93696.52	2.12%
Indian Overseas Bank	Central Office, 763,Anna Salai,Chennai -600602	196594.12	4.46%
Indostar Capital Finance Ltd	E Wing, 3rd Floor, Unit No.305 Andheri, Andheri - Ghatkopar Rd, Chakala, Andheri East, Mumbai, Maharashtra 400093	2680.75	0.06%

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2026

Name of the Selling Bank / Finance Institution	Address	Acquisition price as on Mar 31 2026 (₹ in lacs)	% to total
IndusInd Bank	701, Solitaire Corporate Park, Andheri (East) , Mumbai-400093	35944.52	0.81%
Industrial Investment Bank of India Ltd .	Ernest House, 11th floor, Nariman Point, Mumbai -400021	3701.76	0.08%
JAMMU & KASHMIR BANK	M A Road,Srinagar 190 001	14884.50	0.34%
Jana Small Finance Bank Ltd	The Fairway Business Park, First Floor, Survey No.10/1, 11/2 & 12/2B, Off Domlur, Koramangala Inner Ring Road, Next to EGL Business Park Challaghatta, Bengaluru - 560071.	7370.00	0.17%
JP Morgan Chase Bank, N.A	9th Floor, Mafatlal Centre, Nariman Point, Mumbai-400021	19021.00	0.43%
Karnataka Bank	Mahaveera Circle,Kankanady,Mangalore - 575002	38272.30	0.87%
Karur Vysya Bank	Appa Saheb Marathe Marg,Prabhadevi,Mumbai - 400025	15366.55	0.35%
KKR India Asset Finance Pvt Ltd	0	6150.00	0.14%
Kogta Financial (India) Limited	S-1, Gopal Bari, Near Ajmer Pulia, Opp. Metro Pillar No. 143, Jaipur-302001	2255.00	0.05%
Kotak Mahindra Investment Ltd	27BKC, C 27, G Block BKC, Bandra Kurla Complex, Bandra (E), Mumbai - 400051, India	1927.92	0.04%
L&T Finance Limited	Brindavan, Plot No. 177, C.S.T Road, Kalina, Santacruz (East), Mumbai Mumbai City MH 400098	511009.27	11.58%
Life Insurance Corporation of India	Yogakshema' , Jeevan Bima Marg, Mumbai-400021	6324.55	0.14%
Magma Housing Finance Limited	0	1241.00	0.03%
Manappuram Asset Finance Limited	0	930.80	0.02%
Manappuram Finance Limited	0	3796.00	0.09%
Manappuram Home Finance Ltd	Manappuram Home Finance Limited, Corp Office: Kanakia Wall Street, A-Wing, 3rd Floor, Unit No. 301-315, Andheri-Kurla Road, Andheri (East), Mumbai-400 093, Maharashtra	2743.86	0.06%
Midland Microfin Limited	0	8574.00	0.19%
Muthoot Finance Limited	4th Floor, Corporate office, Banerji road, Ernakulam	70079.96	1.59%
Muthoot Fincorp Limited	0	12164.00	0.28%
Muthoot Housing Finance Company Limited	Parinee Crescenzo, Kautilya Bhawan-2, The 8th floor, Opp. MCA, G Block, BKC, Bandra Kurla Complex, Bandra East, Mumbai 400051	3131.85	0.07%
National Housing Bank	Core 5 - A, India Habitat Center, Lodhi Road, New Delhi-110003	1000.00	0.02%
National Insurance Company Ltd.	3, Middleton Street, Kolkata- 700 071	94.23	0.00%
Navi Finserv Limited	2nd Floor, Vaishnavi Tech Square, Iballur Village, Begur Hobli, Bengaluru, Karnataka, India - 56010	218.33	0.00%

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2026

Name of the Selling Bank / Finance Institution	Address	Acquisition price as on Mar 31 2026 (₹ in lacs)	% to total
Navi Finserv Limited and Piramal Capital & Housing Finance Limited	2nd Floor, Vaishnavi Tech Square, Iballur Village, Begur Hobli, Bengaluru, Karnataka, India - 56010	118.12	0.00%
Northern ARC Capital Limited	0	4143.00	0.09%
Oriental Insurance Company Ltd.	A – 25/27, Asaf Ali Road,New Delhi – 110 002	20.83	0.00%
Patni Financial Advisors Private Li	0	259.57	0.01%
Pegasus Assets Reconstruction Pvt.	55-56, 5th Floor, Free Press House, Nariman Point, Mumbai, 400021	3263.00	0.07%
Phoenix ARC Pvt. Ltd.	158, 5th Floor, Dani Corporate Park, CST Road, MMRDA Area, Kalina, Santacruz East, Mumbai, Maharashtra 400098	800.00	0.02%
Piramal Capital & Housing Finance Ltd	601 6th Floor, Amiti Building, Agastya Corporate Park, Kamani Junction, Opp. Fire Station, LBS Marg, Kurla (W) Mumbai MH 400070.	22768.03	0.52%
Poonawalla Fincorp Limited	Park Center, 24 Park Street 4th Floor, Kolkata - 700016.	33240.00	0.75%
Punjab & Sind Bank	21, Bank House, 1st Floor, Rajendra Place,New Delhi - 110008	7100.62	0.16%
Punjab National Bank	PNB Pragati Tower,Plot No. C-9, G-Block,Bandra Kurla Complex,Mumbai - 400051	152429.87	3.46%
RBL Bank	RBL Bank Limited, One World Centre, 20th Floor, Tower 2B, 841, Senapati Bapat Marg, Lower Parel (West), Next to Prabhadevi Station (W), Mumbai – 400013.	6908.86	0.16%
Restructuring Support Finance	0	2000.00	0.05%
Saman Finserve Ltd	18th floor One International Centre, Sammaan Capital Finance Centre, Senapati Bapat Marg, Elphinstone Road, Mumbai - 400013	44212.06	1.00%
Sammaan Capital Limited	0	10268.28	0.23%
Sammaan Capital Ltd	18th floor One International Centre, Sammaan Capital Finance Centre, Senapati Bapat Marg, Elphinstone Road, Mumbai - 400013	334577.88	7.58%
Saraswat Co-operative Bank Ltd	Ekanath Thakur Bhavan 953, Appasaheb Marathe Marg, Prabhadevi. Mumbai- 400 025	6609.99	0.15%
SBFC Finance Ltd	103, 1st Floor, C&B Square,Sangam Complex, Andheri Kurla Road,Village Chakala, Andheri (East), Mumbai - 400059	3004.00	0.07%
SBI Commercial & International Bank Ltd.	0	387.33	0.01%
Sewa Grih Rin Ltd	8th Floor, Tower C, Building No. 8, DLF Cyber City, Gurugram - 122002	1134.40	0.03%
Shriram Housing Finance Ltd	Wockhardt Towers East Wing, Bandra Kurla Complex, Mumbai - 400051	9615.00	0.22%
SICOM Ltd	The Solitiar Corporate Park, 6th Floor,Guru Hargovind Road, Building No. 4,Chakala, Andheri (East),Mumbai - 400093	1601.19	0.04%

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2026

Name of the Selling Bank / Finance Institution	Address	Acquisition price as on Mar 31 2026 (₹ in lacs)	% to total
SIDBI	SME Development Centre,Plot –C-11 G Block, Bharat Nagar,Bandra Kurla Complex, Bandra (East),Mumbai - 400051	727.00	0.02%
SK Finance Ltd	Adarsh Plaza Building, Khasa Kothi Circle, Jaipur - 302001, Rajasthan, India.	33547.00	0.76%
South Indian Bank Ltd.	20, Sambava Chambers, Sir P.M. Road, Fort, Mumbai-400050	91380.73	2.07%
Standard Chartered Bank	0	2900.00	0.07%
STANDARED CHARTERED BANK	Mezzanine and Alternative Solutions,Standard Chartered Private Equity Advisory (India) Pvt. Ltd;Crescenzo, 7/F, C-38/39, G-Block, Bandra Kurla Complex,Mumbai - 400051	3032.00	0.07%
Stressed Assets Stabilisation Fund	Industrial Development Bank Of India Ltd, 10th Floor, IDBI Tower, WTC Complex, Cuffe Parade, Mumbai 400 005	568.72	0.01%
The Administrator of the Specified Undertaking of the Unit Trust of India	Bandra Kurla Complex, Bandra (East), Mumbai-400051	2127.82	0.05%
The Bank of Rajasthan Ltd.	Mittal Tower, 'C' wing, Ground Floor, Nariman Point, Mumbai-400021	1150.00	0.03%
Tourism Finance Corporation of India	4th Floor,Tower-1,NBCC Plaza, sec-V,Pushp Vihar, Saket, New Delhi India	3600.00	0.08%
Tumkur Grain Merchant Co-operative Bank	Opposite Government College, B H Road, Tumkur	9195.00	0.21%
UCO Bank	Head Office, 10, BTM Sarani, Kolkata - 700001	14262.00	0.32%
Ujjivan Small Finance Bank	Grape Garden, 3rd A Cross, 18th Main, 6th Block, Koramangala, Bengaluru - 560095, India	3426.00	0.08%
Union Bank of India	Union Bank Bhavan,5th Floor, Central Office, Nariman Point, 239, Vidhan Bhavan Marg, Mumbai - 400021	68720.11	1.56%
UTI Trustee Company Private Ltd.	UTI Tower , 'GN' Block, Bandra Kurla Complex, Bandra (E), Mumbai-400051	222.55	0.01%
Utkarsh Small Finance Bank Limited	0	13310.00	0.30%
Vastu Housing Finance Corporation Ltd	Unit 203 & 204, 2nd Floor, A Wing, Navbharat Estate, Zakaria Bunder Road, Sewri (West), Mumbai – 400015.	10556.00	0.24%
Vistaar Financial Services Pvt Ltd	Plot No. 59 & 60 – 23, 22nd Cross, 29th Main BTM 2nd Stage, Opposite to Madiwala lake entrance Bangalore 560076	14141.00	0.32%
VSJ Investments Pvt. Ltd	G 12, Ground Floor, Raheja Centre, 214 Free Press Journal Marg, Nariman Point Mumbai Mumbai City MH 400021 IN.	12500.00	0.28%
Xander Finance Pvt. Ltd.	10th floor, 5th Avenue, Maker maxity, Bandra Kurla Complex Rd, Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra 400051	10500.00	0.24%
Yes Bank Limited	Indiabulls Finance Center, Tower -II, Senapati Bapata Marg, Elphinstone Road, Mumbai-400013	2367.00	0.05%
Sub-Total (B)		**4,022,028.08**	**91.17%**
Total (A+B)		**4,411,443.16**	**100.00%**

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2026

b) Dispersion of various financial assets Industry & Sponsor wise

Industry	Acquisition Price as on March 31, 2026	
	Amount (Rs in lacs)	% to total
Sponsor		
Agri and Food products	25,056.54	0.57%
Auto & Anciliary	14,619.08	0.33%
Cement	21,784.43	0.49%
Chemicals and Ago-chemicals	27,867.38	0.63%
Construction materials	3,438.64	0.08%
Consumer Durables	1,859.05	0.04%
Education Institution	2,664.80	0.06%
EPC Infrastructure	9,715.13	0.22%
Gems and Jewellery	1,194.62	0.03%
Heavy Industry / Engineering	30,689.80	0.70%
Hospitality	9,873.51	0.22%
IT / ITES	140.96	0.00%
Logistics & warehousing	1,873.97	0.04%
Metal	29,208.31	0.66%
Miscellaneous	24,531.36	0.56%
Miscelleneous	1,460.21	0.03%
Paper and Packaging	13,187.65	0.30%
Pharmaceuticals and Healthcare	8,692.26	0.20%
Power	81,299.17	1.84%
Real Estate	8,562.49	0.19%
Retail HL / LAP / Mortgage	15,057.66	0.34%
Retail-Secured	51.56	0.00%
Road Project	16,106.00	0.37%
Shipping & Transportation	167.95	0.00%
SME - Unsecured	125.85	0.00%
Textiles, Leather & Garments	40,186.72	0.91%
Subtotal (A)	**389,415.08**	**8.83%**
Non Sponsor		
Agri and Food products	94,498.45	2.14%
Auto & Anciliary	66,387.66	1.50%
Cable Television and DTH	4,976.10	0.11%
Cement	24,744.13	0.56%
Chemicals and Ago-chemicals	202,254.29	4.58%
Chemicals and Agro-chemicals	340.87	0.01%
Construction materials	35,587.39	0.81%
Consumer Durables	61,140.04	1.39%
Corp - Unsecured	0.00	0.00%
Education Institution	31,457.13	0.71%
EPC Infrastructure	85,603.75	1.94%
Gems and Jewellery	21,240.14	0.48%
Heavy Industry / Engineering	151,964.94	3.44%
Hospitality	106,741.40	2.42%
IT / ITES	8,016.63	0.18%
Logistics & warehousing	8,653.82	0.20%

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2026

Industry	Acquisition Price as on March 31, 2026	
	Amount (Rs in lacs)	% to total
Media	3,717.24	0.08%
Metal	364,827.70	8.27%
Miscellaneous	71,131.13	1.61%
Miscellaneous retail	1,216.92	0.03%
Paper and Packaging	72,500.28	1.64%
Pharmaceuticals and Healthcare	50,192.41	1.14%
Power	172,487.87	3.91%
Real Estate	1,015,123.78	23.01%
Retail - Gold	70,079.96	1.59%
Retail - Mix / Others	39,214.61	0.89%
Retail - Mix / OthersÂ	15,936.00	0.36%
Retail - Unsecured - MFI	77,252.00	1.75%
Retail - Unsecured - Others	107,890.99	2.45%
Retail HL / LAP / Mortgage	471,908.59	10.70%
Retail HL :LAP	21,085.00	0.48%
Retail MFI	21,884.00	0.50%
Retail Unsecured	904.00	0.02%
Retail Vehicle Portfolio	98,899.60	2.24%
Retail-Unsecured	3,622.00	0.08%
Road Project	192,053.53	4.35%
Shipping & Transportation	8,427.39	0.19%
SME - Unsecured	1,734.63	0.04%
SME Portfolio - Home, LAP & Others	17,003.24	0.39%
SME Portfolio-Home LAP & Others	401.56	0.01%
Textiles, Leather & Garments	218,926.92	4.96%
Subtotal (B)	**4,022,028.08**	**91.17%**
Subtotal (A) + (B)	**4,411,443.16**	**100.00%**

c) The above table (b) has been prepared by management and the same has been relied upon by the auditors.

d) The acquisition price in the tables (a) and (b) above includes financial assets acquired till March 31, 2026 including financial assets resolved till date.

e) Status of financial assets acquired in the Trusts set up by Arcil as on March 31, 2026 as required as per RBI Notification No. DBNS.PD(SC/RC).8/CGM(ASR) dated April 21, 2010.

(₹ in Lakhs)

Particulars	Amount
a. Value of financial assets outstanding for realisation as at April 01, 2025	1,438,223.51
b. Value of financial assets acquired during the financial year 2025-2026	595,879.97
c. Value of financial assets realised during the financial year 2026-2026 (Note 1)	247,079.19
d. Value of financial assets Written-off / back during the financial year 2026-2026	2,326.54
e. Value of financial assets outstanding for realisation as at March 31, 2026 (a+b-c-d)	1,784,697.75
f. Value of land and / or building acquired in ordinary course of business of reconstruction of assets	Nil

Note 1: Surplus realisation, if any, over & above the value of financial assets has been adjusted in (c) above

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2026

f) Status of Security Receipts (SRs) issued by the Trusts set up by Arcil as on March 31, 2026;

(₹ in Lakhs)

Particulars	Value of SRs redeemed fully during the financial year 2025-2026	Value of SRs redeemed partly during the financial year 2025-2026	Total value
a. SRs outstanding as on April 01, 2025	439.27	1,684,816.71	1,685,255.97
b. Movement during the year -Partially to fully redeemed	82,967.50	(82,967.50)	-
c. SRs issued during the financial year 2025-26	-	595,879.97	595,879.97
d. SRs redeemed during the financial year 2025-26	83,505.52	180,305.23	263,810.75
e. SRs written-off during the financial year 2025-26	-	2,326.54	2,326.54
f. SRs Outstanding as on Mar 31, 2026 # (a+b+c-d-e)	(98.75)	2,015,097.41	2,014,998.65

Includes SRs which could not be redeemed on completion of maximum resolution period of Rs. 739740.93 lakhs.

g) Additional disclosures as required in circular no. DNBS (PD) CC. No. 41/ SCRC / 26.03.001/ 2014-2015 dated August 05, 2014 for the Assets acquired after the aforesaid dates;

1. Details of Acquisition value of Assets more than the book value along with the basis of their valuation after August 05, 2014 - Nil.

2. Details of Assets of the Trusts at the Trusts level disposed off during the year at substantial discount (more than 20% of valuation as at the previous year end) and the reasons thereof.

(₹ in Lakhs)

Acquistion Date	Trust Name	Outstanding SR	Arcil share in outstanding SR
22-Dec-17	Arcil-AST-017-III-Trust	3,150.00	472.50
27-Sep-17	Arcil-CPS-015-II-Trust	1,184.67	177.70
28-Mar-18	Arcil-CPS-008-II-Trust	16.50	8.25
12-Mar-21	Arcil-CPS-I Trust	16,742.38	2,511.36
7-Jun-17	Arcil-Retail Port-048-A-Trust	0.60	0.60
15-Dec-17	Arcil-Retail Port-047-B-Trust	1.93	0.34
1-Feb-18	Arcil-Retail Port-042-A-Trust	3.33	3.33
28-Mar-18	Arcil-Retail Port-032-A-Trust	0.50	0.50
30-Dec-21	Arcil-Retail Loan Portfolio-042-F-Trust	1,676.46	1,676.46
30-Dec-21	Arcil-Retail Loan Portfolio-042-H-Trust	570.27	570.27
30-Dec-21	Arcil-Retail Loan Portfolio-042-G-Trust	1,326.48	1,326.48
30-Mar-22	Arcil-Retail Loan Portfolio-078-A-Trust	21,620.99	3,243.15
27-Mar-23	Arcil-Retail Loan Portfolio-078-C-Trust	17,575.53	2,636.33

3. Details of Assets where the value of SRs has declined more than 20% below the acquisition value.

Trust / Scheme / Series Name (Details of Assets)	Reduction in value of SRs in %	Total SR Issued	Arcil's share in SR Issued
Arcil-AST-001-XI-Trust***	100%	1,586.00	793.00
Arcil-AST-017-V-Trust***	100%	950.00	950.00
Arcil-AST-024-I-Trust***	100%	472.00	472.00
Arcil-AST-026-I-Trust***	100%	1,112.00	1,112.00
ARCIL-AST-024-II-TRUST**	100%	6,500.00	6,500.00

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2026

Trust / Scheme / Series Name (Details of Assets)	Reduction in value of SRs in %	Total SR Issued	Arcil's share in SR Issued
Arcil-AST-RA-001 Trust	25%	3,000.00	3,000.00
Arcil-CPS-062-I-Trust**	48%	61,000.00	9,150.00
Arcil-SBPS-008-II-Trust	29%	22,632.00	3,394.80
Arcil-SBPS-008-IV-Trust	41%	6,800.00	1,020.00
ARCIL-TRUST-2024-001	25%	14,000.00	2,800.00
Arcil-Trust-2026-012	25%	9,000.00	1,800.00
Arcil Retail Loan Portfolio-045-B-Trust***	25%	3,776.00	3,776.00
Arcil Retail Loan Portfolio-053-A-Trust***	54%	2,628.14	2,628.14
Arcil Retail Loan Portfolio-058-A-Trust**	25%	4,606.25	690.94
Arcil-Retail Loan Portfolio-059-A-Trust**	25%	556.06	83.41
Arcil-Retail Loan Portfolio-061-A-Trust**	50%	1,534.21	1,534.21
Arcil-Retail Loan Portfolio-022-A-Trust**	100%	3,847.29	769.46
Arcil-Retail Loan Portfolio-042-F-Trust	25%	2,197.69	2,197.69
Arcil-Retail Loan Portfolio-042-I-Trust	25%	326.94	326.94
Arcil-Retail Loan Portfolio-042-H-Trust	25%	972.52	972.52
Arcil-Retail Loan Portfolio-042-G-Trust	25%	2,269.15	2,269.15
Arcil-Retail Loan Portfolio-078-A-Trust	25%	34,496.45	5,174.47
Arcil-Retail Loan Portfolio-078-B-Trust	50%	19,212.12	2,881.82
Arcil-Retail Loan Portfolio-078-C-Trust	25%	26,717.03	4,007.55
Arcil-Trust-2025-002	25%	2,953.00	442.95

In the above table does not include write off cases as it it already been disclosed under note (g)(2)

**In the 6th years of resolution period

***In the 7th years of resolution period

h. Disclosure pursuant to Reserve Bank of India notification DOR (NBFC).CC.PD.No.109 /22.10.106/2019- 20 dated 13 March 2020 pertaining to Asset Classification as per RBI Income Recognition, Asset Classification and Provisioning (IRAC Norms) and impairment allowances made under Ind AS 109 :

(₹ in Lakhs)

Financial Year	Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
	1	2	3	4	(5)=(3)-(4)	6	(7) = (4)-(6)
2025-26	Standard	Stage-1	2015.75	28.72	1987.03	-	28.72

i) As specified in the Master Circular, disclosure pursuant to Reserve Bank of India notification DOR.NBFC(ARC) CC. No. 9/26.03.001/2020-21 dated 16 July 2020 pertaining to Fair Practices Code for Asset Reconstruction Companies- outsourced agencies is as under: Nil

Name of The Director	Name of outsourced agency	Amount
NIL	NIL	NIL

INDEPENDENT AUDITOR'S REPORT

To the Members of
Asset Reconstruction Company (India) Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Asset Reconstruction Company (India) Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its associates, which comprise the Consolidated Balance Sheet as at March 31, 2026, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including significant accounting policy information and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of their consolidated state of affairs of the Group and its associates as at March 31, 2026, of consolidated profit (including other comprehensive income),consolidated changes in equity and its consolidated cash flows for the year ended.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associates in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by Institute of Chartered Accountant of India, and the relevant provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Sr. No.	Key Audit Matters	How the Key Audit Matters was addressed in our audit
1	Valuation of Investments in Security Receipts ("SRs")	We have understood the process of submitting input data and information i. e. Expected future cashflow statements for the recoverable amount of the underlying assets of the related NPAs taken over, as prepared and submitted by the management at the time of first rating, to the approved rating agencies. Subsequent to first rating, updated cash flows are considered of major Trusts to determine NAV.
	Total Investment in SRs as at March 31, 2026: Rs.153,531.56 Lakhs	We also held discussions with external agencies to understand their procedures for evaluating the expected cash flows and the methodology used for determining the rating bands of the Security Receipts.
	Security Receipts Written Off Rs. 7,195.93 Lakhs	On a Sample basis, we have verified the Expected Future Cashflow Statements and understood the management estimates and assumptions and its reasonableness in this regard for the NPAs acquired during the year.
	Fair Valuation Gain of Rs. 19,406.18 Lakhs for the year ended March 31, 2026.	The estimates and associated assumptions are based on historical experience of the management and other factors that are considered relevant by management. These are subject to significant uncertainty. Actual results may differ from these estimates made.

Sr. No.	Key Audit Matters	How the Key Audit Matters was addressed in our audit
	The Company holds its investment in the form of Security Receipts (SR) issued by the Trusts and represents investment in underlying pool of assets. These investments are classified as fair value through profit and loss.	We have verified the design and operating effectiveness of internal controls over the process of measurement of fair value and the declaration of NAV.
	The fair value of SRs is determined through discounted cash flow method which involves significant management judgement using inputs such as projection of future cash flows and expenses and recovery rate bands obtained from rating agencies. Further, the management has done an assessment to ascertain future recoverability estimates of the underlying assets. In making this assessment the management has used estimates, assumptions and internal and external information available at the date of the financial statements Refer Note 7, Note 24 and Note 30 to the Consolidated Financial Statements.	Verified the adequacy and accuracy of the disclosures related to investments in SRs and fair valuation included in these financial statements.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report but does not include the consolidated financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report and the Director's report which is expected to be made available to us after that date.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and its associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of the Group and of its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates are responsible for overseeing the financial reporting process of each company.

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

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

the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates entities to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended March 31, 2026 (current year) and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and the other financial information financial information of the subsidiaries, associates and joint venture(s) referred to in the Other Matters section above, we report, to the extent applicable, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books except for the matters stated in the paragraph 2(h)(vi) below on reporting under Rule 11(g).

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account

maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2026 taken on record by the Board of Directors of the Holding Company none of the directors of the Holding company are disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 2(b) above on reporting under Section 143(3)(b) and paragraph 2(h)(vi) below on reporting under Rule 11(g)

(g) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and its associate companies and the operating effectiveness of such controls, refer to our separate report in "Annexure A".

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. There were no pending litigations which would impact the consolidated financial position of the Group and its associates.

ii. The Group and its associates did not have long-term contracts including derivative contracts.

iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiary companies and associate companies incorporated in India during the year ended March 31, 2026.

iv. a. The respective Managements of the Holding Company ,its subsidiaries and associates which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and associates respectively that, to the best of their knowledge and belief, as disclosed in the note 65 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries and associates to or in any other person(s) or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries and associates ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b. The respective Managements of the Holding Company and its subsidiaries and associates which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and associates respectively that, to the best of their knowledge and belief, as disclosed in the note 65 to consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiaries and associates from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries and associates shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries and associates which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.

v. Based on our examination and based on the other auditor's reports of subsidiary companies and associate companies incorporated in India whose financial statements have been audited under the Act, we report that the

Board of Directors of the Holding Company subsidiary companies and associate companies incorporated in India have proposed final dividend for the year which is subject to the approval of their respective members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend. (Refer Note 72 to the consolidated financial statements).

vi. Based on our examination which included test checks, the Holding Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility, except in the absence of sufficient and appropriate audit evidence, we are unable to comment that audit trail feature was enabled at the database level in respect of an accounting software to log any direct data changes as explained in Note 75 to the financial statements.

2. In our opinion, according to information, explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters section above, the remuneration paid or provided by the Holding Company to its Directors is in accordance with the provisions of this section 197 to the Act.

3. According to the information and explanations given to us and based on the CARO reports issued by us for the Holding Company included in the consolidated financial statements of the Group to which reporting under CARO is applicable, we report that there are no Qualifications/ adverse remarks. For the Subsidiaries and Associates which are Trusts entities included in the consolidated financial statements CARO is not applicable.

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration Number: 105047W/W101187

Swapnil Kale
Partner
Membership Number: 117812
UDIN: 26117812HRORFM9745

Mumbai
May 15, 2026

Consolidated Balance Sheet

as at 31st March 2026

(₹ in Lakhs)

S. No.	Particulars	Note No.	As at 31st March, 2026	As at 31st March, 2025
	Assets			
1	**Financial assets**			
(a)	(a) Cash and Cash Equivalents	3	15,815.98	18,325.26
(b)	(b) Bank Balance other than Cash and Cash Equivalents	4	61,201.41	71,377.86
(c)	(c) Trade Receivables	5	10,596.32	5,388.04
(d)	(d) Loans	6	310,882.41	215,864.65
(e)	(e) Investments	7	153,531.56	112,159.49
(f)	(f) Other Financial Assets	8	3,194.24	1,979.54
	Total Financial assets (I)		**555,221.92**	**425,094.84**
2	**Non-financial assets**			
(a)	(a) Current Tax Assets (Net)		6,822.50	4,339.93
(b)	(b) Property, Plant and Equipment	10	3,674.05	3,546.14
(c)	(c) Other Intangible Assets	11	353.17	374.96
(d)	(d) Intangible assets under development	12	3.24	67.59
(e)	(e) Other Non-Financial Assets	13	6,564.75	6,174.94
	Total Non-financial assets (II)		**17,417.71**	**14,503.56**
	Total Assets (I + II)		**572,639.63**	**439,598.40**
	Liabilities and Equity			
	Liabilities			
1	**Financial liabilities**			
(a)	Payables	14		
	(i) total otal outstanding dues of micro enterprises and small enterprises		-	34.13
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		2.13	151.28
(b)	Borrowings (other than Debt securities)	15	120,549.46	30,592.96
(c)	Security Receipts		71,090.60	62,545.23
(d)	Other Financial Liabilities	16	69,785.29	62,870.55
	Total Financial liabilities (III)		**261,427.48**	**156,194.15**
2	**Non-financial liabilities**			
(a)	Provisions	17	1,794.22	4,215.28
(b)	Deferred Tax Liabilities (Net)	9	10,481.98	4,565.49
(c)	Other Non-Financial Liabilities	18	3,414.61	8,309.51
	Total Non-financial liabilities (IV)		**15,690.81**	**17,090.28**
3	**Equity**			
(a)	Equity Share Capital	19	32,489.71	32,489.71
(b)	Other Equity			
	Company	19A	345,631.50	309,311.18
	Non Controling Interest	19A	(82,599.87)	(75,486.92)
	Total Equity (V)		**295,521.34**	**266,313.96**
	Total Liabilities and Equity (III+ IV + V)		**572,639.63**	**439,598.40**

Significant accounting policies

The above Statement of Profit and Loss should be read in conjunction with the accompanying notes 1-77

As per our report of even date attached

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration Number : 105047W / W101187

Swapnil Kale
Partner
Membership Number : 117812

Place: Mumbai
Date: May 15, 2026

For Asset Reconstruction Company (India) Limited

Narayanan Subramaniam
Chairman
DIN: 00166621

Phanindranath Kakarla
CEO & MD
DIN: 02076676

Pramod Gupta
Chief Financial Officer

Ameet Kela
Company Secretary

Place: Mumbai
Date: May 15, 2026

Consolidated Statement of Profit & Loss

for the year ended on 31st March 2026

(₹ in Lakhs)

S. No.	Particulars	Note No.	Year ended 31st March, 2026	Year ended 31st March, 2025
	Revenue from Operations			
(i)	Fees and Other Income	20	23,554.83	12,759.54
(ii)	Other Operating Income	21	20,501.17	19,880.14
(iii)	Recovery of Security Receipts, Unrealized Fee & Expenses (written off earlier)	22	6,591.41	10,003.12
(iv)	Interest Income	23	2,115.42	2,065.85
(v)	Net loss on fair value changes-Unrealised	24	19,406.18	13,466.84
	Total Revenue from Operations (I)		**72,169.01**	**58,175.49**
	Other Income (II)	25	2,822.44	2,608.22
	Total Income (III=I+II)		**74,991.45**	**60,783.71**
	Expenses			
(i)	Finance Costs	26	3,618.39	1,249.23
(ii)	Impairment of Financial Instruments/ Financial Assets	27	577.59	284.64
(iii)	Employee Benefits Expenses	28	6,358.86	6,094.13
(iv)	Depreciation, Amortization and Impairment	29	302.28	215.27
(v)	Unrealised Fees and Expenses Written Off	30	8,680.86	3,671.34
(vi)	Other Expenses	31	8,996.39	6,153.30
(vii)	Net loss on fair value changes-Unrealised	24	-	-
	Total Expenses (IV)		**28,534.37**	**17,667.91**
	Profit / (Loss) before tax (V=III-IV)		**46,457.08**	**43,115.80**
	Tax Expense (VI)	32		
	(1) Current Tax		8,271.55	8,688.82
	(2) Deferred Tax (including MAT Credit utilised/ entitlement)		5,916.50	3,503.11
			14,188.05	**12,191.93**
	Profit / (Loss) for the year (VII=V-VI)		**32,269.03**	**30,923.87**
	Other Comprehensive Income			
	a. Items that will not be realised to profit & loss			
	- Remeasurement of defined benefit plans		52.36	(173.26)
	b. Income tax relating to items that will not be realised to profit & loss		(13.18)	43.61
	Total Other Comprehensive Income (a+b)		**39.18**	**(129.65)**
	Comprehensive Income for the year		**32,308.21**	**30,794.22**
	Share in profit / (loss) of Associates		(719.99)	89.06
	Profit for the year attributable to :-			
	Non Controlling Interest(SR holder)		(3,619.68)	(1,937.80)
	Company		35,168.72	32,950.73
	Other Comprehensive income attributable to :-			
	Non Controlling Interest(SR holder)		-	-
	Company		39.18	(129.65)
	Total Comprehensive income attributable to :-			
	Non Controlling Interest(SR holder)		(3,619.68)	(1,937.80)
	Company		35,207.90	32,821.08
	Earnings per equity share: (Nominal Value ₹10/- per share)			
	- Basic (in INR)	34	10.82	10.14
	- Diluted (in INR)		10.82	10.14

Significant accounting policies

The above balance sheet should be read in conjunction with the accompanying notes 1-77.

As per our report of even date attached

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration Number : 105047W / W101187

Swapnil Kale
Partner
Membership Number : 117812

Place: Mumbai
Date: May 15, 2026

For Asset Reconstruction Company (India) Limited

Narayanan Subramaniam
Chairman
DIN: 00166621

Pramod Gupta
Chief Financial Officer

Place: Mumbai
Date: May 15, 2026

Phanindranath Kakarla
CEO & MD
DIN: 02076676

Ameet Kela
Company Secretary

Consolidated Statement of Cash flow

as at 31st March 2026

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit Before Tax	46,457.08	43,115.80
Adjustments for:		
Security Receipts written off	7,195.93	2,040.06
Realisation against investments written off in previous years	(5,240.84)	(1,441.70)
Unrealised fees & expenses written off (net)	134.36	(6,930.14)
Profit on sale of Property, plant & equipment	(4.84)	(2.95)
Depreciation, amortization and impairment	302.28	215.27
(Profit)/Loss on sale of equity shares	-	(12.22)
Profit on mutual fund redemption	(19.81)	(129.83)
Fair Value (gain)/ loss on equity shares	448.53	14.66
Fair Value loss on security receipts	(19,854.71)	(13,478.44)
Fair Value (gain)/ loss on Mutual Fund	-	(3.06)
Impairment Loss on financial instruments	577.59	284.64
Provision for Litigations	(2,349.00)	-
Gain/ Loss on Consolidation	6,563.27	(2,258.15)
Interest on Priority Debt Funding	(200.03)	-
Interest on Income Tax Refund	(0.12)	(2,178.20)
Interest on deposits with Banks	(1,642.19)	(1,767.44)
Amortisation of deferred employee compensation (Employee Stock Option)	82.80	-
Finance cost	3,618.39	1,249.23
Operating Cash Flow before Working Capital changes	**36,068.68**	**18,717.53**
Working Capital Changes:		
Decrease in Trade Receivables	(5,587.08)	4,763.35
Decrease / (Increase) in Other Financial and Non-Financial Assets	(1,951.17)	2,535.64
Increase / (Decrease) in Payables	(183.28)	43.19
Increase / (Decrease) Other Financial Liabilities	6,717.50	(4,353.97)
Increase/ (Decrease) in Remeasurements of defined benefit plans	52.36	(173.26)
Increase / (Decrease) in Other Non Financial Liabilities and Provisions	(4,966.96)	6,165.54
Cash generated from operations	**30,150.05**	**27,698.02**
Direct taxes paid (net of refunds)	(10,767.46)	649.36
NET CASH GENERATED FROM OPERATING ACTIVITIES (A)	**19,382.59**	**28,347.38**
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets including capital advances	(180.29)	(154.66)
Proceeds from Sale of Fixed Assets	5.30	3.18
Interest Received on deposits	1,642.19	1,767.44
Interest on Income Tax Refund	0.12	2,178.20
Investments in Loans (Net)	(94,789.01)	(71,025.86)
Investment in Security Receipts (Net)	(27,918.73)	(3,924.10)
Investment in Equity Shares (Net)	(22.34)	20.54
Investments in Mutual Fund	(7,999.60)	(27,198.74)
Redemption in Mutual Fund	12,022.27	23,328.77
SRs issued/ Distributed (Net)	8,545.37	29,381.08
Increase / (Decrease) in Bank deposits not considered as cash & cash equivalent	5,723.59	(4,316.22)

Consolidated Statement of Cash flow

as at 31st March 2026

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Increase / (Decrease) in earmarked constituent balances	4,452.87	(5,425.15)
NET CASH (USED IN) INVESTING ACTIVITIES (B)	**(98,518.26)**	**(55,365.52)**
CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds / (Repayment) from Short Term Borrowings (net)	47,711.63	10,598.28
Proceeds from Term Loan	42,244.86	5,000.00
Dividend pay out	(9,746.91)	(4,873.46)
Finance cost	(3,525.56)	(1,243.58)
Repayment of Lease Liabilites	(57.63)	(64.22)
NET CASH (USED IN) / GENERATED FROM FINANCING ACTIVITIES (C)	**76,626.39**	**9,417.02**
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	**(2,509.28)**	**(17,601.12)**
Cash and Cash Equivalents at the beginning of the year	**18,325.26**	**35,926.38**
Cash and Cash Equivalents at the end of the year (Refer Note 3)	**15,815.98**	**18,325.26**
Components of Cash & Cash Equivalents		
Balances with banks		
- on current account	15,815.98	7,213.61
- on deposits with maturity less than 3 months	-	11,111.65
	15,815.98	**18,325.26**

The above statement of Cash Flows has been prepared under the Indirect method as set out in Ind AS 7 on Statement of Cash Flows.

Significant accounting policies

The above Statement of cash flow should be read in conjunction with the accompanying notes 1-77.

As per our report of even date attached

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration Number : 105047W / W101187

Swapnil Kale
Partner
Membership Number : 117812

Place: Mumbai
Date: May 15, 2026

For Asset Reconstruction Company (India) Limited

Narayanan Subramaniam
Chairman
DIN: 00166621

Phanindranath Kakarla
CEO & MD
DIN: 02076676

Pramod Gupta
Chief Financial Officer

Ameet Kela
Company Secretary

Place: Mumbai
Date: May 15, 2026

Consolidated Statement of Changes in Equity

for the year ended on 31st March 2026

A. Equity Share Capital

(₹ in Lakhs)

Balance as at April 01, 2025	Changes in Equity Share Capital due to prior period errors	Restated balance as at April 01, 2025	Changes in equity share capital during the year	Balance as at March 31, 2026
32,489.71	-	-	-	32,489.71

Balance as at April 01, 2024	Changes in Equity Share Capital due to prior period errors	Restated balance as at April 01, 2024	Changes in equity share capital during the year	Balance as at March 31, 2025
32,489.71	-	-	-	32,489.71

B. Other Equity

(₹ in Lakhs)

Particulars	Reserves & Surplus						Items of Other Comprehensive Income	Equity Attributable to owners of the company	Non Controlling Interest	Total
	Securities Premium	General Reserve	Impairment Reserve	Contingency Reserve	Stock option outstanding account	Retained Earnings	Re-measurement of net defined benefit plans			
Balance as at 31 March 2024	**90,942.55**	**945.31**	**833.90**	**5,184.56**	**-**	**177,458.94**	**(241.08)**	**275,124.19**	**(64,962.51)**	**210,161.68**
Profit for the year after income tax	-	-	-	-	-	32,950.71	-	32,950.71	(1,937.80)	31,012.91
Consolidation Adjustment	-	-	-	-	-	6,239.39	-	6,239.39	-	6,239.39
Security Receipt Holder Fund Balance	-	-	-	-	-	-	-	-	(8,586.61)	(8,586.61)
Other Comprehensive income for the year before income tax	-	-	-	-	-	-	(173.26)	(173.26)	-	(173.26)
Less: Income tax on Other Comprehensive Income	-	-	-	-	-	-	43.61	43.61	-	43.61
Other Adjustments/ Transfer		**5,184.56**	**-**	**-5,184.56**	**-**					
Total Comprehensive Income for the year	-	5,184.56	-	(5,184.56)	-	39,190.10	(129.65)	39,060.44	(10,524.41)	28,536.03
Dividend Paid	**-**	**-**	**-**	**-**	**-**	**(4,873.46)**	**-**	**(4,873.46)**	**-**	**(4,873.46)**
Balance as at 31 March 2025	**90,942.55**	**6,129.87**	**833.90**	**-**	**-**	**211,775.58**	**(370.73)**	**309,311.18**	**(75,486.92)**	**233,824.26**

Consolidated Statement of Changes in Equity

for the year ended on 31st March 2026

(₹ in Lakhs)

Particulars	Reserves & Surplus						Items of Other Comprehensive Income	Equity Attributable to owners of the company	Non Controlling Interest	Total
	Securities Premium	General Reserve	Impairment Reserve	Contingency Reserve	Stock option outstanding account	Retained Earnings	Re-measurement of net defined benefit plans			
Profit for the year after income tax	-	-	-	-	-	35,168.72	-	35,168.72	(3,619.68)	31,549.04
Consolidation Adjustment	-	-	-	-	-	10,776.53	-	10,776.53	-	10,776.53
Security Receipt Holder Fund Balance	-	-	-	-	-	-	-	-	(3,493.27)	(3,493.27)
Other Comprehensive income for the year before income tax	-	-	-	-	-	-	52.36	52.36	-	52.36
Less: Income tax on Other Comprehensive Income	**-**	**-**	**-**	**-**	**-**	**-**	**(13.18)**	**(13.18)**	**-**	**(13.18)**
Other Adjustments/Transfer	-	-	-	-	82.80	-	-	82.80		82.80
Total Comprehensive Income for the period	**-**	**-**	**-**	**-**	**82.80**	**45,945.25**	**39.18**	**46,067.23**	**(7,112.95)**	**38,954.28**
Dividend Paid	**-**	**-**	**-**	**-**		**(9,746.91)**	**-**	**(9,746.91)**	**-**	**(9,746.91)**
Balance as at 31 March 2026	**90,942.55**	**6,129.87**	**833.90**	**-**	**82.80**	**247,973.92**	**(331.55)**	**345,631.49**	**(82,599.87)**	**263,031.63**

Significant accounting policies
The above Statement of Changes in Equity should be read in conjunction with the accompanying notes 1-77 .

As per our report of even date attached

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration Number : 105047W / W101187

Swapnil Kale
Partner
Membership Number : 117812

Place: Mumbai
Date: May 15, 2026

For Asset Reconstruction Company (India) Limited

Narayanan Subramaniam
Chairman
DIN: 00166621

Pramod Gupta
Chief Financial Officer

Place: Mumbai
Date: May 15, 2026

Phanindranath Kakarla
CEO & MD
DIN: 02076676

Ameet Kela
Company Secretary

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

1. Corporate information

Asset Reconstruction Company (India) Limited (Arcil) was incorporated as a public limited company on 11th February 2002 under the Companies Act 1956, and in pursuance of Section 3 under the Securitisation Asset Reconstruction and Security Interest Act, 2002 (SARFAESI Act).

It holds a certificate of registration issued by the Reserve Bank of India (RBI) vide RBI certificate of registration no. 01/2003 dated 29th August 2003 and operates as an Asset Reconstruction Company with powers conferred under the SARFAESI Act.

The company is engaged in the business of acquisition of non-performing and distressed assets (NPA) from Banks & Financial institutions and resolving them. It is regulated by Reserve Bank of India as a Non-Banking Financial Company (u/s 45 I (f) (iii) of RBI Act, 1934).

The Company is domiciled in India and its registered office is at 10th Floor, The Ruby, Senapati Bapat Marg, Dadar (W), Mumbai – 400 028.

The company, together with its trusts (the subsidiaries and the associates), is hereinafter referred to as "the Group".

2. Significant accounting policies

2.1 Basis of preparation and presentation

The consolidated financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. The consolidated financial statements are presented in INR, the functional currency of the Group and all values are rounded to the nearest lacs. (INR 00,000), except as otherwise indicated.

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

The financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards, notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended from time to time, and other accounting principles generally accepted in India.

Historical cost is generally based on actual consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these financial statements is determined on this basis.

Fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety.

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Holding Company and the entities controlled by the company and its subsidiaries. Control is achieved when the Company:

i. has power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)

ii. is exposed or has rights, to variable returns from its involvement with the investee, and

iii. has the ability to use its power over the investee to affect its returns.

The company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated financial statements from the date the company obtains control until the date the company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the owners of the Company

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the company losses control over a subsidiary, it:

a. Derecognises the assets (including goodwill) and liabilities of the subsidiary

b. Derecognises the carrying amount of any non-controlling interests

c. Derecognises the cumulative translation differences recorded in equity

d. Recognises the fair value of the consideration received

e. Recognises any surplus or deficit in profit or loss

f. Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Company had directly disposed off the related assets or liabilities.

The associate is an entity over which the company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. The investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the acquisition date. The Company's investment in Associates includes goodwill identified on acquisition.

2.2 Application of new and revised Ind AS

Standard issued and effective:

All the Ind AS issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Amendment Rules, 2025 and the Companies (Indian Accounting Standards) Second Amendment Rules, 2025 till the financial statements are authorised for issue have been considered in preparing these financial statements.

2.3 Investment in Associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105. Under the equity method, an investment in an associate is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. Distributions received from an associate reduce the carrying amount of the investment. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

After application of the equity method of accounting, the Group determines whether there any is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in an associate and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Group's investment in an associate.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with Ind AS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount, Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate, or when the investment is classified as held for sale. When the Group retains an interest in the former associate and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with Ind AS 109. The difference between the carrying amount of the associate at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate is included in the determination of the gain or loss on disposal of the associate. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

2.4 Key accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, the management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Fair value measurement of Security Receipts

Investments in SRs are measured at latest declared NAV which is based on recovery ratings bands as determined by the independent rating agencies. (Refer 2.13.1.5)

Defined benefit obligations

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. (Refer 2.7)

Useful Lives of Property, Plant and Equipment

The Group reviews the useful life of assets at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods. (Refer 2.9)

Intangible Assets

The Group reviews the useful life of intangible assets at the end of each reporting period. This reassessment may result in change in amortisation expense in future periods. (Refer 2.10)

Expected Credit Loss

ECL on Trade Receivables (including Management fees receivable from SR holders) and Contract Asset (including funded expenses and funded interest) is based on simplified method of ECL computation as permitted under Ind AS 109.

On a prudential basis, an ECL @ 0.40% is being made on outstanding NCDs.

For Loans and priority debt funding, ECL is provided for on individual assessment basis.

Provisions and Contingent Liabilities

A provision is recognized when the group has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

are reviewed at each balance sheet date and adjusted to reflect the current best estimates. (Refer 2.12)

2.5 Revenue recognition

2.5.1 Management / Trusteeship and other related fees:

Management / Trusteeship and other related fees are recognised when the group satisfies the performance obligation at fair value of the consideration received or receivable. The Group recognises such revenue from contracts with customers based on a five step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Group satisfies a performance obligation

Revenue is measured at the amount transaction price (net of variable consideration) allocated to that Performance obligation.

Management fee in excess of billing is recognized as unbilled Management fee in the financial statement.

Accrual of management fees is based on commercial arrangement with trusts where Management Fees is accrued and charged as a percentage on the lower band of NAV specified by Credit Rating Agency or declared NAV whichever is lower. The accrual of management fee is discontinued once the NAV rating is withdrawn/ discontinued.

2.5.2 Dividend Income:

Dividend income is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the group and the amount of income can be measured reliably).

2.5.3 Interest Income:

Interest income from interest bearing financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is recognised/ estimated using the effective interest rate method. The effective interest rate which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. However, recognition of interest on receivables from Trusts is discontinued when NAV of Security receipts of the Trust becomes Nil. The unrecognised interest is recognised on realisation.

2.5.4 Net income from financial instruments at FVTPL

Net income from financial instruments at FVTPL includes all realized and unrealized fair value changes and recognized in the Statement of Profit and Loss.

2.6 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the Statement of profit or loss in the period in which they are incurred.

2.7 Employee benefits

2.7.1 Retirement benefit costs and termination benefits

Defined contribution plans - Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Defined benefit plans - For defined retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses,

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest income), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Group presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs and the gains / loss arising on remeasurement are presented in Other Comprehensive Income.

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

2.7.2 Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

2.7.3 Contributions from employees or third parties to defined benefit plans

Discretionary contributions made by employees or third parties reduce service cost upon payment of these contributions to the plan.

When the formal terms of the plans specify that there will be contributions from employees or third parties, the accounting depends on whether the contributions are linked to service, as follows:

- If the contributions are not linked to services (e.g. contributions are required to reduce a deficit arising from losses on plan assets or from actuarial losses), they are reflected in the remeasurement of the net defined benefit liability (asset).
- If contributions are linked to services, they reduce service costs. For the amount of contribution that is dependent on the number of years of service, the Group reduces service cost by attributing the contributions to periods of service using the attribution method required by Ind AS 19.70 for the gross benefits. For the amount of contribution that is independent of the number of years of service, the Group reduces service cost in the period in which the related service is rendered / reduces service cost by attributing contributions to the employees' periods of service in accordance with Ind AS 19.70.

2.7.4 Share based payment

- Equity settled share based payments to employee of the Company are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity settled share based payments to employees is recognized as deferred employee compensation and is expensed in the Statement of Profit and Loss over the vesting period with a corresponding increase in employee stock option outstanding in other equity.
- At the end of each year, the Company revisits its estimate of the number of equity instruments expected to vest and recognised any impact in profit or loss, such that the cumulative expenses reflect the revised estimate, with a corresponding adjustment in other equity.

2.8 Taxation

Income tax expense represents the sum of the current tax and deferred tax.

2.8.1 Current tax

The current tax payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

2.8.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those Deferred Tax Asset will be utilised.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, is considered as deferred tax in the Balance Sheet when the assets can be measured reliably and it is probable that the future economic benefit associated with it will be realized.

2.8.3 Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.9 Property, plant and equipment (PPE)

The cost of an item of property, plant and equipment is recognised if it is probable that future economic benefits associated with the item will flow to the group and the cost thereof can be measured reliably. All property, plant and equipment are initially recognised at cost. Cost comprises the purchase price and any directly attributable cost to bring the asset to its working condition for its intended use.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Assets purchased during the year are depreciated on the basis of actual number of days the asset has been put to use in the year. Assets individually costing Rs. 5,000/- or less are fully depreciated in the year of purchase.

Category of PPE	Estimated Useful life
Office Building	60 years or over the lease period whichever is lower
Leasehold improvements	60 years or over the lease period whichever is lower
Furniture & Fixtures	6.67 years
Office Equipment	5 years
Computers	3 years
Vehicles	5 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or sale of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.10 Intangible assets

2.10.1 Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Estimated useful life of software is 4 years.

2.10.2 Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in Statement of profit or loss when the asset is derecognised.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

2.11 Investment in Subsidiary and Associates

Trusts are special purpose vehicles formed under SARFAESI and RBI guidelines which are managed by Arcil in its capacity as a Trustee.

Control is defined to mean where an entity has power over the investee, existing rights that give it the current ability to direct the relevant activities and it also has exposure to variable returns from the Trusts.

For Trusts where Arcil's outstanding Investment in Security Receipts are more than 25%, have been considered as Subsidiaries. For Trusts where Arcil's outstanding Investment in Security Receipts are between 20% to 25%, have been considered as Associates.

Investment in subsidiaries and associates are measured in accordance with Ind AS 109 in Consolidated Financial Statements.

2.12 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

A Contingent Liability is disclosed unless the possibility of an outflow of resources embodying the economic benefits is remote. Contingent assets are not recognized in the financial statements.

2.13 Financial instruments

Financial assets and financial liabilities are recognised when Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss. However, trade receivables that do not contain a significant financing component are measured at transaction price.

2.13.1 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

2.13.1.1 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in OCI for designated FVTOCI debt instruments. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

All other debt instruments are subsequently measured at fair value through profit and loss.

The Financial assets contains Management fees and expenses recoverable from Trusts.

2.13.1.2 Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument which are at amortised cost and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

2.13.1.3 Investments in equity instruments at FVTOCI

On initial recognition, the Group can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

2.13.1.4 Equity investments at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss.

Dividends on investments in equity instruments are recognised as 'other income' when the Group's right to receive the dividends is established.

2.13.1.5 Investment in Security receipts at fair value through profit or loss (FVTPL)

Investments in Security receipts are classified as at FVTPL. Investment in Security receipts at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. In respect of Security Receipts, the last declared NAV is considered as fair value. For cases which fall under planning period as defined by the RBI guidelines for SC/RC, cost of Security Receipts are considered as fair value which is normally the transaction cost. The initial rating is assigned within six months from the date of acquisition of assets. Thereafter, ratings are reviewed at half yearly intervals i.e as on 30th June and 31st December every year. However, the NAV has been reviewed on a continuous basis so that any material change in valuation of SRs is recognized immediately. The SC/RC are required to declare NAV within two months from the date of half yearly review i.e by 31st August which is used for September and December reporting and 28th February which is used for March and June reporting.

2.13.1.6 Security Receipts and Acquired Financial Asset at fair value through profit or loss (FVTPL)

Security receipts & Acquired Financial Assets are classified as at FVTPL. They are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in Revenue account. In respect of Security Receipts, the last declared NAV is considered as fair value. For cases which fall under planning period as defined by the RBI guidelines for SC/RC, cost of Security Receipts are considered as fair value. The initial rating is assigned within six months from the date of acquisition of assets. Thereafter, ratings are reviewed at half yearly intervals i.e as on 30th June and 31st December every year. However, the NAV has been reviewed on a continuous basis so that any material change in valuation of SRs is recognized immediately. The SC/RC are required to declare NAV within two months from the date of half yearly review i.e. by 31st August which is used for September and December reporting and 28th February which is used for March and June reporting.

2.13.1.7 Impairment of financial assets

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI and other contractual rights to receive cash or other financial assets.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to

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receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Group estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

ECL on Trade Receivables (including Management fees receivable from SR holders) and Contract Asset (including funded expenses and funded interest) is based on simplified method of ECL computation as permitted under Ind AS 109.

On a prudential basis, an ECL @ 0.40% is being made on outstanding NCDs.

For Loans and priority debt funding, ECL is provided for on individual assessment basis.

2.13.1.8 Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss, other than on sale of equity instruments designated at FVTOCI.

2.13.1.9 Write Off

a) Security Receipts

Outstanding Investments in Security Receipts are written off if there is no realistic prospect of recovery from such trusts on expiry of maximum resolution period or on closure of the concerned Trust; whichever is earlier. Any subsequent recoveries made are recognised in profit or loss.

b) Management Fees and Other recoverable from Trust

Management Fees and Other recoverable from trust are written off if there is no realistic prospect of recovery from such trusts on expiry of maximum resolution period or on closure of the concerned Trust; whichever is earlier. Any subsequent recoveries made are recognised in the statement of profit or loss.

c) Loans

Loan and Debt securities will be written off when they remain overdue continuously for a period more than 3 years and there is no reasonable expectation of recovery from such financial assets. Any subsequent recoveries towards the same will be credited in statement of profit and loss.

2.13.2 Financial liabilities and equity instruments

2.13.2.1 Classification as debt or equity

Debt and equity instruments issued by Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2.13.2.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by Group are recognised at the proceeds received, net of direct issue costs.

2.13.2.3 Financial liabilities

All financial liabilities are initially measured at fair value, net of transaction costs and are subsequently measured at amortised cost using the effective interest method or at FVTPL when the financial liability is held for trading.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

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2.13.2.4 Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.13.3 Offsetting of Financial Assets and Financial Liabilities:

The financial assets and financial liabilities are offset and the net amount is reported in the balance sheet when:

- the Group currently has a legally enforceable right to offset the amounts; and
- it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty

2.14 Earnings per equity share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Group by the weighted average number of equity shares outstanding during the year.

Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Group by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

2.15 Statement of Cash Flows

The statement of cash flows shows the changes in cash and cash equivalents arising during the year from operating activities, investing activities and financing activities

The cash flows from operating activities are determined by using the indirect method. Net income is therefore adjusted by non-cash items, such as measurement gains or losses, changes in provisions, impairment of property, plant and equipment and intangible assets, as well as changes from receivables and liabilities. In addition, all income and expenses from cash transactions that are attributable to investing or financing activities are eliminated.

The cash flows from investing and financing activities are determined by using the indirect method.

2.16 Foreign Currency Transactions

Foreign currency transactions are recorded at the rate prevailing on the date of transaction. Foreign currency monetary items outstanding as at the Balance Sheet date are restated at the closing rate of exchange. The resulting exchange gain/loss is reflected in the Statement of Profit and Loss.

2.17 Leases

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

2.18 Impairment of non-financial assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

2.19 Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they

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are considered an integral part of the Company's cash management.

2.20 Expenses on behalf of the trusts

Pre- Acquisition expenses

Expenses incurred at pre-acquisition stage are recognised as expenses for the period in which such costs are incurred.

Post- Acquisition expenses

Expenses incurred after acquisition of assets on the formation of the trusts like stamp duty and registration charges which are recoverable from the trusts, are written off, if these expenses are not realised within 180 days from the planning period or downgrading of SRs [i.e. Net Asset Value (NAV) is less than 50% of the face value of SRs] whichever is earlier. Any subsequent recoveries made are recognised in profit or loss.

3. Cash and Cash Equivalents

(₹ in Lakhs)

Particulars		As at 31st March, 2026	As at 31st March, 2025
I.	Cash on Hand	-	-
II.	Balances with Banks;		
(a)	In current accounts	15,815.98	7,213.61
(b)	In deposits with maturity of 3 months or less	-	11,111.65
		15,815.98	**18,325.26**
Total		**15,815.98**	**18,325.26**

4. Bank Balance other than Cash and Cash Equivalents

(₹ in Lakhs)

Particulars		As at 31st March, 2026	As at 31st March, 2025
I.	Bank Balance other than Cash and Cash Equivalents	-	-
(a)	Deposits with maturity greater than 3 months but less than 12 months	4,001.59	9,725.18
(b)	Earmarked Balances/Deposits	54,590.89	59,199.83
	-Deposit held for statutory disputes	1,955.78	1,832.91
	-Monies held on behalf of Trusts/other constituents	391.82	375.55
	-FD against bank guarantee issued on behalf of trusts	261.33	244.40
Total		**61,201.41**	**71,377.87**

5. Trade Receivables

(₹ in Lakhs)

Particulars		As at 31st March, 2026	As at 31st March, 2025
	Trade Receivables - Not due		
(a)	Secured, considered good	-	-
(b)	Unsecured, considered good:		
	Billed Revenue	6,355.02	3,252.15
	Unbilled Revenue	5,744.77	2,976.92
		12,099.79	**6,229.07**
	Less: Impairment Loss Allowance (ECL)	(1,503.47)	(841.03)
Total		**10,596.32**	**5,388.04**

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Ageing for trade receivables outstanding as at March 31, 2026 (₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Billed Revenue	3,226.50	1,290.62	694.44	1,136.06	7.40	6,355.02
Unbilled Revenue	2,887.14	846.92	1,608.15	401.93	0.63	5,744.77
Total	**6,113.64**	**2,137.54**	**2,302.60**	**1,537.98**	**8.03**	**12,099.79**

Ageing for trade receivables outstanding as at March 31, 2025 (₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Billed Revenue	1,639.82	96.53	1,472.25	7.40	36.15	3,252.14
Unbilled Revenue	2,072.84	412.74	407.83	11.81	71.70	2,976.93
Total	**3,712.65**	**509.27**	**1,880.09**	**19.21**	**107.85**	**6,229.07**

6. Loans

(₹ in Lakhs

Particulars	As at March 31, 2026			As at March 31, 2025		
	At Amortised Cost	At Fair Value through Profit and Loss account	Total	At Amortised Cost	At Fair Value through Profit and Loss account	Total
Loans						
Priority Debt	4,000.00		4,000.00	-	-	-
Accrued Interest	200.03		200.03	-	-	-
Acquired Financial Assets	-	306,711.10	306,711.10	-	215,864.65	215,864.65
Gross:	**4,200.03**	**306,711.10**	**310,911.13**	**-**	**215,864.65**	**215,864.65**
Less: Impairment Loss Allowance (ECL)	(28.72)		(28.72)	-	-	-
Net	**4,171.31**	**306,711.10**	**310,882.41**	**-**	**215,864.65**	**215,864.65**

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

7. Investments

(₹ in Lakhs)

Particulars	As at March 31, 2026			As at March 31, 2025		
	Amortised Cost	Fair Value through profit or loss	Total	Amortised Cost	Fair Value through profit or loss	Total
Investments						
Security Receipts						
-Associates (Annexure IA)	-	20,717.39	20,717.39	-	8,289.00	8,289.00
-Others (Annexure IA)	-	130,929.27	130,929.27	-	97,556.54	97,556.54
Equity Instruments (Annexure IB)	-	1,884.90	1,884.90	-	2,311.09	2,311.09
Mutual Funds Investments (Annexure IC)	-	-	-	-	4,002.86	4,002.86
Total - (B)	**-**	**153,531.56**	**153,531.56**	**-**	**112,159.49**	**112,159.49**
(i) Overseas Investments	-	-	-	-	-	-
(i) Investments in India	-	153,531.56	153,531.56	-	112,159.49	112,159.49
Total (B)	**-**	**153,531.56**	**153,531.56**	**-**	**112,159.49**	**112,159.49**

Annexure I

(A) Investments in Security Receipts :

Sr. No	Trust / Scheme Name	Number of Security Receipts as at March 31, 2026	Number of Security Receipts as at March 31, 2025	Outstanding Face Value (Rs. Per Unit) as at March 31, 2026	Outstanding Face Value (Rs. Per Unit) as at March 31, 2025	Fair value as at March 31, 2026	Fair value as at March 31, 2025
Investments classified as Associate							
1	Arcil-AST-003-IV-Trust	-	100,000.00	-	203.20	-	0.51
2	Arcil-Retail Loan Portfolio-022-A-Trust	76,946.00	76,946.00	98.00	200.70	-	42.22
3	Arcil-CPS-081-I-Trust ^ @	183,900.00	183,900.00	446.00	727.73	820.40	1,338.30
4	ARCIL-TRUST-2024-001 ^ @	280,000.00	280,000.00	915.00	986.98	1,921.88	2,072.65
5	Arcil-Trust-2025-013	72,620.00	72,620.00	905.00	1,000.00	652.66	726.20
6	Arcil-Trust-2025-012	246,275.00	246,275.00	628.00	1,000.00	1,387.72	2,462.75
7	Arcil-Trust-2025-018	83,700.00	83,700.00	769.00	1,000.00	582.43	837.00
8	Arcil-Trust-2026-012 ^ @	180,000.00	-	1,000.00	-	1,350.00	-
9	Arcil-Trust-2026-019	60,620.00	-	853.00	-	477.93	-
10	Arcil-Trust-2026-017	179,800.00	-	964.00	-	1,520.03	-
11	Arcil-Trust-2026-018	124,300.00	-	952.00	-	1,071.62	-
12	Arcil-Trust-2026-011	99,260.00	-	872.00	-	800.24	-
13	Arcil-Trust-2026-010	304,120.00	-	966.00	-	2,578.65	-
14	Arcil-Trust-2026-024	81,000.00	-	959.00	-	776.43	-
15	Arcil-Trust-2026-025 - CLASS A	128,610.00	-	378.00	-	486.25	-
16	Arcil-Trust-2026-025 - CLASS B	109,320.00	-	1,000.00	-	1,093.20	-
17	Arcil-Trust-2026-031	72,440.00	-	1,000.00	-	724.40	-
18	Arcil-Trust-2026-032	82,860.00	-	1,000.00	-	828.60	-

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Sr. No	Trust / Scheme Name	Number of Security Receipts as at March 31, 2026	Number of Security Receipts as at March 31, 2025	Outstanding Face Value (Rs. Per Unit) as at March 31, 2026	Outstanding Face Value (Rs. Per Unit) as at March 31, 2025	Fair value as at March 31, 2026	Fair value as at March 31, 2025
19	Arcil-Trust-2026-033	102,560.00	-	1,000.00	-	1,025.60	-
20	Arcil-Trust-2026-035	66,800.00	-	1,000.00	-	668.00	-
21	Arcil-Retail Loan Portfolio-092-A-Trust - CLASS A	472,748.00	-	198.00	-	870.87	-
22	Arcil-Retail Loan Portfolio-092-A-Trust - CLASS B	106,368.00	-	1,000.00	-	991.09	-
		-	-	-	-	89.38	809.37
	Sub Total (I)	**3,114,247.00**	**1,043,441.00**			**20,717.39**	**8,289.00**
	Investment classified as Others						
23	Arcil-AST-002-IV-Trust ^ @	481,135.00	481,135.00	421.03	647.78	3,038.58	2,337.52
24	Arcil-AST-017-III-Trust	-	47,250.00	-	1,000.00	-	236.25
25	Arcil-AST-001-XIV-Trust ^ @	96,000.00	96,000.00	1.00	1.00	159.57	20.23
26	Arcil-AST-026-II-Trust ^ @	36,345.00	36,345.00	1.00	1.00	68.71	16.24
27	Arcil-AST-063-I-Trust ^ @	59,985.00	59,985.00	1,000.00	1,000.00	599.85	599.85
28	Arcil-AST-063-II-Trust ^ @	97,515.00	97,515.00	1,000.00	1,000.00	975.15	975.15
29	Arcil-AST-IX Trust ^ @	1,351,500.00	1,351,500.00	155.11	334.04	2,370.58	4,064.48
30	Arcil-AST 023-VI Trust ^ @	-	84,975.00	-	510.48	-	1,002.29
31	Arcil-AST-071-I-Trust ^ @	9,750.00	9,750.00	1.00	1.00	11.81	7.54
32	Arcil-AST-072-I-Trust ^ @	-	171,300.00	-	517.18	-	2,000.61
33	Arcil-CPS-015-II-Trust ^ @	-	45,000.00	-	394.89	-	44.43
34	Arcil-CPS-062-I-Trust ^ @	915,000.00	915,000.00	444.24	819.72	2,068.60	5,502.84
35	Arcil-CPS-I Trust ^ @	1,024,500.00	1,024,500.00	245.13	293.50	2,511.36	3,006.91
36	Arcil-CPS-065-I-Trust ^ @	1,650,000.00	1,650,000.00	885.50	947.07	12,718.74	13,562.35
37	Arcil-SBPS-008-II-Trust ^ @	339,480.00	339,480.00	695.00	732.58	1,585.81	1,839.85
38	Arcil-SBPS-008-III-Trust ^ @	514,905.00	514,905.00	221.00	577.80	1,043.93	2,535.50
39	Arcil-SBPS-049-I-Trust ^ @	-	147,000.00	-	140.85	-	202.66
40	Arcil-Retail Port-047-B-Trust ^ @	-	33,845.00	-	1.00	-	16.17
41	Arcil Retail Loan Portfolio-058-A-Trust ^ @	69,094.00	69,094.00	89.00	221.16	46.06	152.81
42	Arcil-Retail Loan Portfolio-042-C-Trust ^ @	17,566.00	17,566.00	171.00	344.06	30.07	60.44
43	Arcil-Retail Loan Portfolio-059-A-Trust ^ @	8,341.00	8,341.00	140.00	254.65	8.73	21.24
44	Arcil-Retail Loan Portfolio-017-B-Trust	34,275.00	34,275.00	1.00	1.00	453.35	0.34
45	Arcil-AST-026-III-Trust ^ @	-	225,000.00	-	565.88	-	2,597.90
46	Arcil-SBPS-008-IV-Trust ^ @	102,000.00	102,000.00	669.00	818.00	370.76	578.13
47	Arcil-Retail Loan Portfolio-073-A-Trust $ #	49,778.00	49,778.00	1.00	1.00	141.58	180.81
48	Arcil-Retail Loan Portfolio-073-B-Trust ^ @	46,742.00	46,742.00	1.00	1.00	116.07	115.59
49	Arcil-Retail Loan Portfolio-077-A-Trust ^ @	56,566.00	56,566.00	130.00	198.31	71.55	108.11

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Sr. No	Trust / Scheme Name	Number of Security Receipts as at March 31, 2026	Number of Security Receipts as at March 31, 2025	Outstanding Face Value (Rs. Per Unit) as at March 31, 2026	Outstanding Face Value (Rs. Per Unit) as at March 31, 2025	Fair value as at March 31, 2026	Fair value as at March 31, 2025
50	Arcil-Retail Loan Portfolio-078-A-Trust $	517,447.00	517,447.00	627.00	633.74	2,432.36	3,080.21
51	Arcil-Retail Loan Portfolio-078-B-Trust	288,182.00	288,182.00	756.00	790.17	1,089.43	1,707.85
52	Arcil-AST-001-XVI-Trust ^ @	-	40,600.00	-	669.24	-	407.57
53	Arcil-AST-004-III-Trust ^ @	-	60,701.00	-	670.60	-	610.59
54	Arcil-AST-085-I Trust ^ @	74,642.00	74,642.00	1,000.00	1,000.00	746.42	746.42
55	Arcil-CPS-III Trust ^ @	1,053,000.00	1,053,000.00	1,000.00	1,000.00	10,530.00	10,530.00
56	Arcil-Retail Loan Portfolio-078-C-Trust	400,755.00	400,755.00	658.00	693.09	1,977.25	2,083.19
57	Arcil-Retail Loan Portfolio-087-A-Trust	41,158.00	41,158.00	451.00	556.84	172.11	206.32
58	Arcil-Retail Loan Portfolio-086-A-Trust	46,978.00	46,978.00	599.00	690.50	261.84	294.55
59	Arcil-Retail Loan Portfolio-077-B-Trust	19,917.00	19,917.00	33.00	139.04	8.31	28.86
60	Arcil-AST-089-I-Trust ^ @	10,027.00	10,027.00	1.00	828.22	-	91.49
61	Arcil-Retail Loan Portfolio-091-A-Trust	1,051,199.00	1,051,199.00	1.00	1.00	10.29	10.44
62	Arcil-2024C-002 Trust ^ @	3,000.00	3,000.00	1,000.00	1,000.00	30.00	30.00
63	Arcil-AST-088-I-Trust - Class A ^ @	117,184.00	117,184.00	344.00	487.35	605.14	856.64
64	Arcil-AST-088-I-Trust - Class B ^ @	35,156.00	35,156.00	1,000.00	1,000.00	351.56	351.56
65	Arcil-Trust-2025-001 ^ @	127,500.00	127,500.00	1,000.00	1,000.00	1,324.50	1,134.41
66	Arcil-Trust-2025-002	44,295.00	44,295.00	828.00	849.72	274.91	336.26
67	Arcil-Trust-2025-003 ^ @	93,630.00	93,630.00	1.00	1,000.00	-	913.74
68	Arcil-Trust-2025-007 ^ @	6,045,000.00	2,025,000.00	859.00	956.42	49,751.64	16,331.81
69	Arcil-Trust-2025-004	32,235.00	32,235.00	548.00	795.57	190.03	266.46
70	Arcil-Trust-2025-006	354,000.00	354,000.00	682.00	772.87	2,207.61	2,264.57
71	Arcil-Trust-2025-009 ^ @	1,249,857.00	1,249,857.00	1,000.00	1,000.00	12,156.44	12,498.57
72	Arcil-Trust-2025-014	27,435.00	27,435.00	934.00	1,000.00	283.38	274.35
73	Arcil-Trust-2025-011	16,965.00	16,965.00	683.00	1,000.00	167.32	169.65
74	Arcil-Trust-2025-017	54,480.00	54,480.00	631.00	1,000.00	258.81	544.80
75	Arcil-Trust-2026-002	56,940.00	-	912.00	-	445.16	-
76	Arcil-Trust-2026-005	56,070.00	-	686.00	-	337.37	-
77	Arcil-Trust-2026-007	26,340.00	-	964.00	-	217.03	-
78	Arcil-Trust-2026-008	49,560.00	-	964.00	-	400.88	-
79	Arcil-Trust-2026-014 ^ @	246,750.00	-	999.00	-	1,896.99	-
80	Arcil-Trust-2026-020	43,920.00	-	971.00	-	391.65	-
81	Arcil-AST-001-XVIII-Trust - Class B ^ @	16,086.00	-	805.00	-	194.28	-
82	Arcil-AST-003-VIII-Trust - Class B ^ @	13,043.00	-	781.00	-	152.72	-

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

Sr. No	Trust / Scheme Name	Number of Security Receipts as at March 31, 2026	Number of Security Receipts as at March 31, 2025	Outstanding Face Value (Rs. Per Unit) as at March 31, 2026	Outstanding Face Value (Rs. Per Unit) as at March 31, 2025	Fair value as at March 31, 2026	Fair value as at March 31, 2025
83	Arcil-AST-030-II-Trust - Class B ^ @	1,030.00	-	1,000.00	-	15.13	-
84	Arcil-Trust-2025-005 - Class B	54,600.00	-	825.00	-	383.43	-
85	Arcil-Trust-2025-016 - Class B	108,333.00	-	644.00	-	690.73	-
86	Arcil-Trust-2025-010 - Class B	30,834.00	-	414.00	-	118.63	-
87	Arcil-AST-043-II-Trust	-	19,515.00	-	564.90	-	-
88	Arcil-CPS-018-I-Trust ^ @	-	124,635.00	-	347.23	-	-
89	Arcil-Trust-2025C-002 ^ @	-	3,263.00	-	1,000.00	-	-
90	Arcil-Trust-2026-015	809,835.00	-	958.00	-	7,755.47	-
91	Arcil-CPS-II-Trust - Class B ^ @	87,003.00	-	1.00	-	0.89	-
92	Arcil-Trust-2026-006 - Class B	196,014.00	-	847.00	-	1,520.01	-
93	Arcil-CPS-IV-Trust - Class B ^ @	306,442.00	-	899.00	-	2,590.61	-
94	Arcil-Trust-2026-026	13,962.00	-	1,000.00	-	139.62	-
95	Arcil-Trust-2026-027	29,670.00	-	977.00	-	289.85	-
96	Arcil-Trust-2026-036	16,860.00	-	1,000.00	-	168.60	-
		-	-	-	-	-	-
	Sub Total (II)	**20,827,811**	**15,647,603**			**130,929.27**	**97,556.54**
	Total (III)=(I + II)	**23,942,058.00**	**16,691,044.00**			**151,646.66**	**105,845.54**

^ - Pledged Fully as on March 31, 2026 @ - Pledged Fully as on March 31, 2025

$ - Pledged partially as on March 31, 2026 # - Pledged partially as on March 31, 2025

Annexure I

(B) Investments in Equity shares (Fair Value through Profit and Loss account)

(₹ in Lakhs)

	Trust / Scheme Name	Number of Shares as at March 31, 2026	Number of Shares as at March 31, 2025	Outstanding Face Value (₹ per unit) as at March 31, 2026	Outstanding Face Value (₹ per unit) as at March 31, 2025	Fair Value as at March 31, 2026 (₹ In Lakhs)	Fair Value as at March 31, 2025 (₹ In Lakhs)
	Quoted :						
1	Shalimar Wires Industries Limited	11,096,573	11,096,573	10.00	10.00	1,839.81	2,282.57
	Venmax Drugs And Pharmaceuticals Limited	100,000	100,000	10.00	10.00	25.77	28.52
	J.K.Udaipur Udyog Ltd	3,461.00		10.00	10.00	19.32	-
	Unquoted :						
	OCM (net of impairment of ₹ NIL (previous year ₹ NIL))	109,746	109,746			-	-
	JCT Electronics Limited	3,453,300	3,453,300	10.00	10.00	-	-
	Mardia Steel Limited	19,242	19,242	10.00	10.00	-	-
	Nicco Corporation Ltd	15,425,304	15,425,304	10.00	10.00	-	-
	Polar Industries Limited	3,074,300	3,074,300	10.00	10.00	-	-
	Total (B)	**33,281,926**	**33,278,465**	**10.00**	**10.00**	**1,884.90**	**2,311.09**

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

(C) Investments in Mutual Fund (Fair Value through Profit and Loss account)

(₹ in Lakhs)

	Trust / Scheme Name	Number of Units as at March 31, 2026	Number of Units as at March 31, 2025	Outstanding Face Value (₹ per unit) as at March 31, 2026	Outstanding Face Value (₹ per unit) as at March 31, 2025	Fair Value as at March 31, 2026 (₹ In Lakhs)	Fair Value as at March 31, 2025 (₹ In Lakhs)
	Quoted :						
1	SBI Mutual Funds	-	97,627.47	-	-	-	4,002.86
	Total (C)	-				-	**4,002.86**
	Total Investments (A+B+C)					**153,531.56**	**112,159.49**

8. Other Financial Assets

(₹ in Lakhs)

Particulars		As at March 31, 2026	As at March 31, 2025
		Amortised Cost	Amortised Cost
i)	Deposits- Considered Good	375.57	1,164.02
ii)	Amount Recoverable from Trusts and Others	2,938.60	927.36
	Less: Impairment Loss Allowance (ECL)	(119.93)	(111.84)
	Net Amount Recoverable from Trusts and Others	2,818.67	815.52
Total		**3,194.24**	**1,979.54**

9. Deferred Tax Assets / (Liability) (Net)

(₹ in Lakhs)

Particulars		As at 31st March, 2026	As at 31st March, 2025
Deferred Tax Asset (Net)			
i)	Expenses provided but allowable in Income Tax on payment basis	87.90	83.69
ii)	Provision for diminution in value of investments	3.64	3.64
iii)	Provision for litigations	-	591.20
iv)	Expected Credit Loss	478.67	295.83
Sub Total		**570.21**	**974.36**
Deferred Tax Liability			
i)	Difference between book depreciation & tax depreciation	567.23	500.28
ii)	Financial Assets at FVTPL (Net)	10,484.96	5,039.57
Sub Total		**11,052.19**	**5,539.85**
Total		**(10,481.98)**	**(4,565.49)**

10. Property, Plant and Equipment

(₹ in Lakhs)

Particulars	As at March 31, 2026							
	Office Building	Furniture and Fixtures	Ofice Equipments	Vehicles	Computers	Leasehold Improvements	Right to use Leasehold Assets	Total
Cost								
Balance at 31 March, 2024	**3,927.65**	**45.15**	**118.63**	**83.40**	**300.56**	**48.46**	**261.49**	**4,785.34**
Additions	-	7.18	4.40	-	35.89	-	21.17	68.64
Disposals	-	(2.26)	(6.04)	(28.86)	(8.01)	-	(119.66)	(164.83)
Balance at 31 March, 2025	**3,927.65**	**50.07**	**116.99**	**54.54**	**328.44**	**48.46**	**163.00**	**4,689.15**
Additions	-	4.19	2.66	-	60.39	-	246.98	314.22
Disposals/ Adjustments	-	(0.32)	(2.07)	-	(73.15)	-	(105.65)	(181.19)
Balance at 31 March, 2026	**3,927.65**	**53.94**	**117.58**	**54.54**	**315.68**	**48.46**	**304.33**	**4,822.18**
Accumulated Depreciation and Impairment								
Balance at 31 March, 2024	**510.31**	**42.14**	**106.62**	**37.29**	**246.70**	**6.55**	**136.05**	**1,085.66**
Depreciation for the year	73.00	3.28	4.53	9.90	39.16	0.83	58.20	188.90
Disposals	-	(2.24)	(6.00)	(28.86)	(7.84)	-	(86.61)	(131.55)
Balance at 31 March, 2025	**583.31**	**43.18**	**105.15**	**18.33**	**278.02**	**7.38**	**107.64**	**1,143.01**
Depreciation for the year	72.27	1.69	4.44	9.90	43.69	1.56	49.04	182.59
Disposals/ Adjustments	-	(0.27)	(2.07)	-	(72.74)	-	(102.39)	(177.47)
Balance at 31 March, 2026	**655.58**	**44.60**	**107.52**	**28.23**	**248.97**	**8.94**	**54.29**	**1,148.13**
Carrying Amount								
Balance at 31 March, 2025	**3,344.34**	**6.89**	**11.84**	**36.21**	**50.42**	**41.08**	**55.36**	**3,546.14**
Balance at 31 March, 2026	**3,272.07**	**9.34**	**10.06**	**26.31**	**66.71**	**39.52**	**250.04**	**3,674.05**

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

11. Other Intangible Assets

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
	Computer Software	Computer Software
At cost, beginning of the year	568.54	198.94
Additions	97.97	369.60
Disposals	-	-
Capital WIP-Software	**-**	**-**
Total Cost	**666.51**	**568.54**
Accumulated amortization and Impairment:		
At beginning of the year	193.58	167.03
Amortization	119.75	26.55
Disposals	-	-
Total amortization and impairment	**313.33**	**193.58**
Net Carrying amount	**353.18**	**374.96**

12. Intangible Assets Under Development

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Projects in progress (Refer note 47)	3.24	67.59
Total	**3.24**	**67.59**

13. Other non-financial assets

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Balances with Government Authorities	5,610.38	5,610.38
GST (Input) Credit Receivable	193.56	104.92
Capital Advances	79.43	-
Prepaid Expenses	237.12	267.92
Other Advances	444.26	191.72
Total	**6,564.75**	**6,174.94**

Directorate General of Central Excise Intelligence (DGCEI) and Office of Principal Commissioner of Service TAX-III has issued show cause notices demanding service tax to the extent of Rs. 5610.38 lacs (apart from interest and penalty amount) relating to the period 16.05.2008 to 30.06.2017. Subsequently, an order has also been issued by Service Tax Commissionarate III, Mumbai in April 2017 demanding an amount of Rs. 4,585.05 lacs relating to the period 16.05.2008 to 31.03.2015 and the penalty as per order is Rs. 4024.00 lacs whereas interest liability has not been quantified in the said order. Another order for the period of 01.04.2015 to 30.06.2017 issued by Office of the commissioner of CGST & Central Excise, Mumbai in June 2019 demanding amount of Rs 1025.33 lacs and the penalty as per order is Rs.102.53 lacs whereas interest liability has not been quantified in the said order . Based on the legal opinion, the Company is confident of getting this order quashed and there is not expected to be any liability on the same. The Company has also preferred an appeal in the Tribunal against the order.

Although the Company believes that it has a strong case on the aforesaid matter, however considering the amount and the time involved in the settlement of the case, the Company has deposited an amount of Rs. 5,610.38 lacs ""Under Protest"" to freeze the interest liability.

In a recent hearing held for the said matter, on June 04, 2025, the Customs, Excise and Service Tax Appellate Tribunal, Mumbai has remanded the appeal. On 29th January 2026, we have received CESTAT order dated 23rd January 2026.

In a recent hearing held for the said matter, on June 04, 2025, the Customs, Excise and Service Tax Appellate Tribunal, Mumbai has remanded the appeal. On 29th January 2026, we have received CESTAT order dtd 23rd January 2026.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

14. Payables

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Payables		
(I) Trade Payables		
(i) Total outstanding dues of micro enterprises and small enterprises	-	34.13
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	2.13	151.28
Total	**2.13**	**185.41**

Dues to micro enterprises and small enterprises have been determined to the extent such parties have been identified on the basis of information collected. There is no interest payable to any supplier under the Micro, Small and Medium Enterprises Development Act, 2006.

Ageing for trade payables outstanding as at 31 March 2026

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) MSME	-	-	-	-	-
ii) Others	2.13	-	-	-	2.13
iii) Disputed dues - MSME	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-
Total	**2.13**	**-**	**-**	**-**	**2.13**

Ageing for trade payables outstanding as at March 31, 2025

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) MSME	34.13	-	-	-	34.13
ii) Others	151.28	-	-	-	151.28
iii) Disputed dues - MSME	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-
Total	**185.41**	**-**	**-**	**-**	**185.41**

15. Borrowings (Other than Debt Securities)

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
	Amortised Cost	Amortised Cost
(a) Term Loans		
from banks*	52,244.86	10,000.00
(b) Working Capital Term Loans		
from banks*	59,008.98	20,592.97
(c) Loans repayable on demand		
from banks*	9,295.62	-
Total	**120,549.46**	**30,592.97**
Borrowings in India	120,549.46	30,592.97
Borrowings outside India	-	-
Total	**120,549.46**	**30,592.97**

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

*The rate of interest of above term loans are linked with MCLR and Repo rate and subject to change from time to time, it ranges from 8.50% - 10.00% p.a. Facilities from banks in the nature of term loan, working capital and cash credit facilities are secured by way of pledge of certain identified security receipts.(Refer Annexure I (A)).

16. Other Financial Liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2026 Amortised Cost	As at 31st March, 2025 Amortised Cost
Recovery on behalf of Trusts/ other constituents	460.91	412.23
Others		
- Liability for expenses	2,478.70	1,286.02
- Liability for leases	259.90	62.67
- Interest accrued but not due	87.34	5.65
- Others	66,498.44	61,103.99
Total	**69,785.29**	**62,870.56**

17. Provisions

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Provision for employee benefits	1,794.22	1,866.28
Others	-	2,349.00
Total	**1,794.22**	**4,215.28**

18. Other Non Financial Liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Income received in advance	1,416.01	5,071.36
Statutory dues payable	1,998.60	3,238.15
Total	**3,414.61**	**8,309.51**

19. Equity Share Capital

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
(a) Authorised Capital		
500,000,000 equity shares of Rs. 10/- each	50,000.00	50,000.00
(Previous Year 500,000,000 equity shares of Rs. 10/- each)		
(b) Issued, Subscribed & Paid up		
324,897,140 equity shares of Rs. 10/- each, fully paid up	32,489.71	32,489.71
(Previous year 324,897,140 equity shares of Rs. 10/- each, fully paid up		

(c) Reconciliation of the number of shares outstanding at the beginning and at the end of the year

Particulars	As at 31st March, 2026	As at 31st March, 2025
Balance at the beginning of the year	**324,897,140**	**324,897,140**
Issued during the year	-	-
Reductions during the year	-	-
Balance at the end of the year	**324,897,140**	**324,897,140**

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

(d) Rights, preferences and restrictions attached to shares

Equity shares: The Company has one class of equity shares having a par value of Rs. 10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholding.

(e) Detail of shareholders holding 5 percent or more

Particulars	As at 31st March, 2026		As at 31st March, 2025	
Name of Shareholder	No. of Shares held	% of holding	No. of Shares held	% of holding
Avenue India Resurgence Pte. Ltd.	226,566,265	69.73%	226,566,265	69.73%
State Bank of India	64,816,980	19.95%	64,816,980	19.95%
Lathe Investment Pte Ltd.	16,244,858	5.00%	16,244,858	5.00%

e) Detail of shareholders holding 5 percent or more

Particulars	As at 31st March, 2026		As at 31st March, 2025		% change in holding during the year
	No. of Shares held	% of holding	No. of Shares held	% of holding	
Avenue India Resurgence Pte. Ltd.	226,566,265	69.73%	226,566,265	69.73%	0.00%
State Bank of India	64,816,980	19.95%	64,816,980	19.95%	0.00%

19A Other Equity

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Securities Premium (Refer I below)	90,942.55	90,942.55
General Reserve (Refer II below)	6,129.88	6,129.88
Impairment Reserve (Refer III below)	833.90	833.90
Stock option outstanding account (Refer IV below)	82.80	-
Retained Earnings (Refer V below)	247,973.97	211,775.58
Other Comprehensive Income (Refer VI below)	(331.55)	(370.73)
Non Controling Interest	(82,599.87)	(75,486.92)
Total	**263,031.68**	**233,824.26**

I. **Securities Premium:** It is the additional amount which the shareholder had paid more than the face value of issued shares. The securities premium can be utilised as per the provisions of Companies Act, 2013.

II. **General Reserve:** It can be utilised from time to time to transfer profit from retained earnings for apropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of Other Comprehensive Income, items included in general reserve will not be reclassified subsequently to profit or loss.

III. **Impairment Reserve:** Impairment allowance reserve represents reserve created in accordance with the Reserve Bank of India (RBI) circular no. RBI/2019-20/170 DOR(NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13th March, 2020 on implementation of Indian Accounting Standard.

IV. **Stock option outstanding account:** Stock options outstanding account relates to the stock options granted by the Company to its employees under Employee Stock Option Plan (Refer note 55).

V. **Retained Earnings:** These are the profits that the Company has earned till date, less any transfer to General Reserve, Statutory Reserve, dividends or other distributions paid to shareholders.

VI. **Other Comprehensive Income:** This represents remeasurement of defined employee benefit plans (net of taxes).

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Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

20. Fees and Other Income

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Management Fees/ Trusteeship Fees	17,990.20	11,178.77
Unbilled Management Fees	2,041.28	(1,501.94)
Restructuring Fees	51.53	-
Portfolio Recovery Fees	3,457.85	3,045.63
Other Fees	13.97	37.08
Total	**23,554.83**	**12,759.54**

21. Other Operating Income

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
(a) Realisation over acquisition	12,306.17	8,193.58
(b) Upside Income - Management Incentive	1,043.05	678.60
(c) Income from Investments	7,151.95	11,007.96
Total	**20,501.17**	**19,880.14**

22. Recovery of Security Receipts, Unrealized Fee & Expenses (written off earlier)

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Management Fees	140.06	590.76
Unbilled Management Fees	316.69	3,743.31
Expenses Recoverable from Trusts	893.82	4,227.35
Investment in Security Receipts Written off	5,240.84	1,441.70
Total	**6,591.41**	**10,003.12**

23. Interest Income

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
On Financial Assets measured at Amortised Cost		
Interest on Loans	200.03	-
Interest on deposits with Banks	1,642.19	1,767.44
Interest on funded amount from Trust	192.28	294.84
Interest on CIRP Expenses	80.92	3.57
Total	**2,115.42**	**2,065.85**

24. Net gain/(loss) on Fair Value Changes-Unrealised

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Net gain/(loss) on financial instruments at fair value through profit or loss account :-		
a) On Security Receipts	19,854.71	13,478.44
b) On financial instruments designated at fair value through profit or loss	(448.53)	(14.66)
c) On Mutual Fund designated at fair value through profit or loss	-	3.06
Total	**19,406.18**	**13,466.84**

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

25. Other Income

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Net gain/ (loss) on derecognition of Property, Plant and Equipment	4.84	2.95
Provision for litigation no longer required reversed	2,349.00	-
Others	468.60	2,605.27
Total	**2,822.44**	**2,608.22**

26. Finance Costs

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
On Financial Liabilities measured at Amortised Cost		
Interest on borrowings	3,364.70	1,130.11
Others	253.69	119.12
Total	**3,618.39**	**1,249.23**

27. Impairment of Financial Instruments/ Financial Assets

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Impairment on financial assets at Amortised Cost		
Fees and expenses	548.87	284.64
Loans	28.72	-
Total	**577.59**	**284.64**

28. Employee Benefits Expenses

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Salaries and wages	5,554.40	5,679.19
Contribution to provident and other funds	614.35	335.58
Share based payment (Ref Note No.55)	82.80	-
Staff welfare expenses	107.31	79.36
Total	**6,358.86**	**6,094.13**

29. Depreciation, amortization and impairment

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Depreciation of Tangible Assets	133.55	130.52
Amortization of Intangible Assets	119.75	26.55
Depreciation on Right to use Leasehold assets	48.98	58.20
Total	**302.28**	**215.27**

30. Write off of Security Receipts, Unrealized Fee & Expenses

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Unrealised Management fees written off	60.91	14.04
Unbilled Management fees written off	112.20	130.51
Unrealised expenses written off	1,311.82	1,486.73
Investment in Security Receipts Written off	7,195.93	2,040.06
Total	**8,680.86**	**3,671.34**

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

31. Other Expenses

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Rent, taxes and energy cost	945.78	807.05
Repairs and maintenance	359.11	339.30
Communication Costs	14.82	12.57
Advertisement and publicity	173.89	74.92
Director's fees, allowances and expenses	132.32	139.85
Auditor's fees and expenses		
- Audit fees	120.81	74.88
- Tax Audit fees	5.89	5.12
- For Reimbursement of Expenses	3.25	1.82
Legal Expenses	4,225.92	2,079.16
Professional Charges	1,134.41	890.18
Security Charges	109.74	125.90
Insurance	45.00	101.51
Software Expenses	357.33	245.92
Travelling, Boarding & Lodging expenses	240.71	241.41
Contribution towards Corporate Social Responsibility	809.70	619.26
Other expenditure	317.71	394.45
Total	**8,996.39**	**6,153.30**

32 The major components of the tax expense for the year ended March 31, 2026 and March 31, 2025

(₹ in Lakhs)

Sr. No.	Particulars	As at 31st March, 2026	As at 31st March, 2025
	Consolidated statement of Profit & Loss		
(a)	(i) Profit & loss section		
	Current Income Tax :		
	Current Income Tax charge	8,271.55	8,688.82
	Deferred Tax:		
	Relating to originating and reversal of temporary differences	5,916.50	3,503.11
	MAT credit utilised/ entitlement	-	-
	Income Tax expense reported in the statement of Profit & Loss	14,188.05	12,191.93
(b)	Other Comprehensive Income (OCI) Section		
	Current Income Tax :		
	Net gain/ (loss) on remeasurement of defined benefit plans	(13.18)	43.61
	Income Tax expense reported in OCI section	**(13.18)**	**43.61**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic Tax rate for the period ended March 31, 2026 and March 31, 2025

(₹ in Lakhs)

Sr. No.	Particulars	As at 31st March, 2026	As at 31st March, 2025
1	(Loss) / Profit before Tax	46,457.08	43,115.80
2	Applicable Tax Rate	25.17%	25.17%
3	PBT * Applicable Tax Rate (1*2)	11,692.32	10,851.38
4	Item leading to difference in effective tax rate compared to statutory tax rate:		
(a)	Difference in tax for items which are not allowed as deduction	245.21	1,291.29
(b)	Effect of Deferred tax items	2,250.52	49.26
	Total	**2,495.73**	**1,340.55**
	Tax expense recognised during the period (3+4)	**14,188.05**	**12,191.93**

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

Component of Deferred Tax Assets and Liabilities recognised in Balance Sheet and Statement of Profit & loss

(₹ in Lakhs)

Sr. No.	Component of Deferred Tax (Assets)/ Liabilities	Balance Sheet		Statement of Profit & Loss	
	Particulars	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2026	As at 31st March, 2025
1	Expected Credit Loss	(712.34)	(529.50)	(182.84)	(97.99)
2	Provision for doubtful debt and advance	(4.37)	(4.37)	-	(1.49)
3	Provision for litigations	(0.00)	(591.20)	591.20	-
4	Provision for compensated absences disallowed u/s 43B	(52.18)	(51.82)	(0.36)	(4.90)
5	Difference in book and Income Tax depreciation	567.51	500.56	66.95	13.01
6	Fair Valuation change	10,715.05	5,269.66	5,445.39	3,585.06
7	Others	(31.69)	(27.85)	(3.84)	9.43
	Deferred Tax Expense/ (income)			**5,916.50**	**3,503.12**
	Net Deferred Tax (Assets)/ Liabilities	**10,481.99**	**4,565.49**		

Reconciliation of the deferred tax expense for the year ended March 31, 2026

(₹ in Lakhs)

Sr. No.	Particulars	Opening Balance as on April 01, 2025	Tax income/ (expense) during the year recognised statement of Profit/ Loss under Profit/Loss section	Tax income/ (expense) during the year recognised statement of Profit/ Loss under OCI section	Deferred Tax due to Fair Value Change	Closing Balance as on March 31, 2026
1	Expected Credit Loss	(529.50)	(182.84)	-	-	-712.34
2	Provision for doubtful debt and advance	(4.37)	-	-	-	(4.37)
3	Provision for litigations	(591.20)	591.20	-	-	(0.00)
4	Provision for compensated absences disallowed u/s 43B	(51.82)	(0.36)	-	-	(52.18)
5	Difference in book and Income Tax depreciation	500.56	66.95	-	-	567.51
6	Fair Valuation change	5,269.66	5,445.39	-	-	10,715.05
7	Others	(27.85)	(3.84)	-	-	(31.69)
	Total	**4,565.49**	**5,916.50**	**-**	**-**	**10,481.99**

Reconciliation of the deferred tax expense for the year ended March 31, 2025

(₹ in Lakhs)

Sr. No.	Particulars	Opening Balance as on April 01, 2024	Tax income/ (expense) during the year recognised statement of Profit/ Loss under Profit/Loss section	Tax income/ (expense) during the year recognised statement of Profit/ Loss under OCI section	Deferred Tax due to Fair Value Change	Closing Balance as on March 31, 2025
1	Expected Credit Loss	(431.51)	(97.99)	-	-	(529.50)
2	Provision for doubtful debt and advance	(2.88)	(1.49)	-	-	(4.37)
3	Provision for litigations	(591.20)	-	-	-	(591.20)
4	Provision for compensated absences disallowed u/s 43B	(46.92)	(4.90)	-	-	(51.82)
5	Difference in book and Income Tax depreciation	487.55	13.01	-	-	500.56
6	Fair Valuation change	1,684.60	3,585.06	-	-	5,269.66
7	Others	(37.28)	9.43	-	-	(27.85)
	Total	**1,062.37**	**3,503.12**	**-**	**-**	**4,565.49**

There are no items on which deferred tax asset has not been recognised in the Balance Sheet

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

33 Employee Benefits:

Employee benefits include Provident Fund, Employee State Insurance Scheme (ESIC), Pension, Superannuation, Gratuity and compensated absences.

i) Defined Contribution Plans:

These are plans in which the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. These comprise of contributions to the Employees' Provident Fund, ESIC, Family Pension Fund, Superannuation Fund and National Pension Scheme. The company's payments to the defined contribution plans are reported as expenses in the year in which the employees perform the services that the payment covers. During the current year, on account of Defined Contribution Plans, the Company has charged Rs. 245.87 lacs (Previous year: Rs. 248.00 lacs) to Statement of Profit & Loss.

ii) Defined Benefit Plans:

(A) Gratuity

Expenses for defined-benefit plans are calculated as at each balance sheet date by independent actuaries. These commitments are valued at the present value of the expected future payments, with consideration for calculated future salary increases, using a discount rate corresponding to the interest rate estimated by the actuary having regard to the interest rate on government bonds with a remaining term that is almost equivalent to the average balance working period of employees. Incremental liability based on the projected unit credit method as at the reporting date, is charged to the Statement of Profit and Loss. The actuarial gains / losses are accounted in the Statement of Profit and Loss. Excess of fair value of Plan Assets over Defined Benefit Obligation is not recognised on grounds of prudence.

The Company makes a provision for gratuity and compensated absences based on Acturial Reports

Employee benefit plans

The principal assumptions used for the purposes of the actuarial valuations were as follows.

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Discount rate(s)	7.06% p.a.	6.72% p.a.
Expected rate(s) of salary increase	7.5% p.a.	7.5% p.a.

Amounts recognised in the statement of profit and loss in respect of these defined benefit plans are as follows.

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Service cost:		
Current service cost	125.49	90.38
Past service cost and (gain)/loss from settlements	230.43	-
Net interest expense	12.56	11.76
Components of defined benefit costs recognised in profit or loss	**368.48**	**102.14**
Remeasurement on the net defined benefit liability:		
Return on plan assets (excluding amounts included in net interest expense)	49.66	(1.59)
Actuarial (gains) / losses arising from changes in financial assumptions	(25.06)	142.18
Actuarial (gains) / losses arising from experience adjustments	(78.88)	32.67
Actuarial (gains) / losses arising from demographic assumptions	1.92	-
Components of defined benefit costs recognised in other comprehensive income	**(52.36)**	**173.26**
Total	**316.12**	**275.40**

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

The amount included in the balance sheet arising from the Company's obligation in respect of its defined benefit plans is as follows:

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Present value of funded defined benefit obligation	(931.80)	(843.33)
Fair value of plan assets	790.68	717.49
Funded status	(141.12)	(125.84)
Restrictions on asset recognised		
Others		
Net liability arising from defined benefit obligation	**(141.12)**	**(125.84)**
Current Liability	(141.12)	(125.84)
Non-Current Liability	-	-

Movements in the present value of the defined benefit obligation are as follows.

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Opening defined benefit obligation	843.33	716.90
Current service cost	125.49	90.38
Interest cost	64.02	51.43
Past Service Cost	230.43	-
Remeasurement (gains)/losses:		
Actuarial gains and losses arising from changes in financial assumptions	(25.06)	142.18
Actuarial gains and losses arising from experience adjustments	(78.88)	32.67
Actuarial (gains) / losses arising from demographic assumptions	1.92	-
Benefits paid	(229.45)	(190.23)
Closing defined benefit obligation	**931.80**	**843.33**

Movements in the fair value of the plan assets are as follows.

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Opening fair value of plan assets	717.49	553.59
Interest income	51.46	39.68
Contributions by the Employer		
Remeasurement gain (loss):	300.84	312.87
Return on plan assets (excluding amounts included in net interest expense)	(49.66)	1.59
Contributions from the employer	-	-
Benefits paid	(229.45)	(190.23)
Closing fair value of plan assets	**790.69**	**717.49**

Category of Assets	As at 31st March, 2026	As at 31st March, 2025
Insurance fund	790.69	717.49
Total	**790.69**	**717.49**

Risks associated with defined benefit plan

Gratuity is a defined benefit plan and company is exposed to the Following Risks:

Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

Sensitivity Analysis

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Projected Benefit Obligation on Current Assumptions	931.80	843.33
Delta Effect of +1% Change in Rate of Discounting	(66.52)	(52.90)
Delta Effect of -1% Change in Rate of Discounting	76.42	60.25
Delta Effect of +1% Change in Rate of Salary Increase	75.33	59.19
Delta Effect of -1% Change in Rate of Salary Increase	(66.85)	(53.01)
Delta Effect of +1% Change in Rate of Employee Turnover	(5.49)	(5.69)
Delta Effect of -1% Change in Rate of Employee Turnover	5.79	6.06

Maturity Profile of Defined Benefit Plans

(₹ in Lakhs)

Projected Benefits Payable in Future Years From the Date of Reporting	As at 31st March, 2026	As at 31st March, 2025
1st Following Year	135.20	94.51
2nd Following Year	54.03	107.32
3rd Following Year	106.90	83.18
4th Following Year	47.99	91.58
5th Following Year	52.08	72.14
Sum of Years 6 To 10	345.92	275.11
Sum of Years 11 and above	1,086.20	752.53

(B) Compensated Absences:

a) Assets & Liabilities Recognized in the Financial Statement

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Non-Current Liabilities	143.63	137.84
Current Liabilities	61.71	66.08
Total	**205.34**	**203.91**

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

b) Actuarial Assumptions :

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Discount rate	7.06%	6.72%
Future Salary Rise	7.50%	7.50%
Attrition Rate :		
- For service 4 yrs & below	12.00%	10.00%
- For service 5 yrs & below	5.00%	7.00%

34 Earnings Per Share (EPS)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Profit / (Loss) attributable to equity shareholders for basic/ diluted earnings per share after tax (₹ In lacs)	35,168.72	32,950.73
No. of Shares	324,897,140	324,897,140
Weighted Average no. of equity shares outstanding during the period for basic/ diluted earnings per share	324,897,140	324,897,140
EPS (Basic - ₹ Per share)	**10.82**	**10.14**
EPS (Diluted - ₹ Per share)*	**10.82**	**10.14**
Nominal value per share - Rs per share	10	10

*Since dilutive EPS has anti-dilutive impact, hence Diluted EPS is equal to Basic EPS.

35 Category wise Financial Assets and Financial Liabilities

As at March 31, 2026

(₹ in Lakhs)

Particulars	Amortised Cost	Fair value		
		FVTPL	FVTOCI	Total carrying Value
Financial Assets				
- Cash & Cash Equivalents	15,815.98	-	-	15,815.98
- Bank balance and other than Cash & Cash Equivalents	61,201.41	-	-	61,201.41
- Trade receivables	10,596.32	-	-	10,596.32
- Investment in Equity	-	1,884.90	-	1,884.90
- Investment in Mutual Funds	-	-	-	-
- Investment in SRs	-	151,646.66	-	151,646.66
- Loans	310,882.41	-	-	310,882.41
- Deposits	375.57	-	-	375.57
- Recoverable from Trusts and Others	2,818.67	-	-	2,818.67
Total	**401,690.36**	**153,531.56**	**-**	**555,221.92**
Financial Liabilities				
- Trade payable	2.13	-	-	2.13
- Bank Borrowings	120,549.46	-	-	120,549.46
- Security Receipts	-	71,090.60	-	71,090.60

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

Particulars	Amortised Cost	Fair value		
		FVTPL	FVTOCI	Total carrying Value
- Recovery on behalf of Trust and other Constituents	460.91	-	-	460.91
- Liability for Capital expenses	-	-	-	-
- Liability for Leases	259.90	-	-	259.90
- Liability for expenses	2,478.70	-	-	2,478.70
- Interest accrued but not due	87.34	-	-	87.34
- Other Liabilities	66,498.44	-	-	66,498.44
Total	**190,336.88**	**71,090.60**	**-**	**261,427.48**

As at March 31, 2025

(₹ in Lakhs)

Particulars	Amortised Cost	Fair value		
		FVTPL	FVTOCI	Total carrying Value
Financial Assets				
- Cash & Cash Equivalents	18,325.26	-	-	18,325.26
- Bank balance and other than Cash & Cash Equivalents	71,377.86	-	-	71,377.86
- Trade receivables	5,388.04	-	-	5,388.04
- Investment in Equity	-	2,311.09	-	2,311.09
- Investment in Mutual Funds	-	4,002.86	-	4,002.86
- Investment in SRs	-	105,845.54	-	105,845.54
- Loans	215,864.65	-	-	215,864.65
- Deposits	1,164.02	-	-	1,164.02
- Recoverable from Trusts and Others	815.52	-	-	815.52
Total	**312,935.35**	**112,159.49**	**-**	**425,094.84**
Financial Liabilities				
- Trade payable	185.41	-	-	185.41
- Bank Borrowings	30,592.96	-	-	30,592.96
- Security Receipts	-	62,545.23	-	62,545.23
- Recovery on behalf of Trust and other Constituents	412.23	-	-	412.23
- Liability for Leases	62.67	-	-	62.67
- Liability for expenses	1,286.02	-	-	1,286.02
- Interest accrued but not due	5.65	-	-	5.65
- Other Liabilities	61,103.99	-	-	61,103.99
Total	**93,648.93**	**62,545.23**	**-**	**156,194.16**

36 Fair Value measurements recognised on the Balance Sheet

As at March 31, 2026

(₹ in Lakhs)

	Level 1	Level 2	Level 3	Total
Financial Assets				
- Investment in Equity	1,884.90	-	-	1,884.90
- Investment in Mutual Fund	-	-	-	0.00
- Investment in SRs	-	-	151,646.66	151,646.66

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

As at March 31, 2025

(₹ in Lakhs)

	Level 1	Level 2	Level 3	Total
Financial Assets				
- Investment in Equity	2,311.09	-	-	2,311.09
- Investment in Mutual Fund	4,002.86	-	-	4,002.86
- Investment in SRs	-	-	105,845.54	105,845.54

This explains the judgments and estimate made in determining the Fair Value of financial instruments that are (a) recognised and measured at Fair Value (b) measured at amortised cost and for which fair values are disclosed in the financial statements. The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consist of following three levels:

Level 1 : Level 1 hierarchy includes financial instruments measured using quoted price. This includes listed equity shares, traded bonds, mutual funds, etc., that have quoted price.

Level 2 : The fair value of financial instruments that are not traded in active market is determined using valuation techniques which maximise the use of observable market data and rely as little possible on entity specific estimates. If all significant inputs required for determining fair value of an financial instrument are observable, the instrument is included in Level 2.

Level 3 : If one or more of the significant input is not based on observable market data, the instrument is included in Level 3.

Valuation Methodologies

Quoted market prices in active markets are available for investments in equity and, as such, these instruments are classified within Level 1.

Investments: The Companies investments primarily consists of Investments in SRs. Fair value of investments in Security Receipts are classified as Fair Value through Profit & loss, and are determined using NAV by Rating Agencies as specified by RBI Guidelines and are classified as Level 2. The ratings are based on recovery rating scale.

Fair value of Financial Assets and Financial Liabilities, measured at Amortised Cost

Management has assessed that all financial assets and financial liabilities measured at amortised cost approximates their fair value.

37 Maturity Analysis of Assets & Liabilities

Sr. No.	Particulars	As at March 31, 2026			As at March 31, 2025		
		Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
1	**Financial assets**						
(a)	Cash and Cash Equivalents	15,815.98		15,815.98	18,325.26		18,325.26
(b)	Bank Balance other than Cash and Cash Equivalents	61,201.41		61,201.41	71,377.86		71,377.86
(c)	Trade Receivables	6,127.97	4,468.35	10,596.32	928.29	4,459.75	5,388.04
(d)	Loans	310,882.41		310,882.41	215,864.65		215,864.65
(e)	Investments	153,531.56		153,531.56	112,159.49		112,159.49
(f)	Other Financial Assets	2,965.56	228.68	3,194.24	1,562.47	417.07	1,979.54
2	**Non-financial assets**				-		
(a)	Current Tax Assets (Net)	-	6,822.50	6,822.50	-	4,339.93	4,339.93
(b)	Property, Plant and Equipment	-	3,674.05	3,674.05	-	3,546.14	3,546.14
(c)	Other Intangible Assets	-	353.17	353.17	-	374.96	374.96
(d)	Intangible assets under development	3.24		3.24	67.59		67.59
(e)	Other Non-Financial Assets	954.37	5,610.38	6,564.75	6,174.94		6,174.94
	Total Assets	**551,482.50**	**21,157.13**	**572,639.63**	**426,460.56**	**13,137.84**	**439,598.40**

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

Sr. No.	Particulars	As at March 31, 2026			As at March 31, 2025		
		Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
	Liabilities and Equity						
	Liabilities						
1	**Financial liabilities**						
(a)	Payables	2.13		2.13	185.41		185.41
(b)	Borrowings (other than Debt securities)	81,893.60	38,655.86	120,549.46	23,092.96	7,500.00	30,592.96
(c)	Security Receipts	71,090.60		71,090.60	62,515.97	29.26	62,545.23
(c)	Other Financial Liabilities	69,574.06	211.23	69,785.29	62,870.55		62,870.55
2	Non-financial liabilities						
(a)	Provisions	1,650.59	143.63	1,794.22	4,077.44	137.84	4,215.28
(b)	Deferred Tax Liabilities (Net)	-0.01	10,481.99	10,481.98	0.01	4,565.48	4,565.49
(c)	Other Non-Financial Liabilities	3,414.61		3,414.61	8,309.51		8,309.51
	Total Liabilities	**227,625.57**	**49,492.72**	**277,118.29**	**161,051.86**	**12,232.58**	**173,284.43**

38 Financial Risk Management

The Company is exposed to market risk, credit risk and liquidity risk, which may impact the fair value of its financial instruments. The Company has a risk management policy to manage and mitigate these risks.

A) Market Risk

Market risk is the risk that future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of foreign currency risk and interest rate risk. The Company is primarily exposed to interest rate risk.

(i) Foreign Currency Risk

Foreign Currency Risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in market prices. Market risk comprises of foreign currency risk and interest exposure to the risk of changes in exchange rate as there are no off-shore business transactions.

(ii) Interest Rate Risk

Interest Rate Risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's investments are primarily in fixed deposits and security receipts issued by trusts. The Company's exposure to the risk of changes is market rates relates primarily to the Company's debt obligations with floating interest rates. Hence the Company is not significantly exposed to interest rate risk.

B) Credit Risk

Financial Instruments that potentially subject the Company to concentration of Credit risk consist principally of trade receivables, unbilled revenue, investment securities and other recoverable from trusts. By their nature, all such financial instruments involve risks, including the credit risk of non-performance by counterparties i.e. trusts. However, the Company being trustee of all the trusts managed by it, the priority of receivables/ outstanding is a priority as per the waterfall mechanism defined Trust Deed/ Offer Document. Hence, the Company is not significantly exposed to credit risk.

C) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its obligations associated with financial liabilities. The investment philosophy of the Company is capital preservation and liquidity in preference to returns. Although the investments in security receipts are not tradable in market , the Company consistently generates sufficient cash flows from operations and has access to other sources of funding to meet the financial obligations and maintain adequate liquidity for use.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

Reconciliation of Gross Carrying Amount -

A) Trade Receivables

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Gross carrying Amount (Opening Balance)	6,229.07	6,802.89
Add: Origination of the Trade Receivables during the period / year	23,554.82	12,759.54
Less: Recoveries from Trade Receivables during the period / year	17,967.73	17,522.89
Less: Trade Receivables Written-off/ (Write-back)	(283.63)	(4,189.53)
Gross carrying Amount (Closing Balance)	**12,099.79**	**6,229.07**

B) Funded Interest - clubbed under Recoverable from Trusts

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Gross carrying Amount (Opening Balance)	97.36	93.08
Add: Assets Originated	273.20	298.14
Less: Net recoveries from Trusts	296.26	1,193.38
Less: Net Assets Written-off/ (Write-back)	(12.82)	(899.52)
Gross carrying Amount (Closing Balance)	**87.12**	**97.36**

C) Recoverable from Trusts

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Gross carrying Amount (Opening Balance)	830.00	1,265.12
Add: Assets Originated	15,697.20	8,530.95
Less: Net recoveries from Trusts	13,390.18	10,397.68
Less: Net Assets Written-off/ (Write-back)	285.54	(1,431.61)
Gross carrying Amount (Closing Balance)	**2,851.47**	**830.00**

Reconciliation of Expected Credit Loss (ECL) -

A) Trade Receivables

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Impairment Loss Allowance (Opening Balance)	841.03	571.84
Changes in Impairment Loss Allowance due to -		
Add: Origination of the Trade Receivables during the period / year	3,180.29	1,072.55
Less: Recoveries from Trade Receivables during the period / year	2,425.95	1,472.95
Less: Trade Receivables Written-off	(38.30)	(352.17)
Change in Estimates	**(130.20)**	**317.42**
Impairment Loss Allowance (Closing Balance)	**1,503.47**	**841.03**

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

B) Funded Interest - clubbed under Recoverable from Trusts

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Impairment Loss Allowance (Opening Balance)	2.19	95.32
Changes in Loss Allowance due to -		
Add: Assets Originated	6.14	305.16
Less: Net recoveries from Trusts	10.57	1,221.47
Less: Net Assets Written-off/ (Write-back)	(0.29)	(920.69)
Change in Estimates	**18.81**	**(97.51)**
Gross carrying Amount (Closing Balance)	**16.86**	**2.19**

C) ECL - clubbed under Recoverable from Trusts

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Impairment Loss Allowance (Opening Balance)	111.84	108.52
Changes in Loss Allowance due to -		
Add: Assets Originated	2,115.16	731.79
Less: Net recoveries from Trusts	1,804.30	891.91
Less: Net Assets Written-off/ (Write-back)	38.48	(122.80)
Change in Estimates	**(264.30)**	**40.64**
Impairment Loss Allowance (Closing Balance)	**119.93**	**111.84**

D) Operational Risk

The Company controls operational risks to ensure that operational losses (financial or reputational), including any related to conduct of business matters, do not cause material damage to the Company.

E) Reputational Risk

The Company protects is reputation from material damage by ensuring that any business activity is satisfactorily assessed and managed by the appropriate level of management and governance oversight.

F) Compliance Risk

The Company has no appetite for breaches in laws and regulation, while recognising that, regulatory non-compliance cannot be entirely avoided, the Company strives to reduce this to an absolute minimum.

39 Market (Price) risk sensitivity

a. Investment in Security receipts

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Investment in Security receipts	151,646.66	105,845.54
Increase /Decrease in the unobservable input	5%	5%
FV Increase	8,170.34	5,883.00
FV Decrease	(8,170.34)	(5,883.00)
Significant unobservable inputs	Estimated cash flow based on realisation of collaterals value, etc.	

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

b. Equity

The sensitivity analysis based on the exposure to the equity price risks at the end of the reporting period.

(₹ in Lakhs)

Particulars	As at 31st March, 2026
Equity Instruments	1,884.90
5.23%	1,983.48
-5.23%	1,786.32

(₹ in Lakhs)

Particulars	As at 31st March, 2025
Equity Instruments	2,311.09
5.61%	2,440.74
-5.61%	2,181.44

40 Capital Management

The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through loans and operating cashflows generated. The Company is not subject to externally imposed capital requirements.

The Company's strategy is to maintain optimum gearing ratio. The gearing ratios are as follows:

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Cash/ Bank balance as per Books	15,815.98	18,325.26
Bank balance other than Cash and Cash Equivalents	4,001.59	9,725.18
Borrowings	120,549.46	30,592.96
Net Debt	100,731.89	2,542.52
Total Equity	295,521.34	266,313.96
Debt/ Equity Ratio	0.34	0.01

41 Market (Price) risk sensitivity

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
a) Amount required to be spent by the company during the year	805.25	613.79
b) Amount of expenditure incurred	809.70	619.26
c) Shortfall at the end of the year	-	-
d) Total of previous years shortfall	-	-
e) Nature of CSR activities	Healthcare & Nutrition, Education & Skill Development, Environmental Sustainability, Inclusivity & Empowerment, Sports Promotion, Disaster Management etc.	

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

42 Details of expenditure and Income in foreign currency:

a. Expenditure in Foreign currency

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Software Expenses & Maintenance	35.88	20.22
Total	**35.88**	**20.22**

b. Income in Foreign currency

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Income in Foreign currency	-	-

43 Revenue from contracts with customers

Disaggregated Revenue

The table below represents disaggregated revenues from contracts with customers by type of services, geographical market and timing of revenue recognition. The Management believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of its revenues and cash flows are affected by industry, market and other economic factors.

(₹ in Lakh)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Type of Services		
Fees Income	23,554.83	12,759.54
Total revenue from contract with customers	**23,554.83**	**12,759.54**
Geographical Markets		
India	23,554.83	12,759.54
Outside India	-	-
Total revenue from contract with customers	**23,554.83**	**12,759.54**
Timing of revenue recognition		
Services transferred at a point in time	-	-
Services transferred over time	23,554.83	12,759.54
Total revenue from contract with customers	**23,554.83**	**12,759.54**

Contract balance

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Trade Receivables	12,099.79	6,229.07

44 Related Party Transactions

Holding Company

Avenue India Resurgence Pte. Ltd

As per Ind AS 24 'Related Party Disclosures', the related party where control exists or where significant influence exists and with whom transactions have taken place are as below:

Subsidiaries

Sr No.	Name of the Trust
1	Arcil-CPS-002-V Trust-Scheme A
2	Arcil-SBPS-022-II Trust
3	Arcil-SBPS-022-III-Trust

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

Sr No.	Name of the Trust
4	Arcil-SBPS-022-IV Trust
5	Arcil-Retail Port-046-A-T
6	Arcil Retail Portfolio-022-A Trust
7	Arcil-CPS-081-I-Trust
8	Arcil-Retail Loan Portfolio-092-A-Trust
9	ARCIL-TRUST-2024-001
10	Arcil-Trust-2025-013
11	Arcil-Trust-2025-012
12	Arcil-Trust-2025-018
13	Arcil-Trust-2026-011
14	Arcil-Trust-2026-012
15	Arcil-Trust-2026-019
16	Arcil-Trust-2026-017
17	Arcil-Trust-2026-010
18	Arcil-Trust-2026-018
19	Arcil-Trust-2026-024
20	Arcil-Trust-2026-025
21	Arcil-Trust-2026-033
22	Arcil-Trust-2026-031
23	Arcil-Trust-2026-032
24	Arcil-Trust-2026-035

Key Managerial Person

Sr No.	Name of the Key Managerial Person
1	Mr. Narayanan Subramaniam (Chairman w.e.f. April 01, 2025, Independent Director)
2	Mr. Pallav Mohapatra (CEO & Managing Director) (till March 7, 2026)
3	Mr. Phanindranath Kakarla (CEO & Managing Director) (w.e.f. March 8, 2026)
4	Mr. Pavan Pal Kaushal (till August 26, 2025, Independent Director)
5	Mr. Sudarshan Sen (Sponsored Director, representative of Avenue India Resurgence Pte. Ltd)
6	Mr. Ashish Shukla (Sponsored Director, representative of Avenue India Resurgence Pte. Ltd)
7	Mr. Ashok Kumar Sharma (Nominee Director)
8	Mr. Prasad Naga (w.e.f. July 15, 2025, Independent Director)
9	Mr. Balachander Rajaraman (Independent Director)
10	Ms. Raksha Kothari (Independent Director)
11	Mr. Pramod Gupta (Chief Financial Officer)
12	Mr. Ameet Kela (Company Secretary)

(₹ in Lakhs)

Particulars	Year ended March 31, 2026		Year ended March 31, 2025	
	Holding	Associates	Holding	Associates
1) Income from trusts managed by Arcil				
a. Fees & Other Income	-	**2,637.27**	-	**407.62**
Others	-	2,637.27	-	407.62
b. Interest Income	-	**12.37**	-	**4.03**
Others	-	12.37	-	4.03
c. Other Operating Income	-	**-**	-	**60.83**
Others	-	**-**	-	**60.83**
d. Other Income	-	**50.16**	-	**4.26**
Others	-	50.16	-	4.26

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

(₹ in Lakhs)

Particulars	Year ended March 31, 2026		Year ended March 31, 2025	
	Holding	Associates	Holding	Associates
e. Recovery of Security Receipts, Unrealized Fee & Expenses (written off earlier)	-	**15.12**	-	**27.71**
Arcil-AARF-II-Trust-Scheme 1	-		-	
Others	-	15.12	-	27.71
f. Write off of Security Receipts, Unrealized Fee & Expenses	-	27.81	-	253.65
Arcil-SBPS-022-IV Trust	-	-	-	236.83
Others	-	**27.81**	-	**16.82**
g. Impairment of Financial Instruments/ Financial Assets	-	113.09	-	(4.16)
Others	-	113.09	-	(4.16)
2) Investments made during the period	-	**15,916.90**	-	**4,025.95**
Arcil-Trust-2026-022	-	-	-	4,025.95
Others		15,916.90		
3) Redemption during the period	-	**3,412.05**	-	**755.66**
Arcil-2024C-003 -Trust				
Others	-	3,412.05	-	755.66
4) Recoverable from trusts managed by Arcil	-		-	
a. Fees & expenses	-	**999.85**	-	**49.97**
Others	-	999.85	-	49.97
b. Investments	-	**20,689.46**	-	**7,479.62**
Others	-	20,689.46	-	7,479.62
5) Dividend Paid/Payable	**6,796.99**	-	**3,398.49**	-
Avenue India Resurgence Pte. Ltd	6,796.99	-	3,398.49	-

Compensation of key managerial personnel (Short term benefits)

(₹ in Lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Short term employee benefits #	699.16	594.09
Post employment benefits#	25.56	20.38
Directors Sitting fees and Commission	105.07	113.40

The above amount does not include gratuity provision made, as the actuarial valuation is done for company as a whole and also ESOP granted

45 Contingent Liability and Commitments (to the extent not provided for)

(i) Contingent Liabilities:

(₹ in Lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
a) Guarantees excluding financial guarantees		
- bank guarantee furnished by the Company	200.00	200.00

(ii) Commitments:

(₹ in Lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Estimated amount of contracts remaining to be executed on capital and not provided for	23.85	12.89

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

46 The Company held monies on behalf of Trusts as Term Deposits, in order to pay off contingencies arising from those trusts, after their closure. The deposits are held in the name of the Company itself and the deposit amount as well as the interest earned thereon are being classified as ""Other Financial Liabilities"" in the books of the Company. In a Tax dispute Matter, since the entire amount of Rs. 5,610.38 lacs was paid by ARCIL from its own funds, the Company has now taken a call to recognize such interest on the term deposits held on behalf of trusts, as Interest Income in its books. Thus, an additional interest income of Rs. 1,306.48 lacs as against the total FD interest of Rs. 1,329.65 lacs held on behalf of trusts has been booked by the Company in the current period ended March 31, 2026.

47 Table Showing Contractual maturities of Lease Liabilities as at March 31, 2026 and March 31, 2025 :

(₹ in Lakhs)

On office Premises	As at 31st March, 2026	As at 31st March, 2025
Not later than one year	70.22	37.33
Later than one year and not later than five years	159.78	31.57
Later than five years	126.93	-
Total Undiscounted Lease Liabilities as on 31st March, 2024	356.93	68.90
Lease Liabilites included in the Statement of Financial Position		
Current	48.67	33.41
Non Current	211.23	29.26
Total	**259.90**	**62.67**

48 Intangible assets under development aging schedule

a) For Intangible assets under development

As at March 31, 2026

(₹ in Lakhs)

	Amount in CWIP for a period of				Total*
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Intangible assets under development					
Projects in progress-Software Platform for Wholesale Business	3.24	-	-	-	3.24
Projects temporarily suspended	Not applicable				

b) For Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan

	To be completed in				Total*
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Intangible assets Under development	Not applicable				

As at March 31, 2025

(₹ in Lakhs)

	Amount in CWIP for a period of				Total*
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Intangible assets under development					
Projects in progress-Software Platform for Wholesale Business	67.59	-	-	-	67.59
Projects temporarily suspended	Not applicable				

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

b) For Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan

	To be completed in				Total*
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Intangible assets Under development	Not applicable				

49 There are various cases/ claims filed against the Group by the Borrower, etc. which have been contested by the Group. As the cases are mostly frivolous and there are remote chances of any liability being devolved on the Group. Hence, no provisions are made in this regard.

50 As on March 31, 2026, the Company has acquired assets as a Resolution Applicant under Insolvency and Bankruptcy Code, 2016 (IBC). Consequently the disclosure as required in Point 13(vi) and 13(vii) of Reserve Bank of India notification DoR.SIG. FIN.REC.75/26.03.001/2022-23 dated 11 October 2022 is as below:-

Name of the asset	Date of acquisition	Type of the Asset	Value of the Asset (₹ In lacs)	Sectorwise Distribution	Resolution status
Unimark Remedies Ltd	5/25/2023	Pharmaceutical & Health Care	3351.35	100%	Resolution plan submitted by Arcil alongwith Shamrock and Intas, was approved by NCLT in April 2023, post which required contribution was transferred to the Resolution Professional in May 2023. Arcil has executed the assignment agreement with all the lenders. Restructuring agreement, shareholder agreement and other related documents have agreed upon between Shamrock & Arcil and the same are expected to be executed shortly.

51 The Group has operation in single business segment and hence there are no separate reportable segments to be disclosed under Ind As 108 - "Operating Segments"

52 The Group has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Group has reviewed and ensured that adequate provisions as required under any law/ accounting standards for material foreseeable losses on such long term contracts has been made in the books of account. The Group does not have any derivative contracts as at the Balance Sheet date.

53 The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. Ministry of Labour and Employment has notified the effective date as 21st November 2025. The Code has been published in the Gazette of India. Further, the Central Government has released fresh set of draft rules for the Code on December 30, 2025. As of now, the rules are still being finalized by various state and central authorities. In accordance with the notified effective date, the Company has conducted an actuarial assessment to quantify the impact of the new wage definition and revised eligibility criteria. And accordingly the impact for year ended 31st Mar'26 is Rs.230 lacs (Previous period:- Nil) and the same is recognised by the Company under "Employee Benefit Expenses" in the Statement of Profit and Loss. This amount represents the past service cost arising from the re-measurement of long-term employee obligations as per the Code's requirements. The Company will continue to monitor the Central and State Government Rules and any change having financial impact will be accounted for as and when required.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

54 The Group holds assets in Security Receipts (SRs) which have been written off but are rigorously being pursued for recovery on an ongoing basis. The Management expects a good amount of realisation in future. This acts as a natural hedge and provides reasonable cover for subsequent deterioration in the value of assets.

55 Additional Regulatory Informations

i) Ratios

Ratios	Numerator	Denominator	As at March 31, 2026	As at March 31, 2025
a) Capital to risk-weighted assets ratio (CRAR)	Net Owned Funds	Risk Wighted Assets	65.31%	90.32%
b) Tier I CRAR	Tier I Capital	Risk Wighted Assets	65.31%	90.32%
c) Tier II CRAR	N.A.	N.A.	N.A.	N.A.
d) Liquidity Coverage Ratio	N.A.	N.A.	N.A.	N.A.

56 Employee Stock Option Scheme 2025 (ESOP 2025)

i) Asset Reconstruction Company(India) Ltd (ARCIL) Board decided to allot stock options to eligible employees. And accordingly, Employee Stock Options Scheme 2025 was framed and same was approved by Board on June 23, 2025 and by shareholders in the EGM dated June 27, 2025.

Details of options granted under various series are as under

Particulars	Series I
Date of share holder approval	June 27, 2025
Grant date	July 15, 2025
Options granted	635,328
Options forfeited/cancelled till March 31, 2026	156,620
Outstanding at end of period	478,708
Exercisable at end of period	NIL
Vesting of options	Options granted under ESOP 2025 shall vest not earlier than minimum period of 1 (one) year and not later than maximum period of 4 (four) years from the date of Grant.
Maximum term of option granted	4 years from the date of Vesting
Source of shares (primary, secondary or combination)	Primary
Variation in terms of options	No variations
Method use to account for ESOP	Fair value method
Pricing formula	The Exercise Price per Option shall be determined by the Committee, which shall be upto 20% discount to Fair Market Value as on the date of Grant. However, the Exercise Price shall not be less than the face value of the Share.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

The current status of the stock options granted to the Employees is as under:

Particulars	No of outstanding options	
	As at March 31, 2026	As at March 31, 2025
Number of options outstanding at the beginning of the period.	-	-
Number of options granted during the period	635,328	-
Number of options forfeited during the period	156,620	-
Number of options expired during the period	-	-
Number of options vested during the period	-	-
Number of options exercised during the period	-	-
Total number of shares arising as a result of exercise of options	-	-
Money realized by exercise of options (INR), if scheme is implemented directly by the company	-	-
Number of options outstanding at the end of the period	478,708	-
Number of options exercisable at the end of the period	-	-

The charge on account of the above scheme is included in employee benefit expense aggregating Rs.82.80 lacs (Previous year: ₹ Nil).

ii) IND AS 102 also states that the fair value of Options should be estimated using an option pricing model (Black Scholes or other option pricing model) that takes into account as of the grant date the exercise price and the expected life of the option, the current price in the market of the underlying stock and its expected volatility, expected dividends on the stock, and risk-free interest rate for the expected term of the option. However, historically for the purpose of reporting the Company is following Black Scholes model for determining the fair value of the options. The fair value of an option estimated on the grant date shall not be subsequently adjusted for changes in the price of the underlying stock or its volatility, the life of the option, dividends on the stock, or the risk-free interest rate. IND AS 102 requires Companies to follow vest wise accounting. It means that services would be received over the vesting period; hence, the cost has been amortized over the vesting period. Unvested Options,if any, has been reversed from profit and loss account and Vested Options,if any, from general reserve.

Total expenses arising from Employee Stock Option Scheme (ESOP) recognised in statement of profit or loss as part of Employee Stock Option Scheme Compensation were as follows:

(₹ in Lakhs)

Employee option Plan	As at 31st March, 2026	As at 31st March, 2025
Option Series - I	82.80	-
	82.80	**-**

(₹ in Lakhs)

Particuars	As at 31st March, 2026	As at 31st March, 2025
Stock Option outstanding balance	82.80	-
	82.80	**-**

The Company follows fair value based method of accounting for determining compensation cost for its stock based compensation scheme. The fair value has been calculated by applying Black and Scholes model as valued by an independent valuer. The following tables list the inputs to the Black Scholes model used for the years ended:

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

Particuars	As at 31st March, 2026	As at 31st March, 2025
Market Price (Rs.)	151.00	-
Expected Life (In Years)	5.00	-
Volatility (%)	43.64%	-
Riskfree Rate (%)	6.01%	-
Dividend yield (%)	1.99%	-

57 A statement of the migration of financial assets from standard to non-performaing- Not applicable

58 No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

59 The Group has not been declared wilful defaulter by any bank or financial institutions or government or any government authority.

60 The Group has no transactions with the companies struck off under the Companies Act, 2013.

61 There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

62 The Group has complied with the number of layers prescribed under the Companies Act, 2013.

63 The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

64 There was no Sale of assets catergorised under Amortized Cost.

65 Utilisation of Borrowed funds and share premium:

(A) During the year, the company has not advanced or loaned or invested funds to any other person(s)or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate (Ultimate Beneficiaries) or

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

(B) During the year, the Company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

66 Undisclosed Income: The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

67 The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

68 The Group has complied with the number of layers prescribed under the Companies Act, 2013.

69 The Group is not holding any immovable property whose title deed is not in the name of the Group.

70 The Group is not holding any immovable property whose title deed is not in the name of the Group. The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets during the current period or previous year.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

71 The Financial Statement is prepared in accordance with Division III to Schedule III of the Companies Act, 2013. In preparing the financial statement, a balance has been maintained between providing excessive detail that may not assist users of financial statement. Accordingly, the line items as per prescribed format are not applicable to compnay and items which a are applicable to company but having nil balance in the current and previous reporting period are not disclosed in this financial statements.

72 Dividends declared by the Company are based on the profit available for distribution. On May 15, 2026, the Board of Directors of the Company have proposed a final dividend of Re. 1 per share in respect of the year ended March 31, 2026.

(₹ in Lakhs)

Proposed / Declared Dividends on Equity Shares not recognised:	As at March 31, 2026	As at March 31, 2025
Final Dividend for the year Rs. 1.00 per share (Previous year : Rs.3.00 per share)	3,248.97	9,746.91

73 **Investor Education and Protection Fund**

There is no amount required to be transferred to Investor Education and Protection Fund by the Company (previous year: Nil)

74 There are no subsequent events occuring post balance sheet date which could have a material impact on the financial statements as on 31 March 2026.

75 The Group has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility, except, that audit trail feature was not enabled at the database level to log any direct data changes. Further, to the extent enabled, audit trail feature has operated throughout the year for all relevant transactions recorded in the accounting software and audit trail feature has not been tampered with. Additionally, the audit trail of prior year(s) has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in respective years.

76 The financial statements were approved for issue by the Board of Directors on Date: May 15, 2026.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

76 Interests in other entities

(a) Subsidiaries

The Group's subsidiaries are set out below. Share capital consisting solely of equity shares that are held directly by the group and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of Entity	Date of acquiring subsidiary	Place of business / country of incorporation	Ownership interest held by the group		Ownership interest held by non-controlling interests	
			March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Arcil-Daewoo Motors India Ltd Trust	3/31/2005	India	48%	48%	52%	52%
Arcil-Precision Fastners Ltd-Trust	12/30/2003	India	56%	56%	44%	44%
Arcil-Parekh Platinum Ltd. Trust	12/29/2006	India	100%	100%	0%	0%
Arcil-Bellary Steels & Alloys Ltd.-II Trust	12/29/2006	India	100%	100%	0%	0%
Arcil-Indo Deutch Metallo Trust	12/29/2006	India	100%	100%	0%	0%
Arcil-Hanuman Miner Oil Ltd. Trust	12/29/2006	India	100%	100%	0%	0%
Arcil-Equipment Conductor & Cables Ltd. Trust	12/29/2006	India	100%	100%	0%	0%
Arcil-LSIL Trust	9/27/2007	India	100%	100%	0%	0%
Arcil-PSL II Trust	3/12/2008	India	100%	100%	0%	0%
Arcil-Polar Industries Limited Trust	3/13/2008	India	100%	100%	0%	0%
Arcil-MVR-I Trust	3/24/2008	India	100%	100%	0%	0%
Arcil-Ispat Profiles Trust	3/19/2008	India	100%	100%	0%	0%
Arcil-Nath Seeds Limited Trust	3/27/2008	India	100%	100%	0%	0%
Arcil-JCT II Trust	3/28/2008	India	100%	100%	0%	0%
Arcil-Maridia Steel Limited-I Trust	3/31/2008	India	100%	100%	0%	0%
Arcil-Maridia Steel Limited-II Trust	3/31/2008	India	100%	100%	0%	0%
Arcil-Maridia Steel Limited-III Trust	3/31/2008	India	100%	100%	0%	0%
Arcil-MVR-II Trust	3/31/2008	India	100%	100%	0%	0%
Arcil-NPPML Trust	3/11/2008	India	100%	100%	0%	0%
Arcil-PSL III Trust	3/12/2008	India	100%	100%	0%	0%
Arcil-PSL IV Trust	3/29/2008	India	100%	100%	0%	0%
Arcil-Kiran Overseas Exports Ltd. Trust	6/30/2008	India	100%	100%	0%	0%
Arcil-Shalimar Wires Industries Limited-II Trust	8/28/2008	India	100%	100%	0%	0%
Arcil-MVR-III Trust	9/1/2008	India	100%	100%	0%	0%
Arcil-Bentels Corporation Limited Trust	9/1/2008	India	100%	100%	0%	0%

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for the year ended 31st March 2026

Name of Entity	Date of acquiring subsidiary	Place of business / country of incorporation	Ownership interest held by the group		Ownership interest held by non-controlling interests	
			March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Arcil-KOEL-I Trust	9/15/2008	India	100%	100%	0%	0%
Arcil-Mafatlal Engineering Industries Ltd Trust	9/18/2008	India	99%	99%	1%	1%
Arcil-Maridia Steel Limited-IV Trust	9/27/2008	India	100%	100%	0%	0%
Arcil-JCT III Trust	9/2/2008	India	100%	100%	0%	0%
Arcil-Shalimar Wires Industries Limited-III Trust	9/23/2008	India	100%	100%	0%	0%
Arcil Mukerian Paper Ltd Trust	9/12/2008	India	100%	100%	0%	0%
Arcil-Mukerian II Trust	9/29/2008	India	100%	100%	0%	0%
Arcil-KOEL-II Trust	12/22/2008	India	100%	100%	0%	0%
Arcil-Jhagadia Copper Limited Trust	1/5/2009	India	46%	50%	54%	50%
Arcil-Polar Industries Limited-II Trust	2/13/2009	India	100%	100%	0%	0%
Arcil-BPL Display Devices Limited-I Trust	3/4/2009	India	47%	47%	53%	53%
Arcil - Excel Oils and Chemicals Pvt. Ltd. Trust	2/3/2012	India	100%	100%	0%	0%
Arcil-International Sree Balaji Hotels Private Limited Trust	11/30/2012	India	100%	100%	0%	0%
Arcil-Uday Estates Pvt. Ltd. Trust	3/13/2013	India	100%	100%	0%	0%
Arcil-L. S. P. Agro Limited Trust	3/21/2013	India	100%	100%	0%	0%
Arcil-The Dhar Textile Mills Ltd. Trust	3/22/2013	India	100%	100%	0%	0%
Arcil-Jagat Edible Oil India Pvt. Ltd. Trust	3/26/2013	India	100%	100%	0%	0%
Arcil-Vama Exports Ltd. Trust	3/30/2013	India	32%	32%	68%	68%
Arcil-Golden Fries Ltd. Trust	3/30/2013	India	68%	68%	32%	32%
Arcil-Esteem Estate Projects Pvt. Ltd. Trust	6/5/2013	India	100%	100%	0%	0%
Arcil-AST-IV-Trust	3/28/2014	India	100%	100%	0%	0%
Arcil-AST-VII-Trust	3/29/2014	India	100%	100%	0%	0%
Arcil-AST-039-I-Trust	11/21/2014	India	100%	100%	0%	0%
Arcil-AST-001-VI-Trust	3/30/2015	India	30%	30%	70%	70%
Arcil-AST-017-I-Trust	12/22/2017	India	51%	51%	49%	49%
Arcil-AST-018-I-Trust	3/31/2018	India	100%	100%	0%	0%
Arcil-AST-001-IX-Trust	3/31/2018	India	100%	100%	0%	0%

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

Name of Entity	Date of acquiring subsidiary	Place of business / country of incorporation	Ownership interest held by the group		Ownership interest held by non-controlling interests	
			March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Arcil-AST-001-X-Trust	3/31/2018	India	50%	50%	50%	50%
Arcil-AST-001-XI-Trust	7/10/2018	India	50%	50%	50%	50%
Arcil-AST-017-V-Trust	12/19/2018	India	100%	100%	0%	0%
Arcil-AST-024-I-Trust	3/29/2019	India	100%	100%	0%	0%
Arcil-AST-026-I-Trust	3/30/2019	India	100%	100%	0%	0%
Arcil-CPS-002-IX Trust	3/31/2006	India	100%	100%	0%	0%
Arcil-CPS-012-II Trust	12/29/2006	India	100%	100%	0%	0%
Arcil-CPS-012-I Trust	12/29/2006	India	100%	100%	0%	0%
Arcil-CPS-032-I-Trust	3/18/2013	India	100%	100%	0%	0%
Arcil-CPS-006-III-Trust	3/21/2013	India	100%	100%	0%	0%
Arcil-CPS-003-IV Trust	3/30/2013	India	93%	93%	8%	8%
Arcil-CPS-003-V Trust	3/30/2013	India	100%	100%	0%	0%
Arcil-CPS-012-III-Trust	3/13/2014	India	85%	85%	15%	15%
Arcil-CPS-041-I-Trust	6/27/2016	India	100%	100%	0%	0%
Arcil-CPS-008-II-Trust	3/28/2018	India	50%	50%	50%	50%
Arcil-SBPS-001-I Trust	3/31/2004	India	100%	100%	0%	0%
Arcil-SBPS-001-VI Trust	3/31/2005	India	100%	94%	0%	6%
Arcil-SBPS-001-VIII Trust	3/31/2006	India	100%	100%	0%	0%
Arcil-SBPS-001-X Trust	3/31/2006	India	100%	40%	0%	60%
Arcil-SBPS 001-XII Trust	3/29/2007	India	100%	100%	0%	0%
Arcil-SBPS 021-II Trust	3/24/2008	India	100%	100%	0%	0%
Arcil-SBPS 016-I Trust	3/24/2008	India	100%	100%	0%	0%
Arcil-SBPS-025-I Trust	9/12/2008	India	100%	100%	0%	0%
Arcil-SBPS-028-I-Trust	3/26/2009	India	100%	100%	0%	0%
Arcil-SBPS-027-I Trust	3/31/2009	India	100%	100%	0%	0%
Arcil-SBPS-026-II-Trust	12/31/2012	India	100%	100%	0%	0%
Arcil-SBPS-002-II-Trust	12/31/2012	India	100%	100%	0%	0%
Arcil-SBPS-008-I Trust	3/22/2013	India	100%	100%	0%	0%
Arcil-SBPS-042-I-Trust	11/30/2016	India	100%	100%	0%	0%
Arcil NHB Retail Loan Portfolio 001 Trust	2/8/2008	India	100%	100%	0%	0%
Arcil-Retail Loan Portfolio-002-A Trust	3/31/2009	India	100%	100%	0%	0%
Arcil-Retail Loan Portfolio-002-B Trust	4/28/2010	India	100%	100%	0%	0%
Arcil-Retail Loan Portfolio-003-A Trust	5/5/2010	India	100%	100%	0%	0%
Arcil-Retail Loan Portfolio-029-A-Trust	12/20/2013	India	90%	90%	10%	10%

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for the year ended 31st March 2026

Name of Entity	Date of acquiring subsidiary	Place of business / country of incorporation	Ownership interest held by the group		Ownership interest held by non-controlling interests	
			March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Arcil-Retail Loan Portfolio -036-A-Trust	6/27/2014	India	100%	100%	0%	0%
Arcil-Retail Port-044-A-T	3/29/2017	India	100%	100%	0%	0%
Arcil-Retail Port-048-A-Trust	6/7/2017	India	100%	100%	0%	0%
Arcil-Retail Port-042-A-Trust	2/1/2018	India	100%	100%	0%	0%
Arcil-Retail Port-032-A-Trust	3/28/2018	India	100%	100%	0%	0%
Arcil-Retail Port-049-A-Trust	3/31/2018	India	100%	100%	0%	0%
Arcil-Retail Port-050-A-Trust	3/31/2018	India	100%	100%	0%	0%
Arcil Retail Loan Portfolio-045-B-Trust	12/28/2018	India	100%	100%	0%	0%
Arcil Retail Loan Portfolio-042-B-Trust	3/18/2019	India	100%	100%	0%	0%
Arcil Retail Loan Portfolio-053-A-Trust	3/27/2019	India	100%	100%	0%	0%
Arcil-Shalimar Wires Industries Limited-IV TrustSeries I	5/21/2009	India	100%	100%	0%	0%
Arcil-CPS 002-II TrustScheme B	10/23/2004	India	100%	100%	0%	0%
Arcil-CPS-002-VII TrustScheme B	3/31/2005	India	100%	100%	0%	0%
Arcil-CPS-002-VII TrustScheme D	3/31/2005	India	100%	100%	0%	0%
Arcil-CPS-002-I TrustScheme A4	3/31/2004	India	100%	100%	0%	0%
Arcil-CPS-002-I TrustScheme A5	3/31/2004	India	100%	100%	0%	0%
Arcil-CPS-002-I TrustScheme A6	3/31/2004	India	100%	100%	0%	0%
Arcil-CPS-002-I TrustScheme B1	3/31/2004	India	100%	100%	0%	0%
Arcil-CPS-002-I TrustScheme D	3/31/2004	India	100%	100%	0%	0%
Arcil-SBPS 001-IV TrustScheme A	3/31/2005	India	100%	100%	0%	0%
Arcil-SBPS 001-IV TrustScheme B	3/31/2005	India	100%	100%	0%	0%
Arcil-SBPS 001-III TrustScheme A	3/31/2005	India	100%	97%	0%	3%
Arcil-SBPS 001-III TrustScheme B	3/31/2005	India	100%	100%	0%	0%
Arcil-SBPS 001-V TrustScheme B	3/31/2005	India	100%	100%	0%	0%
Arcil-SBPS 002-I TrustScheme A	6/30/2004	India	100%	100%	0%	0%
Arcil-SBPS 002-I TrustScheme B2	6/30/2004	India	100%	100%	0%	0%
Arcil-SBPS-007-II-TrustScheme C	11/7/2006	India	100%	100%	0%	0%
Arcil-SBPS-007-II-TrustScheme A1	11/7/2006	India	100%	100%	0%	0%
Arcil-SBPS-007-II-TrustScheme A2	11/7/2006	India	100%	100%	0%	0%
Arcil-SBPS-014-I-TrustScheme A	3/28/2007	India	100%	100%	0%	0%
Arcil-SBPS-014-I-TrustScheme B	3/28/2007	India	100%	100%	0%	0%
Arcil-SBPS 014-II TrustScheme A	11/7/2006	India	100%	100%	0%	0%
Arcil-SBPS 014-II TrustScheme C	11/7/2006	India	100%	100%	0%	0%
Arcil-SBPS 013-I TrustScheme B	3/28/2007	India	100%	100%	0%	0%

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

Name of Entity	Date of acquiring subsidiary	Place of business / country of incorporation	Ownership interest held by the group		Ownership interest held by non-controlling interests	
			March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Arcil-SBPS 019-I TrustScheme B	6/23/2007	India	100%	100%	0%	0%
Arcil-SBPS 022-I TrustScheme A1	3/31/2008	India	100%	100%	0%	0%
Arcil-SBPS 021-I TrustScheme B	3/24/2008	India	100%	100%	0%	0%
Arcil-SBPS 021-I TrustScheme C	3/24/2008	India	100%	100%	0%	0%
Arcil-AARF-II-Trust	8/31/2010	India	67%	67%	33%	33%
ARCIL-AST-024-II-TRUST	5/8/2019	India	100%	100%	0%	0%
Arcil-SBPS-060-I-Trust	9/30/2019	India	100%	100%	0%	0%
Arcil-SBPS-041-I-Trust	12/18/2019	India	100%	100%	0%	0%
Arcil-Retail Loan Portfolio-058-B-Trust	9/30/2019	India	100%	100%	0%	0%
Arcil-Retail Loan Portfolio-060-A-Trust	12/31/2019	India	100%	100%	0%	0%
Arcil-Retail Loan Portfolio-061-A-Trust	12/31/2019	India	100%	100%	0%	0%
Arcil-Retail Loan Portfolio-058-C-Trust	12/31/2019	India	100%	100%	0%	0%
Arcil-Retail Loan Portfolio-42-D-Trust	6/24/2021	India	100%	100%	0%	0%
Arcil-Retail Loan Portfolio-042-E-Trust	6/30/2021	India	100%	100%	0%	0%
Arcil- SBPS-006-VII Trust	11/26/2021	India	100%	100%	0%	0%
Arcil-Retail Loan Portfolio-042-F-Trust	12/30/2021	India	100%	100%	0%	0%
Arcil-Retail Loan Portfolio-042-I-Trust	12/30/2021	India	100%	100%	0%	0%
Arcil-Retail Loan Portfolio-042-H-Trust	12/30/2021	India	100%	100%	0%	0%
Arcil-Retail Loan Portfolio-042-G-Trust	12/30/2021	India	100%	100%	0%	0%
Arcil-Retail Loan Portfolio-029-B-Trust	3/25/2022	India	100%	100%	0%	0%
Arcil-Retail Loan Portfolio-074-A-Trust	3/30/2022	India	100%	100%	0%	0%
Arcil-AST-001-XVIII-Trust	3/27/2023	India		33%		67%
Arcil-CPS-II-Trust	12/1/2022	India		32%		68%
Arcil-SBPS-I-Trust	9/29/2022	India	100%	100%	0%	0%
Arcil-SBPS 073-I Trust	11/1/2022	India	100%	100%	0%	0%
Arcil-Retail Loan Portfolio-074-B-Trust	7/28/2022	India	100%	100%	0%	0%
Arcil-Retail Loan Portfolio-045-C-Trust	12/29/2022	India	100%	100%	0%	0%
Arcil-Parasrampuria Synthetics ltd Trust	6/30/2005	India	100%	98%	0%	2%
Arcil-Kishore Dalal & Company Trust	6/30/2008	India	58%	58%	42%	42%
Arcil-CPS-002-VII Trust	3/31/2005	India	100%	100%	0%	0%
Arcil-AST-003-VIII-Trust	5/4/2023	India		31%		69%
Arcil-AST-RA-001 Trust	5/26/2023	India	100%	100%	0%	0%
Arcil-AST-030-II-Trust	9/1/2023	India		35%		65%
Arcil-CPS-IV-Trust	8/25/2023	India		32%		68%

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

Name of Entity	Date of acquiring subsidiary	Place of business / country of incorporation	Ownership interest held by the group		Ownership interest held by non-controlling interests	
			March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Arcil-Retail Loan Portfolio-092-A-Trust	9/29/2023	India		26%		74%
Arcil-2024C-001 -Trust	12/27/2023	India	100%	100%	0%	0%
Arcil-2024C-003 -Trust	12/29/2023	India	100%	100%	0%	0%
Arcil-2024C-004 -Trust	12/29/2023	India	100%	100%	0%	0%
Arcil-2024C-005 -Trust	12/30/2023	India	100%	100%	0%	0%
Arcil-2024C-007-Trust	3/20/2024	India	100%	100%	0%	0%
Arcil-2024C-006 -Trust	2/28/2024	India	100%	100%	0%	0%
Arcil-Trust-2025C-001	4/12/2024	India	100%	100%	0%	0%
Arcil-Trust-2025C-005	5/8/2024	India	100%	100%	0%	0%
Arcil-Trust-2025C-007	9/13/2024	India	100%	100%	0%	0%
Arcil-Trust-2025C-015	11/30/2024	India	100%	100%	0%	0%
Arcil-Trust-2025C-019	3/28/2025	India	100%	100%	0%	0%
Arcil-Trust-2025C-013	10/28/2024	India	100%	100%	0%	0%
Arcil-Trust-2025C-018	3/28/2025	India	100%	100%	0%	0%
Arcil-Trust-2025C-003	5/28/2024	India	100%	100%	0%	0%
Arcil-Trust-2025C-004	6/14/2024	India	100%	100%	0%	0%
Arcil-Trust-2025C-006	6/25/2024	India	100%	100%	0%	0%
Arcil-Trust-2025C-008	9/19/2024	India	100%	100%	0%	0%
Arcil-Trust-2025-005	9/27/2024	India		36%		64%
Arcil-Trust-2025C-010	9/30/2024	India	100%	100%	0%	0%
Arcil-Trust-2025C-009	9/30/2024	India	100%	100%	0%	0%
Arcil-Trust-2025-008	9/30/2024	India	40%	44%	60%	56%
Arcil-Trust-2025C-012	9/30/2024	India	100%	100%	0%	0%
Arcil-Trust-2025C-011	10/1/2024	India	100%	100%	0%	0%
Arcil-Trust-2025C-014	10/30/2024	India	100%	100%	0%	0%
Arcil-Trust-2025-015	12/30/2024	India	53%	58%	47%	42%
Arcil-Trust-2025-016	12/31/2024	India		37%		63%
Arcil-Trust-2025C-016	12/31/2024	India	100%	100%	0%	0%
Arcil-Trust-2025-010	2/28/2025	India		49%		51%
Arcil-Trust-2025C-017	3/21/2025	India	100%	100%	0%	0%
Arcil-Trust-2026C-003	6/30/2025	India	100%		0%	
Arcil-Trust-2026C-002	6/30/2025	India	100%		0%	
Arcil-Trust-2026C-001	6/9/2025	India	100%		0%	
Arcil-Trust-2026-001	6/30/2025	India	30%		70%	
Arcil-Trust-2026-003	6/30/2025	India	50%		50%	

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Name of Entity	Date of acquiring subsidiary	Place of business / country of incorporation	Ownership interest held by the group		Ownership interest held by non-controlling interests	
			March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Arcil-Trust-2026-004	6/30/2025	India	30%		70%	
Arcil-Trust-2026C-004	7/21/2025	India	100%		0%	
Arcil-Trust-2026C-005	8/11/2025	India	100%		0%	
Arcil Trust 2026C 006	9/15/2025	India	100%		0%	
Arcil Trust 2026C 008	9/19/2025	India	100%		0%	
Arcil Trust 2026C 009	9/30/2025	India	100%		0%	
Arcil Trust 2026 016	9/29/2025	India	37%		63%	
Arcil-Trust-2026-009	8/29/2025	India	27%		73%	
Arcil-Trust-2026C-007	8/30/2025	India	100%		0%	
Arcil-Trust-2026C-011	11/14/2025	India	100%		0%	
Arcil-Trust-2026-013	12/12/2025	India	44%		56%	
Arcil-Trust-2026C-012	12/16/2025	India	100%		0%	
Arcil-Trust-2026C-013	12/23/2025	India	100%		0%	
Arcil-Trust-2026-022	12/29/2025	India	49%		51%	
Arcil-Trust-2026-021	12/29/2025	India	65%		35%	
Arcil-Trust-2026C-014	12/30/2025	India	100%		0%	
Arcil-Trust-2026-023	12/29/2025	India	41%		59%	
Arcil-Trust-2026C-010	12/26/2025	India	100%		0%	
Arcil-SBPS-001-II Trust	3/25/2004	India	100%		0%	
Arcil-SBPS-001-IX Trust	6/19/2009	India	100%		0%	
Arcil-SBPS-001-XI Trust	3/16/2006	India	100%		0%	
Arcil-SBPS-004-I Trust	2/11/2005	India	100%		0%	
Arcil-SBPS 001-V Trust	12/4/2007	India	100%		0%	
Arcil-CPS 001-IV Trust	12/4/2007	India	100%		0%	
Arcil-Kesri Vanaspati Products Limited Trust	9/26/2005	India	100%		0%	
Arcil-Trust-2026C-015	3/30/2026	India	100%		0%	
Arcil-Trust-2026C-019	3/24/2026	India	100%		0%	
Arcil-Trust-2026C-023	3/25/2026	India	100%		0%	
Arcil-Trust-2026-029	3/24/2026	India	46%		54%	
Arcil-Trust-2026-028	3/24/2026	India	46%		54%	
Arcil-Trust-2026C-017	3/30/2026	India	100%		0%	
Arcil-Trust-2026-030	3/31/2026	India	50%		50%	
Arcil-Trust-2026-034	3/30/2026	India	43%		57%	

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

(b) Non-controlling interests (NCI)

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the Group.The amounts disclosed for each subsidiary are before inter-group eliminations.

Trust Code	Name of Subsidiary	Financial Asset	Financial Liability	Net Financial Assets / (Liability)	Non-Financial Asset	Non-Financial Liability	Net Non-Financial Asset / (Liability)	Net assets / Liability	Ownership interest held by non-controlling interests
1016	Arcil-Daewoo Motors India Ltd Trust	44,540.48	44,640.90	(100.42)	0.21	107.56	(107.34)	(207.76)	52.38%
1040	Arcil-Precision Fastners Ltd-Trust	303.47	545.59	(242.13)	-	0.04	(0.04)	(242.17)	43.90%
1194	Arcil-Mafatlal Engineering Industries Ltd Trust	13.57	152.74	(139.17)	0.04	6.26	(6.21)	(145.39)	1.00%
1206	Arcil-Jhagadia Copper Limited Trust	1.16	0.65	0.51	-	-	-	0.51	53.88%
1208	Arcil-BPL Display Devices Limited-I Trust	78.59	93.11	(14.53)	-	-	-	(14.53)	53.26%
1235	Arcil-Vama Exports Ltd. Trust	28.67	1.85	26.81	-	-	-	26.81	67.65%
1237	Arcil-Golden Fries Ltd. Trust	362.40	378.13	(15.73)	1.55	-	1.55	(14.17)	31.71%
1265	Arcil-AST-001-VI-Trust	0.15	4.87	(4.72)	-	2.59	(2.59)	(7.30)	70.00%
1282	Arcil-AST-017-I-Trust	0.15	4.19	(4.04)	-	-	-	(4.04)	49.00%
1293	Arcil-AST-001-X-Trust	1.58	7.10	(5.52)	-	0.19	(0.19)	(5.71)	50.00%
1296	Arcil-AST-001-XI-Trust	1.69	2.01	(0.32)	-	0.00	(0.00)	(0.32)	50.00%
3036	Arcil-CPS-003-IV Trust	0.15	12.41	(12.26)	-	0.00	(0.00)	(12.26)	7.50%
3041	Arcil-CPS-012-III-Trust	0.57	0.47	0.11	-	-	-	0.11	15.00%
3060	Arcil-CPS-008-II-Trust	21.14	10.70	10.44	0.11	0.04	0.07	10.51	50.00%
8910	Arcil-Retail Loan Portfolio-029-A-Trust	6.36	1.93	4.42	-	3.86	(3.86)	0.57	10.01%
7AAA - 7AAM	Arcil-AARF-II-Trust	3,499.89	2,583.56	916.33	295.35	52.60	242.75	1,159.08	33.26%
1177	Arcil-Kishore Dalal & Company Trust	0.12	384.64	(384.52)	-	-	-	(384.52)	41.67%
8972	Arcil-Trust-2025-008	16,165.95	18,599.30	(2,433.35)	-	46.29	(46.29)	(2,479.64)	59.63%
8977	Arcil-Trust-2025-015	10,960.99	12,167.11	(1,206.12)	-	18.85	(18.85)	(1,224.97)	47.29%
8988	Arcil-Trust-2026-001	1,081.65	1,810.56	(728.91)	-	3.90	(3.90)	(732.80)	70.00%

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

Trust Code	Name of Subsidiary	Financial Asset	Financial Liability	Net Financial Assets / (Liability)	Non-Financial Asset	Non-Financial Liability	Net Non-Financial Asset / (Liability)	Net assets / Liability	Ownership interest held by non-controlling interests
8990	Arcil-Trust-2026-003	536.31	597.61	(61.30)	-	1.56	(1.56)	(62.86)	50.00%
8991	Arcil-Trust-2026-004	1,515.73	1,583.52	(67.79)	-	2.12	(2.12)	(69.91)	70.00%
8005	Arcil Trust 2026 016	3,337.83	3,562.26	(224.43)	-	8.18	(8.18)	(232.62)	62.89%
8996	Arcil-Trust-2026-009	4,262.04	4,504.35	(242.31)	-	6.81	(6.81)	(249.13)	72.57%
8008	Arcil-Trust-2026-013	3,227.17	3,310.07	(82.90)	-	5.31	(5.31)	(88.21)	55.92%
8010	Arcil-Trust-2026-022	51,292.92	53,799.83	(2,506.91)	-	135.32	(135.32)	(2,642.23)	50.75%
8011	Arcil-Trust-2026-021	6,694.70	7,163.25	(468.56)	-	25.86	(25.86)	(494.42)	35.26%
8012	Arcil-Trust-2026-023	6,757.04	6,954.85	(197.81)	-	16.91	(16.91)	(214.72)	58.51%
8015	Arcil-Trust-2026-029	2,147.34	2,150.08	(2.74)	-	0.24	(0.24)	(2.97)	53.55%
8017	Arcil-Trust-2026-028	3,229.15	3,233.17	(4.02)	-	0.35	(0.35)	(4.37)	54.40%
8021	Arcil-Trust-2026-030	904.15	904.48	(0.33)	-	0.01	(0.01)	(0.34)	50.40%
8024	Arcil-Trust-2026-034	12,381.89	12,412.16	(30.26)	-	2.78	(2.78)	(33.05)	56.65%
	Total	**173,354.99**	**181,577.45**	**(8,222.46)**	**297.27**	**447.63**	**(150.36)**	**(8,372.82)**	

Summarised balance sheet as on March 31, 2025

Trust Code	Name of Subsidiary	Financial Asset	Financial Liability	Net Financial Assets / (Liability)	Non-Financial Asset	Non-Financial Liability	Net Non-Financial Asset / (Liability)	Net assets / Liability	Ownership interest held by non-controlling interests
1016	Arcil-Daewoo Motors India Ltd Trust	41,238.02	41,320.19	(82.17)	62.34	120.39	(58.05)	(140.22)	52.38%
1040	Arcil-Precision Fastners Ltd-Trust	271.40	512.05	(240.65)	0.00	-	0.00	(240.65)	43.90%
1194	Arcil-Mafatlal Engineering Industries Ltd Trust	12.58	156.73	(144.15)	0.01	0.28	(0.27)	(144.43)	1.00%
1206	Arcil-Jhagadia Copper Limited Trust	75.95	79.32	(3.37)	0.31	-	0.31	(3.06)	50.36%
1208	Arcil-BPL Display Devices Limited-I Trust	0.15	11.87	(11.72)	-	-	-	(11.72)	53.26%
1235	Arcil-Vama Exports Ltd. Trust	49.30	1.61	47.69	-	21.71	(21.71)	25.97	67.65%
1237	Arcil-Golden Fries Ltd. Trust	345.02	358.87	(13.85)	0.17	-	0.17	(13.68)	31.71%
1265	Arcil-AST-001-VI-Trust	1.16	5.41	(4.24)	0.06	2.59	(2.52)	(6.77)	70.00%

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

Trust Code	Name of Subsidiary	Financial Asset	Financial Liability	Net Financial Assets / (Liability)	Non-Financial Asset	Non-Financial Liability	Net Non-Financial Asset / (Liability)	Net assets / Liability	Ownership interest held by non-controlling interests
1282	Arcil-AST-017-I-Trust	1.96	4.17	(2.21)	-	-	-	(2.21)	49.00%
1293	Arcil-AST-001-X-Trust	0.43	402.57	(402.13)	-	0.01	(0.01)	(402.15)	50.00%
1296	Arcil-AST-001-XI-Trust	793.15	908.60	(115.45)	-	0.18	(0.18)	(115.63)	50.00%
3036	Arcil-CPS-003-IV Trust	1.15	12.92	(11.77)	0.12	0.00	0.12	(11.65)	7.50%
3041	Arcil-CPS-012-III-Trust	1.22	0.40	0.81	-	-	-	0.81	15.00%
3060	Arcil-CPS-008-II-Trust	1,415.05	1,417.99	(2.95)	-	0.13	(0.13)	(3.07)	50.00%
5003	Arcil-SBPS-001-I Trust	89.18	103.62	(14.44)	36.31	-	36.31	21.87	0.03%
5006	Arcil-SBPS-001-VI Trust	0.23	384.48	(384.24)	207.60	-	207.60	(176.65)	6.04%
5023	Arcil-SBPS-001-X Trust	0.51	87.70	(87.20)	-	-	-	(87.20)	60.00%
8910	Arcil-Retail Loan Portfolio-029-A-Trust	9.60	10.50	(0.90)	0.05	0.03	0.02	(0.88)	10.01%
5AEA	Arcil-SBPS 001-III TrustScheme A	8.08	29.22	(21.14)	210.77	-	210.77	189.63	2.98%
7AAA - 7AAM	Arcil-AARF-II-Trust	3,069.63	2,105.83	963.80	296.38	435.11	(138.72)	825.08	33.26%
1348	Arcil-AST-001-XVIII-Trust	1,826.77	2,061.54	(234.77)	-	1.99	(1.99)	(236.76)	67.14%
3065	Arcil-CPS-II-Trust	6,188.42	7,833.30	(1,644.87)	0.60	1.22	(0.62)	(1,645.49)	68.08%
1033	Arcil-Parasrampuria Synthetics ltd Trust	0.88	82.49	(81.61)	24.74	-	24.74	(56.87)	2.18%
1177	Arcil-Kishore Dalal & Company Trust	0.12	384.10	(383.98)	-	0.11	(0.11)	(384.09)	41.67%
3AHC	Arcil-CPS-002-VII Trust	1.61	21.96	(20.35)	32.75	-	32.75	12.40	0.03%
1349	Arcil-AST-003-VIII-Trust	1,283.49	1,471.53	(188.04)	-	1.51	(1.51)	(189.55)	69.22%
1352	Arcil-AST-030-II-Trust	83.03	103.50	(20.48)	-	0.12	(0.12)	(20.59)	64.62%
3068	Arcil-CPS-IV-Trust	24,826.81	28,477.28	(3,650.46)	-	27.65	(27.65)	(3,678.11)	67.85%
8956	Arcil-Retail Loan Portfolio-092-A-Trust	7,736.65	9,243.48	(1,506.83)	-	8.87	(8.87)	(1,515.70)	73.65%
8968	Arcil-Trust-2025-005	3,747.75	4,087.14	(339.39)	-	12.92	(12.92)	(352.31)	63.83%
8972	Arcil-Trust-2025-008	18,848.74	19,627.77	(779.03)	-	32.69	(32.69)	(811.72)	56.46%
8977	Arcil-Trust-2025-015	12,926.43	13,130.94	(204.50)	-	17.96	(17.96)	(222.47)	42.00%
8978	Arcil-Trust-2025-016	9,591.49	9,845.20	(253.70)	-	23.11	(23.11)	(276.82)	62.89%
8980	Arcil-Trust-2025-010	3,426.69	3,471.99	(45.30)	-	4.07	(4.07)	(49.37)	51.00%
	Total	**137,872.66**	**147,756.26**	**(9,883.61)**	**872.22**	**712.65**	**159.58**	**(9,724.03)**	

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

(₹ in Lakhs)

Trust Code	Summarised statement of profit and loss for the year ended March 31, 2026	Revenue	Profit & Loss	Other comprehensive income	Total comprehensive income	Ownership interest held by non-controlling interests	Profit allocated to NCI
1016	Arcil-Daewoo Motors India Ltd Trust	(0.25)	(67.55)	-	(67.55)	52.38%	(35.38)
1040	Arcil-Precision Fastners Ltd-Trust	-	(1.51)	-	(1.51)	43.90%	(0.66)
1194	Arcil-Mafatlal Engineering Industries Ltd Trust	-	(0.96)	-	(0.96)	1.00%	(0.01)
1206	Arcil-Jhagadia Copper Limited Trust	(45.37)	3.56	-	3.56	53.88%	1.92
1208	Arcil-BPL Display Devices Limited-I Trust	-	(2.81)	-	(2.81)	53.26%	(1.49)
1235	Arcil-Vama Exports Ltd. Trust	-	0.84	-	0.84	67.65%	0.57
1237	Arcil-Golden Fries Ltd. Trust	-	(0.49)	-	(0.49)	31.71%	(0.16)
1265	Arcil-AST-001-VI-Trust	-	(0.54)	-	(0.54)	70.00%	(0.38)
1282	Arcil-AST-017-I-Trust	-	(1.83)	-	(1.83)	49.00%	(0.90)
1293	Arcil-AST-001-X-Trust	404.88	396.44	-	396.44	50.00%	198.22
1296	Arcil-AST-001-XI-Trust	411.64	386.33	-	386.33	50.00%	193.17
3036	Arcil-CPS-003-IV Trust	-	(0.61)	-	(0.61)	7.50%	(0.05)
3041	Arcil-CPS-012-III-Trust	-	(0.70)	-	(0.70)	15.00%	(0.11)
3060	Arcil-CPS-008-II-Trust	16.50	13.58	-	13.58	50.00%	6.79
8910	Arcil-Retail Loan Portfolio-029-A-Trust	103.17	100.30	-	100.30	10.01%	10.04
7AAA - 7AAM	Arcil-AARF-II-Trust	0.18	334.01	-	334.01	33.26%	111.09
1177	Arcil-Kishore Dalal & Company Trust	-	(0.43)	-	(0.43)	41.67%	(0.18)
8972	Arcil-Trust-2025-008	-	(1,667.92)	-	(1,667.92)	59.63%	(994.58)
8977	Arcil-Trust-2025-015	-	(1,002.50)	-	(1,002.50)	47.29%	(474.08)
8988	Arcil-Trust-2026-001	-	(732.80)	-	(732.80)	70.00%	(512.96)
8990	Arcil-Trust-2026-003	-	(62.86)	-	(62.86)	50.00%	(31.43)
8991	Arcil-Trust-2026-004	-	(69.91)	-	(69.91)	70.00%	(48.94)
8005	Arcil Trust 2026 016	-	(232.62)	-	(232.62)	62.89%	(146.29)
8996	Arcil-Trust-2026-009	-	(249.13)	-	(249.13)	72.57%	(180.79)
8008	Arcil-Trust-2026-013	-	(88.21)	-	(88.21)	55.92%	(49.33)
8010	Arcil-Trust-2026-022	-	(2,642.23)	-	(2,642.23)	50.75%	(1,340.93)
8011	Arcil-Trust-2026-021	-	(494.42)	-	(494.42)	35.26%	(174.33)
8012	Arcil-Trust-2026-023	-	(214.72)	-	(214.72)	58.51%	(125.63)
8015	Arcil-Trust-2026-029	-	(2.97)	-	(2.97)	53.55%	(1.59)
8017	Arcil-Trust-2026-028	-	(4.37)	-	(4.37)	54.40%	(2.38)
8021	Arcil-Trust-2026-030	-	(0.34)	-	(0.34)	50.40%	(0.17)
8024	Arcil-Trust-2026-034	-	(33.05)	-	(33.05)	56.65%	(18.72)
	Total	**890.75**	**(6,340.43)**	**-**	**(6,340.43)**		**(3,619.68)**

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

(₹ in Lakhs)

Trust Code	Summarised statement of profit and loss for the year ended March 31, 2026	Revenue	Profit & Loss	Other comprehensive income	Total comprehensive income	Ownership interest held by non-controlling interests	Profit allocated to NCI
1016	Arcil-Daewoo Motors India Ltd Trust	300.00	88.16	-	88.16	52.38%	46.18
1040	Arcil-Precision Fastners Ltd-Trust	17.47	17.12	-	17.12	43.90%	7.51
1194	Arcil-Mafatlal Engineering Industries Ltd Trust	-	(0.40)	-	(0.40)	1.00%	(0.00)
1206	Arcil-Jhagadia Copper Limited Trust	-	(0.48)	-	(0.48)	50.36%	(0.24)
1208	Arcil-BPL Display Devices Limited-I Trust	-	(1.13)	-	(1.13)	53.26%	(0.60)
1235	Arcil-Vama Exports Ltd. Trust	341.18	295.06	-	295.06	67.65%	199.61
1237	Arcil-Golden Fries Ltd. Trust	-	(0.42)	-	(0.42)	31.71%	(0.13)
1265	Arcil-AST-001-VI-Trust	-	(0.41)	-	(0.41)	70.00%	(0.29)
1282	Arcil-AST-017-I-Trust	-	(0.40)	-	(0.40)	49.00%	(0.19)
1293	Arcil-AST-001-X-Trust	440.84	438.49	-	438.49	50.00%	219.25
1296	Arcil-AST-001-XI-Trust	-	(12.26)	-	(12.26)	50.00%	(6.13)
3036	Arcil-CPS-003-IV Trust	-	(0.61)	-	(0.61)	7.50%	(0.05)
3041	Arcil-CPS-012-III-Trust	27.42	21.74	-	21.74	15.00%	3.26
3060	Arcil-CPS-008-II-Trust	612.53	569.85	-	569.85	50.00%	284.92
5003	Arcil-SBPS-001-I Trust	-	(11.00)	-	(11.00)	0.03%	(0.00)
5006	Arcil-SBPS-001-VI Trust	4.43	(5.95)	-	(5.95)	6.04%	(0.36)
5023	Arcil-SBPS-001-X Trust	(0.00)	(10.36)	-	(10.36)	60.00%	(6.21)
8910	Arcil-Retail Loan Portfolio-029-A-Trust	16.65	14.47	-	14.47	10.01%	1.45
5AEA	Arcil-SBPS 001-III TrustScheme A	143.99	133.83	-	133.83	2.98%	3.99
7AAA - 7AAM	Arcil-AARF-II-Trust	2,213.42	2,152.34	-	2,152.34	33.26%	715.87
1348	Arcil-AST-001-XVIII-Trust	6.46	(181.88)	-	(181.88)	67.14%	(122.11)
3065	Arcil-CPS-II-Trust	1.70	(701.52)	-	(701.52)	68.08%	(477.59)

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

(₹ in Lakhs)

Trust Code	Summarised statement of profit and loss for the year ended March 31, 2026	Revenue	Profit & Loss	Other comprehensive income	Total comprehensive income	Ownership interest held by non-controlling interests	Profit allocated to NCI
1033	Arcil-Parasrampuria Synthetics ltd Trust	10.64	0.34	-	0.34	2.18%	0.01
1177	Arcil-Kishore Dalal & Company Trust	-	6.34	-	6.34	41.67%	2.64
3AHC	Arcil-CPS-002-VII Trust	5.54	(5.38)	-	(5.38)	0.03%	(0.00)
1349	Arcil-AST-003-VIII-Trust	5.55	(150.53)	-	(150.53)	69.22%	(104.19)
1352	Arcil-AST-030-II-Trust	0.44	(12.69)	-	(12.69)	64.62%	(8.20)
3068	Arcil-CPS-IV-Trust	9.32	(1,670.65)	-	(1,670.65)	67.85%	(1,133.54)
8956	Arcil-Retail Loan Portfolio-092-A-Trust	0.46	(796.66)	-	(796.66)	73.65%	(586.74)
8968	Arcil-Trust-2025-005	5.45	(352.31)	-	(352.31)	63.83%	(224.88)
8972	Arcil-Trust-2025-008	9.89	(811.72)	-	(811.72)	56.46%	(458.30)
8977	Arcil-Trust-2025-015	0.87	(222.47)	-	(222.47)	42.00%	(93.44)
8978	Arcil-Trust-2025-016	-	(276.82)	-	(276.82)	62.89%	(174.09)
8980	Arcil-Trust-2025-010	0.28	(49.37)	-	(49.37)	51.00%	(25.18)
	Total	**4,174.53**	**(1,537.67)**	**-**	**(1,537.67)**		**(1,937.80)**

No Dividends were paid to NCI during the year 25-26 and 24-25

(c) Interests in associates

Set out below are the associates and joint ventures of the Group. The entities listed below have share capital consisting solely of equity shares, which are held directly or indirectly by the Group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

(₹ in Lakhs)

Trust Code	Name of Entity	Place of business/ country of incorporation	Relationship	Proportion of Interest (%)		Accounting method
				March 31, 2026	March 31, 2025	
1279	Arcil-AST-003-IV-Trust	India	Associate	0%	25%	Equity Method
5064	Arcil-SBPS-022-II Trust	India	Associate	20%	20%	Equity Method
5065	Arcil-SBPS-022-III-Trust	India	Associate	20%	20%	Equity Method
5067	Arcil-SBPS-022-IV Trust	India	Associate	20%	20%	Equity Method
8916	Arcil-Retail Port-046-A-T	India	Associate	20%	20%	Equity Method
3APA	Arcil-CPS-002-V TrustScheme A	India	Associate	20%	20%	Equity Method
8934	Arcil-Retail Loan Portfolio-022-A-Trust	India	Associate	20%	20%	Equity Method
3064	Arcil-CPS-081-I-Trust	India	Associate	20%	20%	Equity Method
5077	ARCIL-TRUST-2024-001	India	Associate	20%	20%	Equity Method
8982	Arcil-Trust-2025-013	India	Associate	20%	20%	Equity Method
8984	Arcil-Trust-2025-012	India	Associate	25%	25%	Equity Method
8986	Arcil-Trust-2025-018	India	Associate	20%	20%	Equity Method
5083	Arcil Trust 2026 012	India	Associate	20%		Equity Method
8003	Arcil Trust 2026 019	India	Associate	20%		Equity Method
8004	Arcil Trust 2026 017	India	Associate	25%		Equity Method
8006	Arcil Trust 2026 018	India	Associate	25%		Equity Method
8998	Arcil-Trust-2026-011	India	Associate	20%		Equity Method
8999	Arcil Trust 2026 010	India	Associate	20%		Equity Method
8013	Arcil-Trust-2026-024	India	Associate	20%		Equity Method
8018	Arcil-Trust-2026-025	India	Associate	20%		Equity Method
8019	Arcil-Trust-2026-033	India	Associate	20%		Equity Method
8022	Arcil-Trust-2026-031	India	Associate	20%		Equity Method
8023	Arcil-Trust-2026-032	India	Associate	20%		Equity Method
8025	Arcil-Trust-2026-035	India	Associate	20%		Equity Method
8956	Arcil-Retail Loan Portfolio-092-A-Trust	India	Associate	25%		Equity Method

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

Summarised balance sheet as on Mar 31, 2026

(₹ in Lakhs)

Trust Code	Name of Associate	Financial Asset	Financial Liability	Net Financial Assets / (Liability)	Non-Financial Asset	Non-Financial Liability	Net Non-Financial Asset / (Liability)	Net assets / Liability	Ownership interest held by non-controlling interests
1279	Arcil-AST-003-IV-Trust	(0.00)	(0.00)	0.00	-	(0.00)	0.00	0.00	-
5064	Arcil-SBPS-022-II Trust	9.72	10.29	(0.57)	0.09	(0.00)	0.09	(0.48)	(0.10)
5065	Arcil-SBPS-022-III-Trust	180.87	189.62	(8.75)	0.35	0.05	0.31	(8.45)	(1.69)
5067	Arcil-SBPS-022-IV Trust	1,023.40	952.94	70.46	0.86	0.07	0.80	71.25	14.25
8916	Arcil-Retail Port-046-A-T	136.96	72.29	64.67	-	0.17	(0.17)	64.50	12.90
3APA	Arcil-CPS-002-V TrustScheme A	0.38	6.50	(6.12)	-	-	-	(6.12)	(1.23)
8934	Arcil-Retail Loan Portfolio-022-A-Trust	22.52	3.88	18.63	-	0.02	(0.02)	18.62	3.72
3064	Arcil-CPS-081-I-Trust	3,862.52	4,118.24	(255.71)	-	0.13	(0.13)	(255.85)	(51.19)
5077	ARCIL-TRUST-2024-001	9,044.05	9,950.31	(906.27)	-	0.65	(0.65)	(906.91)	(181.38)
8982	Arcil-Trust-2025-013	3,044.27	3,350.18	(305.91)	-	4.59	(4.59)	(310.50)	(62.10)
8984	Arcil-Trust-2025-012	5,758.68	6,284.56	(525.87)	-	8.76	(8.76)	(534.63)	(133.66)
8986	Arcil-Trust-2025-018	3,111.65	3,262.97	(151.32)	-	3.70	(3.70)	(155.02)	(31.00)
5083	Arcil Trust 2026 012	6,800.15	6,898.97	(98.82)	-	4.08	(4.08)	(102.90)	(20.58)
8003	Arcil Trust 2026 019	2,546.29	2,613.09	(66.80)	-	2.60	(2.60)	(69.40)	(13.88)
8004	Arcil Trust 2026 017	6,806.58	7,026.63	(220.05)	-	8.37	(8.37)	(228.42)	(57.10)
8006	Arcil Trust 2026 018	4,661.11	4,795.82	(134.71)	-	5.52	(5.52)	(140.23)	(35.06)
8998	Arcil-Trust-2026-011	4,244.23	4,374.68	(130.45)	-	4.49	(4.49)	(134.95)	(26.99)
8999	Arcil Trust 2026 010	14,466.96	14,846.71	(379.74)	-	15.66	(15.66)	(395.41)	(79.08)
8013	Arcil-Trust-2026-024	3,877.96	3,921.36	(43.40)	-	3.61	(3.61)	(47.01)	(9.40)
8018	Arcil-Trust-2026-025	7,774.15	7,860.74	(86.59)	-	8.00	(8.00)	(94.59)	(19.22)
8019	Arcil-Trust-2026-033	5,128.00	5,134.32	(6.32)	-	0.56	(0.56)	(6.88)	(1.38)
8022	Arcil-Trust-2026-031	3,622.00	3,623.27	(1.27)	-	0.10	(0.10)	(1.36)	(0.27)
8023	Arcil-Trust-2026-032	4,143.00	4,144.42	(1.42)	-	0.11	(0.11)	(1.53)	(0.31)
8025	Arcil-Trust-2026-035	3,340.00	3,342.66	(2.66)	-	0.23	(0.23)	(2.89)	(0.58)
8956	Arcil-Retail Loan Portfolio-092-A-Trust	6,874.63	9,023.89	(2,149.25)	-	10.43	(10.43)	(2,159.68)	(537.76)
	Grand Total	**100,480.09**	**105,808.35**	**(5,328.26)**	**1.31**	**81.90**	**(80.59)**	**(5,408.85)**	**(1,233.10)**

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

Summarised balance sheet as on Mar 31, 2026

(₹ in Lakhs)

Trust Code	Name of Associate	Financial Asset	Financial Liability	Net Financial Assets / (Liability)	Non-Financial Asset	Non-Financial Liability	Net Non-Financial Asset / (Liability)	Net assets / Liability	Ownership interest held by non-controlling interests
1279	Arcil-AST-003-IV-Trust	51.35	53.78	(2.43)	-	1.16	(1.16)	(3.58)	(0.90)
5064	Arcil-SBPS-022-II Trust	9.96	8.62	1.33	0.18	0.02	0.16	1.49	0.30
5065	Arcil-SBPS-022-III-Trust	169.27	173.90	(4.63)	0.40	0.04	0.35	(4.28)	(0.86)
5067	Arcil-SBPS-022-IV Trust	843.75	770.56	73.20	4.19	0.58	3.60	76.80	15.36
8916	Arcil-Retail Port-046-A-T	55.67	3.44	52.23	0.03	49.64	(49.61)	2.62	0.52
3APA	Arcil-CPS-002-V TrustScheme A	0.36	8.51	(8.15)	-	-	-	(8.15)	(1.64)
8934	Arcil-Retail Loan Portfolio-022-A-Trust	17.94	215.08	(197.14)	0.00	0.02	(0.02)	(197.16)	(39.43)
3064	Arcil-CPS-081-I-Trust	6,611.85	6,742.95	(131.11)	-	0.16	(0.16)	(131.27)	(26.25)
5077	ARCIL-TRUST-2024-001	10,014.09	10,415.34	(401.25)	-	6.01	(6.01)	(407.26)	(81.45)
8982	Arcil-Trust-2025-013	3,631.15	3,633.54	(2.39)	-	0.20	(0.20)	(2.59)	(0.52)
8984	Arcil-Trust-2025-012	9,851.15	9,855.77	(4.62)	-	0.40	(0.40)	(5.02)	(1.26)
8986	Arcil-Trust-2025-018	4,185.00	4,187.05	(2.05)	-	0.17	(0.17)	(2.22)	(0.44)
	Grand Total	**35,441.54**	**36,068.54**	**(627.00)**	**4.79**	**58.41**	**(53.62)**	**(680.62)**	**(136.57)**

Summarised Profit & Loss as on Mar 31, 2026

(₹ in Lakhs)

Trust Code	Name of Associate	Revenue	Profit & Loss	Other comprehensive income	Total comprehensive income	Share in Profits of Associate
1279	Arcil-AST-003-IV-Trust	(263.77)	3.58	-	3.58	-
5064	Arcil-SBPS-022-II Trust	-	(1.97)	-	(1.97)	(0.39)
5065	Arcil-SBPS-022-III-Trust	(0.00)	(4.17)	-	(4.17)	(0.83)
5067	Arcil-SBPS-022-IV Trust	0.00	(5.54)	-	(5.54)	(1.11)
8916	Arcil-Retail Port-046-A-T	76.90	61.88	-	61.88	12.38
3APA	Arcil-CPS-002-V TrustScheme A	-	2.03	-	2.03	0.41
8934	Arcil-Retail Loan Portfolio-022-A-Trust	265.24	215.78	-	215.78	43.16
3064	Arcil-CPS-081-I-Trust	-	(124.58)	-	(124.58)	(24.93)
5077	ARCIL-TRUST-2024-001	-	(499.66)	-	(499.66)	(99.93)
8982	Arcil-Trust-2025-013	-	(307.91)	-	(307.91)	(61.58)
8984	Arcil-Trust-2025-012	-	(529.61)	-	(529.61)	(132.40)

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

(₹ in Lakhs)

Trust Code	Name of Associate	Revenue	Profit & Loss	Other comprehensive income	Total comprehensive income	Share in Profits of Associate
8986	Arcil-Trust-2025-018	-	(152.80)	-	(152.80)	(30.56)
5083	Arcil Trust 2026 012	-	(102.90)	-	(102.90)	(20.58)
8003	Arcil Trust 2026 019	-	(69.40)	-	(69.40)	(13.88)
8004	Arcil Trust 2026 017	-	(228.42)	-	(228.42)	(57.10)
8006	Arcil Trust 2026 018	-	(140.23)	-	(140.23)	(35.06)
8998	Arcil-Trust-2026-011	-	(134.95)	-	(134.95)	(26.99)
8999	Arcil Trust 2026 010	-	(395.41)	-	(395.41)	(79.08)
8013	Arcil-Trust-2026-024	-	(47.01)	-	(47.01)	(9.40)
8018	Arcil-Trust-2026-025	-	(94.59)	-	(94.59)	(19.22)
8019	Arcil-Trust-2026-033	-	(6.88)	-	(6.88)	(1.38)
8022	Arcil-Trust-2026-031	-	(1.36)	-	(1.36)	(0.27)
8023	Arcil-Trust-2026-032	-	(1.53)	-	(1.53)	(0.31)
8025	Arcil-Trust-2026-035	-	(2.89)	-	(2.89)	(0.58)
8956	Arcil-Retail Loan Portfolio-092-A-Trust	-	(643.99)	-	(643.99)	(160.35)
	Grand Total	**78.37**	**(3,212.54)**	**-**	**(3,212.54)**	**(720.00)**

Summarised Profit & Loss as on March 31, 2025

(₹ in Lakhs)

Trust Code	Name of Associate	Revenue	Profit & Loss	Other comprehensive income	Total comprehensive income	Share in Profits of Associate
1279	Arcil-AST-003-IV-Trust	309.72	296.41	-	296.41	74.10
5064	Arcil-SBPS-022-II Trust	10.61	5.08	-	5.08	1.02
5065	Arcil-SBPS-022-III-Trust	0.37	(3.25)	-	(3.25)	(0.65)
5067	Arcil-SBPS-022-IV Trust	79.82	73.80	-	73.80	14.76
8916	Arcil-Retail Port-046-A-T	211.33	194.22	-	194.22	38.84
3APA	Arcil-CPS-002-V TrustScheme A	-	0.56	-	0.56	0.11
8934	Arcil-Retail Loan Portfolio-022-A-Trust	247.57	217.61	-	217.61	43.52
3064	Arcil-CPS-081-I-Trust	3.14	(17.97)	-	(17.97)	(3.59)
5077	ARCIL-TRUST-2024-001	0.29	(384.18)	-	(384.18)	(76.84)
8982	Arcil-Trust-2025-013	-	(2.59)	-	(2.59)	(0.52)
8984	Arcil-Trust-2025-012	-	(5.02)	-	(5.02)	(1.26)
8986	Arcil-Trust-2025-018	-	(2.22)	-	(2.22)	(0.44)
	Grand Total	**862.86**	**372.44**	**-**	**372.44**	**89.06**

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

Additional Information as required under Schedule III to the Companies Act 2013 of Enterprises consolidated as subsidiary

Mar-26

(₹ in Lakhs)

Trust Code	Name of Enterprise	Net assets i.e Total Assets Minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		%	Amount	%	Amount	%	Amount	%	Amount
	Parent								
	Arcil	**104.20%**	**307,939.36**	**129.27%**	**40,784.48**	**100.00%**	**39.18**	**129.24%**	**40,823.66**
	Indian Subsidaries:								
1016	Arcil-Daewoo Motors India Ltd Trust	-0.03%	(98.94)	-0.10%	(32.17)	0.00%	-	-0.10%	-32.17
1040	Arcil-Precision Fastners Ltd-Trust	-0.05%	(135.86)	0.00%	(0.85)	0.00%	-	0.00%	-0.85
1103	Arcil-Parekh Platinum Ltd. Trust	0.00%	(8.73)	0.00%	(0.62)	0.00%	-	0.00%	-0.62
1106	Arcil-Bellary Steels & Alloys Ltd.-II Trust	0.00%	(3.49)	0.00%	(0.98)	0.00%	-	0.00%	-0.98
1108	Arcil-Indo Deutch Metallo Trust	-0.01%	(17.26)	0.02%	7.13	0.00%	-	0.02%	7.13
1123	Arcil-Hanuman Miner Oil Ltd. Trust	-0.01%	(28.88)	0.00%	(0.62)	0.00%	-	0.00%	-0.62
1124	Arcil-Equipment Conductor & Cables Ltd. Trust	-0.02%	(63.70)	0.00%	(0.63)	0.00%	-	0.00%	-0.63
1145	Arcil-LSIL Trust	-0.01%	(17.03)	0.00%	(0.68)	0.00%	-	0.00%	-0.68
1149	Arcil-PSL II Trust	0.00%	(1.85)	0.00%	(1.44)	0.00%	-	0.00%	-1.44
1151	Arcil-Polar Industries Limited Trust	0.00%	(14.63)	-0.01%	(4.70)	0.00%	-	-0.01%	-4.70
1152	Arcil-MVR-I Trust	-0.01%	(31.38)	-0.01%	(3.80)	0.00%	-	-0.01%	-3.80
1153	Arcil-Ispat Profiles Trust	-0.01%	(30.23)	0.00%	(0.47)	0.00%	-	0.00%	-0.47
1163	Arcil-Nath Seeds Limited Trust	0.00%	(3.18)	0.00%	(0.60)	0.00%	-	0.00%	-0.60
1164	Arcil-JCT II Trust	-0.02%	(59.24)	-0.03%	(7.89)	0.00%	-	-0.02%	-7.89
1165	Arcil-Maridia Steel Limited-I Trust	0.00%	14.63	-0.02%	(5.50)	0.00%	-	-0.02%	-5.50
1166	Arcil-Maridia Steel Limited-II Trust	0.00%	(3.57)	-0.01%	(2.07)	0.00%	-	-0.01%	-2.07
1167	Arcil-Maridia Steel Limited-III Trust	0.00%	(4.97)	-0.01%	(2.35)	0.00%	-	-0.01%	-2.35
1172	Arcil-MVR-II Trust	0.00%	(1.17)	0.00%	(0.55)	0.00%	-	0.00%	-0.55
1173	Arcil-NPPML Trust	0.00%	(4.49)	0.00%	(1.18)	0.00%	-	0.00%	-1.18
1174	Arcil-PSL III Trust	0.00%	(2.66)	0.00%	(1.00)	0.00%	-	0.00%	-1.00
1175	Arcil-PSL IV Trust	0.00%	(7.72)	0.00%	(1.51)	0.00%	-	0.00%	-1.51
1180	Arcil-Kiran Overseas Exports Ltd. Trust	0.00%	(10.26)	-0.01%	(1.87)	0.00%	-	-0.01%	-1.87

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

(₹ in Lakhs)

Trust Code	Name of Enterprise	Net assets i.e Total Assets Minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		%	Amount	%	Amount	%	Amount	%	Amount
1188	Arcil-Shalimar Wires Industries Limited-II Trust	0.11%	332.06	-0.56%	(178.00)	0.00%	-	-0.56%	-178.00
1190	Arcil-MVR-III Trust	0.00%	(12.45)	-0.01%	(3.95)	0.00%	-	-0.01%	-3.95
1191	Arcil-Bentels Corporation Limited Trust	-0.01%	(21.22)	0.00%	(0.60)	0.00%	-	0.00%	-0.60
1193	Arcil-KOEL-I Trust	0.00%	(0.41)	0.00%	(0.48)	0.00%	-	0.00%	-0.48
1194	Arcil-Mafatlal Engineering Industries Ltd Trust	-0.05%	(143.93)	0.00%	(0.95)	0.00%	-	0.00%	-0.95
1195	Arcil-Maridia Steel Limited-IV Trust	0.00%	(3.53)	-0.01%	(2.05)	0.00%	-	-0.01%	-2.05
1196	Arcil-JCT III Trust	-0.02%	(69.94)	-0.17%	(53.28)	0.00%	-	-0.17%	-53.28
1197	Arcil-Shalimar Wires Industries Limited-III Trust	0.08%	232.95	-0.38%	(119.12)	0.00%	-	-0.38%	-119.12
1199	Arcil Mukerian Paper Ltd Trust	-0.02%	(66.61)	0.00%	(0.61)	0.00%	-	0.00%	-0.61
1200	Arcil-Mukerian II Trust	-0.01%	(17.78)	0.00%	(0.59)	0.00%	-	0.00%	-0.59
1204	Arcil-KOEL-II Trust	0.00%	(3.37)	-0.01%	(1.81)	0.00%	-	-0.01%	-1.81
1206	Arcil-Jhagadia Copper Limited Trust	0.00%	0.23	0.01%	1.64	0.00%	-	0.01%	1.64
1207	Arcil-Polar Industries Limited-II Trust	-0.01%	(21.75)	-0.01%	(1.81)	0.00%	-	-0.01%	-1.81
1208	Arcil-BPL Display Devices Limited-I Trust	0.00%	(6.79)	0.00%	(1.31)	0.00%	-	0.00%	-1.31
1222	Arcil - Excel Oils and Chemicals Pvt. Ltd. Trust	0.00%	(0.96)	0.00%	(1.00)	0.00%	-	0.00%	-1.00
1224	Arcil-International Sree Balaji Hotels Private Limited Trust	-0.01%	(26.03)	-0.03%	(10.51)	0.00%	-	-0.03%	-10.51
1227	Arcil-Uday Estates Pvt. Ltd. Trust	-0.01%	(42.16)	-0.05%	(15.38)	0.00%	-	-0.05%	-15.38
1231	Arcil-L. S. P. Agro Limited Trust	0.00%	(4.47)	1.98%	626.11	0.00%	-	1.98%	626.11
1232	Arcil-The Dhar Textile Mills Ltd. Trust	0.00%	(6.71)	0.01%	3.83	0.00%	-	0.01%	3.83
1233	Arcil-Jagat Edible Oil India Pvt. Ltd. Trust	0.00%	(2.64)	0.00%	(0.47)	0.00%	-	0.00%	-0.47
1235	Arcil-Vama Exports Ltd. Trust	0.00%	8.67	0.00%	0.27	0.00%	-	0.00%	0.27
1237	Arcil-Golden Fries Ltd. Trust	0.00%	(9.68)	0.00%	(0.34)	0.00%	-	0.00%	-0.34

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

(₹ in Lakhs)

Trust Code	Name of Enterprise	Net assets i.e Total Assets Minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		%	Amount	%	Amount	%	Amount	%	Amount
1239	Arcil-Esteem Estate Projects Pvt. Ltd. Trust	-0.01%	(37.34)	-0.01%	(2.70)	0.00%	-	-0.01%	-2.70
1247	Arcil-AST-IV-Trust	-0.01%	(15.48)	0.03%	8.18	0.00%	-	0.03%	8.18
1248	Arcil-AST-VII-Trust	0.00%	(2.82)	0.00%	(0.60)	0.00%	-	0.00%	-0.60
1255	Arcil-AST-039-I-Trust	0.00%	(1.36)	0.00%	1.40	0.00%	-	0.00%	1.40
1265	Arcil-AST-001-VI-Trust	0.00%	(2.19)	0.00%	(0.16)	0.00%	-	0.00%	-0.16
1282	Arcil-AST-017-I-Trust	0.00%	(2.06)	0.00%	(0.93)	0.00%	-	0.00%	-0.93
1291	Arcil-AST-018-I-Trust	0.00%	(1.51)	0.00%	(0.99)	0.00%	-	0.00%	-0.99
1292	Arcil-AST-001-IX-Trust	0.00%	(1.15)	0.00%	(1.50)	0.00%	-	0.00%	-1.50
1293	Arcil-AST-001-X-Trust	0.00%	(2.86)	0.63%	198.22	0.00%	-	0.63%	198.22
1296	Arcil-AST-001-XI-Trust	0.00%	(0.16)	0.61%	193.17	0.00%	-	0.61%	193.17
1299	Arcil-AST-017-V-Trust	0.00%	(1.13)	0.00%	(1.14)	0.00%	-	0.00%	-1.14
1305	Arcil-AST-024-I-Trust	0.01%	33.00	0.15%	48.86	0.00%	-	0.15%	48.86
1306	Arcil-AST-026-I-Trust	0.00%	(7.67)	0.10%	31.63	0.00%	-	0.10%	31.63
3017	Arcil-CPS-002-IX Trust	-0.03%	(89.26)	-0.23%	(71.40)	0.00%	-	-0.23%	-71.40
3026	Arcil-CPS-012-II Trust	0.00%	(9.20)	-0.01%	(2.41)	0.00%	-	-0.01%	-2.41
3027	Arcil-CPS-012-I Trust	-0.01%	(20.70)	0.00%	0.33	0.00%	-	0.00%	0.33
3031	Arcil-CPS-032-I-Trust	0.00%	(7.66)	-0.01%	(1.80)	0.00%	-	-0.01%	-1.80
3034	Arcil-CPS-006-III-Trust	0.00%	(2.50)	0.00%	(0.93)	0.00%	-	0.00%	-0.93
3036	Arcil-CPS-003-IV Trust	0.00%	(11.34)	0.00%	(0.56)	0.00%	-	0.00%	-0.56
3037	Arcil-CPS-003-V Trust	-0.01%	(22.51)	0.00%	(0.47)	0.00%	-	0.00%	-0.47
3041	Arcil-CPS-012-III-Trust	0.00%	0.09	0.00%	(0.60)	0.00%	-	0.00%	-0.60
3055	Arcil-CPS-041-I-Trust	-0.02%	(63.34)	-0.02%	(7.08)	0.00%	-	-0.02%	-7.08
3060	Arcil-CPS-008-II-Trust	0.00%	5.25	0.02%	6.79	0.00%	-	0.02%	6.79
5003	Arcil-SBPS-001-I Trust	0.02%	49.39	0.25%	78.26	0.00%	-	0.25%	78.26
5006	Arcil-SBPS-001-VI Trust	0.01%	16.97	0.61%	193.61	0.00%	-	0.61%	193.61
5020	Arcil-SBPS-001-VIII Trust	-0.04%	(104.79)	0.00%	(0.98)	0.00%	-	0.00%	-0.98
5023	Arcil-SBPS-001-X Trust	-0.03%	(88.22)	0.00%	(1.02)	0.00%	-	0.00%	-1.02
5030	Arcil-SBPS 001-XII Trust	0.00%	(2.76)	0.00%	(1.25)	0.00%	-	0.00%	-1.25
5034	Arcil-SBPS 021-II Trust	0.00%	(3.88)	0.00%	(0.47)	0.00%	-	0.00%	-0.47
5036	Arcil-SBPS 016-I Trust	0.00%	(12.50)	0.00%	(0.60)	0.00%	-	0.00%	-0.60

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

(₹ in Lakhs)

Trust Code	Name of Enterprise	Net assets i.e Total Assets Minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		%	Amount	%	Amount	%	Amount	%	Amount
5040	Arcil-SBPS-025-I Trust	-0.03%	(75.13)	0.65%	204.87	0.00%	-	0.65%	204.87
5044	Arcil-SBPS-028-I-Trust	-0.01%	(16.34)	0.02%	7.27	0.00%	-	0.02%	7.27
5045	Arcil-SBPS-027-I Trust	0.00%	(8.99)	0.00%	(0.93)	0.00%	-	0.00%	-0.93
5047	Arcil-SBPS-026-II-Trust	0.00%	(2.78)	0.00%	(1.40)	0.00%	-	0.00%	-1.40
5049	Arcil-SBPS-002-II-Trust	0.00%	(1.86)	-0.01%	(1.95)	0.00%	-	-0.01%	-1.95
5050	Arcil-SBPS-008-I Trust	0.00%	(0.27)	0.68%	213.20	0.00%	-	0.67%	213.20
5066	Arcil-SBPS-042-I-Trust	0.00%	(0.69)	0.00%	(1.45)	0.00%	-	0.00%	-1.45
8300	Arcil NHB Retail Loan Portfolio 001 Trust	-0.01%	(29.96)	0.00%	(0.37)	0.00%	-	0.00%	-0.37
8901	Arcil-Retail Loan Portfolio-002-A Trust	0.00%	(5.62)	0.00%	(1.12)	0.00%	-	0.00%	-1.12
8904	Arcil-Retail Loan Portfolio-002-B Trust	0.00%	3.04	0.01%	4.15	0.00%	-	0.01%	4.15
8905	Arcil-Retail Loan Portfolio-003-A Trust	0.00%	(0.56)	0.00%	(0.63)	0.00%	-	0.00%	-0.63
8910	Arcil-Retail Loan Portfolio-029-A-Trust	0.00%	0.51	0.29%	90.26	0.00%	-	0.29%	90.26
8913	Arcil-Retail Loan Portfolio -036-A-Trust	0.01%	19.27	0.47%	147.21	0.00%	-	0.47%	147.21
8915	Arcil-Retail Port-044-A-T	-0.09%	(251.25)	0.32%	99.57	0.00%	-	0.32%	99.57
8918	Arcil-Retail Port-048-A-Trust	0.00%	(7.18)	0.68%	213.34	0.00%	-	0.68%	213.34
8920	Arcil-Retail Port-042-A-Trust	0.00%	(8.26)	-0.01%	(2.22)	0.00%	-	-0.01%	-2.22
8921	Arcil-Retail Port-032-A-Trust	-0.02%	(57.61)	0.38%	120.49	0.00%	-	0.38%	120.49
8922	Arcil-Retail Port-049-A-Trust	0.00%	(2.09)	0.07%	21.65	0.00%	-	0.07%	21.65
8923	Arcil-Retail Port-050-A-Trust	0.00%	(10.14)	-0.02%	(4.99)	0.00%	-	-0.02%	-4.99
8924	Arcil Retail Loan Portfolio-045-B-Trust	0.00%	0.63	0.89%	281.64	0.00%	-	0.89%	281.64
8925	Arcil Retail Loan Portfolio-042-B-Trust	0.00%	(2.97)	0.59%	186.65	0.00%	-	0.59%	186.65
8926	Arcil Retail Loan Portfolio-053-A-Trust	-0.04%	(110.24)	-0.04%	(13.08)	0.00%	-	-0.04%	-13.08

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

(₹ in Lakhs)

Trust Code	Name of Enterprise	Net assets i.e Total Assets Minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		%	Amount	%	Amount	%	Amount	%	Amount
1FSN & 1FSO	Arcil-Shalimar Wires Industries Limited-IV TrustSeries I	0.10%	301.59	-0.48%	(151.19)	0.00%	-	-0.48%	-151.19
3AAB	Arcil-CPS 002-II TrustScheme B	0.00%	(9.63)	0.00%	1.20	0.00%	-	0.00%	1.20
3AHB	Arcil-CPS-002-VII TrustScheme B	-0.01%	(30.41)	0.00%	(0.60)	0.00%	-	0.00%	-0.60
3AHD	Arcil-CPS-002-VII TrustScheme D	0.00%	(6.44)	0.00%	(1.13)	0.00%	-	0.00%	-1.13
3AMD	Arcil-CPS-002-I TrustScheme A4	0.00%	(2.76)	0.00%	(0.66)	0.00%	-	0.00%	-0.66
3AME	Arcil-CPS-002-I TrustScheme A5	0.00%	(2.38)	0.00%	(0.60)	0.00%	-	0.00%	-0.60
3AMF	Arcil-CPS-002-I TrustScheme A6	0.00%	(7.22)	0.00%	(0.47)	0.00%	-	0.00%	-0.47
3AMI	Arcil-CPS-002-I TrustScheme B1	0.00%	0.10	0.00%	(0.51)	0.00%	-	0.00%	-0.51
3AMK	Arcil-CPS-002-I TrustScheme D	-0.07%	(203.92)	0.47%	147.94	0.00%	-	0.47%	147.94
5AAA	Arcil-SBPS 001-IV TrustScheme A	0.09%	275.76	-0.01%	(4.10)	0.00%	-	-0.01%	-4.10
5AAB	Arcil-SBPS 001-IV TrustScheme B	0.00%	(11.03)	0.00%	(0.87)	0.00%	-	0.00%	-0.87
5AEA	Arcil-SBPS 001-III TrustScheme A	0.06%	185.21	-0.01%	(4.41)	0.00%	-	-0.01%	-4.41
5AEB	Arcil-SBPS 001-III TrustScheme B	0.01%	23.27	-0.01%	(3.23)	0.00%	-	-0.01%	-3.23
5AFB	Arcil-SBPS 001-V TrustScheme B	-0.02%	(63.93)	0.00%	(1.07)	0.00%	-	0.00%	-1.07
5AHA	Arcil-SBPS 002-I TrustScheme A	-0.01%	(15.42)	0.00%	(1.26)	0.00%	-	0.00%	-1.26
5AHD	Arcil-SBPS 002-I TrustScheme B2	-0.01%	(16.80)	0.05%	14.73	0.00%	-	0.05%	14.73
5AZC	Arcil-SBPS-007-II-TrustScheme C	-0.02%	(49.13)	0.00%	0.25	0.00%	-	0.00%	0.25
5AZD	Arcil-SBPS-007-II-TrustScheme A1	0.00%	(4.61)	-0.01%	(2.82)	0.00%	-	-0.01%	-2.82
5AZE	Arcil-SBPS-007-II-TrustScheme A2	0.00%	(1.99)	0.00%	(0.60)	0.00%	-	0.00%	-0.60
5BAA	Arcil-SBPS-014-I-TrustScheme A	-0.01%	(23.93)	0.47%	149.60	0.00%	-	0.47%	149.60
5BAB	Arcil-SBPS-014-I-TrustScheme B	0.00%	(7.44)	0.00%	(0.60)	0.00%	-	0.00%	-0.60
5BBA	Arcil-SBPS 014-II TrustScheme A	-0.07%	(211.45)	0.74%	232.16	0.00%	-	0.73%	232.16
5BBC	Arcil-SBPS 014-II TrustScheme C	0.00%	(4.82)	0.00%	(0.60)	0.00%	-	0.00%	-0.60
5BCB	Arcil-SBPS 013-I TrustScheme B	0.02%	53.44	3.79%	1,196.66	0.00%	-	3.79%	1,196.66
5BFB	Arcil-SBPS 019-I TrustScheme B	0.00%	(12.66)	-0.03%	(7.90)	0.00%	-	-0.02%	-7.90
5BGD	Arcil-SBPS 022-I TrustScheme A1	-0.02%	(60.41)	0.18%	58.02	0.00%	-	0.18%	58.02
5BJB	Arcil-SBPS 021-I TrustScheme B	0.00%	(0.65)	0.00%	(0.47)	0.00%	-	0.00%	-0.47
5BJC	Arcil-SBPS 021-I TrustScheme C	0.00%	(2.94)	0.00%	(0.60)	0.00%	-	0.00%	-0.60
7AAA - 7AAM	Arcil-AARF-II-Trust	0.26%	773.57	0.71%	222.92	0.00%	-	0.71%	222.92

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(₹ in Lakhs)

Trust Code	Name of Enterprise	Net assets i.e Total Assets Minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		%	Amount	%	Amount	%	Amount	%	Amount
1309	ARCIL-AST-024-II-TRUST	0.00%	6.72	0.48%	151.37	0.00%	-	0.48%	151.37
5068	Arcil-SBPS-060-I-Trust	-0.02%	(56.92)	-0.02%	(7.23)	0.00%	-	-0.02%	-7.23
5069	Arcil-SBPS-041-I-Trust	0.00%	(6.98)	1.69%	531.84	0.00%	-	1.68%	531.84
8930	Arcil-Retail Loan Portfolio-058-B-Trust	0.00%	(7.98)	1.36%	430.28	0.00%	-	1.36%	430.28
8931	Arcil-Retail Loan Portfolio-060-A-Trust	-0.01%	(39.46)	0.11%	35.25	0.00%	-	0.11%	35.25
8932	Arcil-Retail Loan Portfolio-061-A-Trust	-0.02%	(68.26)	-0.03%	(10.91)	0.00%	-	-0.03%	-10.91
8933	Arcil-Retail Loan Portfolio-058-C-Trust	-0.01%	(16.66)	1.24%	390.93	0.00%	-	1.24%	390.93
8936	Arcil-Retail Loan Portfolio-42-D-Trust	0.00%	6.34	0.77%	244.24	0.00%	-	0.77%	244.24
8937	Arcil-Retail Loan Portfolio-042-E-Trust	0.00%	7.29	0.39%	122.22	0.00%	-	0.39%	122.22
5072	Arcil- SBPS-006-VII Trust	-0.07%	(217.45)	3.92%	1,237.21	0.00%	-	3.92%	1,237.21
8938	Arcil-Retail Loan Portfolio-042-F-Trust	-0.09%	(276.82)	-0.19%	(58.69)	0.00%	-	-0.19%	-58.69
8939	Arcil-Retail Loan Portfolio-042-I-Trust	-0.03%	(81.77)	-0.07%	(21.26)	0.00%	-	-0.07%	-21.26
8940	Arcil-Retail Loan Portfolio-042-H-Trust	-0.08%	(232.27)	-0.15%	(46.66)	0.00%	-	-0.15%	-46.66
8941	Arcil-Retail Loan Portfolio-042-G-Trust	-0.17%	(500.93)	-0.44%	(139.85)	0.00%	-	-0.44%	-139.85
8944	Arcil-Retail Loan Portfolio-029-B-Trust	-0.03%	(86.59)	-0.07%	(22.79)	0.00%	-	-0.07%	-22.79
8945	Arcil-Retail Loan Portfolio-074-A-Trust	0.00%	(3.26)	1.14%	358.88	0.00%	-	1.14%	358.88
5075	Arcil-SBPS-I-Trust	-0.03%	(99.20)	4.60%	1,450.74	0.00%	-	4.59%	1,450.74
5076	Arcil-SBPS 073-I Trust	-0.02%	(63.86)	6.81%	2,148.11	0.00%	-	6.80%	2,148.11

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(₹ in Lakhs)

Trust Code	Name of Enterprise	Net assets i.e Total Assets Minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		%	Amount	%	Amount	%	Amount	%	Amount
8948	Arcil-Retail Loan Portfolio-074-B-Trust	-0.02%	(68.81)	-0.06%	(19.79)	0.00%	-	-0.06%	-19.79
8950	Arcil-Retail Loan Portfolio-045-C-Trust	-0.02%	(49.96)	-0.04%	(13.17)	0.00%	-	-0.04%	-13.17
1033	Arcil-Parasrampuria Synthetics ltd Trust	-0.02%	(58.08)	0.00%	(1.21)	0.00%	-	0.00%	-1.21
1177	Arcil-Kishore Dalal & Company Trust	-0.08%	(224.29)	0.00%	(0.25)	0.00%	-	0.00%	-0.25
3AHC	Arcil-CPS-002-VII Trust	0.00%	11.05	0.00%	(1.35)	0.00%	-	0.00%	-1.35
1350	Arcil-AST-RA-001 Trust	-0.02%	(52.89)	-0.02%	(7.15)	0.00%	-	-0.02%	-7.15
8957	Arcil-2024C-001 -Trust	-0.09%	(274.25)	-0.35%	(111.43)	0.00%	-	-0.35%	-111.43
8958	Arcil-2024C-003 -Trust	-0.21%	(612.41)	-1.17%	(370.34)	0.00%	-	-1.17%	-370.34
8959	Arcil-2024C-004 -Trust	-0.25%	(752.49)	-1.59%	(501.90)	0.00%	-	-1.59%	-501.90
8960	Arcil-2024C-005 -Trust	-0.01%	(44.14)	-0.07%	(21.21)	0.00%	-	-0.07%	-21.21
5078	Arcil-2024C-007-Trust	-0.05%	(162.51)	-0.14%	(44.59)	0.00%	-	-0.14%	-44.59
8961	Arcil-2024C-006 -Trust	-0.01%	(42.99)	-0.09%	(28.02)	0.00%	-	-0.09%	-28.02
1356	Arcil-Trust-2025C-001	-0.01%	(24.16)	-0.04%	(11.58)	0.00%	-	-0.04%	-11.58
1358	Arcil-Trust-2025C-005	-0.03%	(92.09)	-0.18%	(57.17)	0.00%	-	-0.18%	-57.17
1360	Arcil-Trust-2025C-007	-0.01%	(16.53)	-0.03%	(10.40)	0.00%	-	-0.03%	-10.40
1361	Arcil-Trust-2025C-015	-0.01%	(26.21)	-0.06%	(18.78)	0.00%	-	-0.06%	-18.78
1362	Arcil-Trust-2025C-019	-0.01%	(36.43)	-0.11%	(36.19)	0.00%	-	-0.11%	-36.19
3072	Arcil-Trust-2025C-013	-0.02%	(70.16)	-0.14%	(42.87)	0.00%	-	-0.14%	-42.87
5079	Arcil-Trust-2025C-018	-0.04%	(127.01)	-0.40%	(126.41)	0.00%	-	-0.40%	-126.41
8962	Arcil-Trust-2025C-003	-0.02%	(45.36)	-0.05%	(16.00)	0.00%	-	-0.05%	-16.00
8963	Arcil-Trust-2025C-004	-0.10%	(301.24)	-0.30%	(95.84)	0.00%	-	-0.30%	-95.84
8964	Arcil-Trust-2025C-006	-0.02%	(65.39)	-0.13%	(40.94)	0.00%	-	-0.13%	-40.94
8966	Arcil-Trust-2025C-008	-0.03%	(78.72)	-0.19%	(60.75)	0.00%	-	-0.19%	-60.75
8970	Arcil-Trust-2025C-010	-0.01%	(36.42)	-0.09%	(28.58)	0.00%	-	-0.09%	-28.58
8971	Arcil-Trust-2025C-009	-0.01%	(25.46)	-0.05%	(17.00)	0.00%	-	-0.05%	-17.00
8972	Arcil-Trust-2025-008	-0.34%	(1,001.03)	-2.13%	(673.34)	0.00%	-	-2.13%	-673.34
8973	Arcil-Trust-2025C-012	-0.02%	(57.80)	-0.11%	(33.25)	0.00%	-	-0.11%	-33.25
8974	Arcil-Trust-2025C-011	-0.01%	(17.78)	-0.04%	(12.87)	0.00%	-	-0.04%	-12.87

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(₹ in Lakhs)

Trust Code	Name of Enterprise	Net assets i.e Total Assets Minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		%	Amount	%	Amount	%	Amount	%	Amount
8975	Arcil-Trust-2025C-014	-0.02%	(49.47)	-0.15%	(45.84)	0.00%	-	-0.15%	-45.84
8977	Arcil-Trust-2025-015	-0.22%	(645.68)	-1.67%	(528.42)	0.00%	-	-1.67%	-528.42
8979	Arcil-Trust-2025C-016	-0.01%	(19.47)	-0.05%	(17.35)	0.00%	-	-0.05%	-17.35
8981	Arcil-Trust-2025C-017	-0.01%	(19.38)	-0.06%	(18.99)	0.00%	-	-0.06%	-18.99
1363	Arcil-Trust-2026C-003	0.04%	128.95	0.41%	128.95	0.00%	-	0.41%	128.95
3074	Arcil-Trust-2026C-002	0.00%	(5.20)	-0.02%	(5.20)	0.00%	-	-0.02%	-5.20
8987	Arcil-Trust-2026C-001	-0.02%	(47.11)	-0.15%	(47.11)	0.00%	-	-0.15%	-47.11
8988	Arcil-Trust-2026-001	-0.07%	(219.84)	-0.70%	(219.84)	0.00%	-	-0.70%	-219.84
8990	Arcil-Trust-2026-003	-0.01%	(31.43)	-0.10%	(31.43)	0.00%	-	-0.10%	-31.43
8991	Arcil-Trust-2026-004	-0.01%	(20.97)	-0.07%	(20.97)	0.00%	-	-0.07%	-20.97
1364	Arcil-Trust-2026C-004	0.00%	(4.05)	-0.01%	(4.05)	0.00%	-	-0.01%	-4.05
5080	Arcil-Trust-2026C-005	0.00%	(13.83)	-0.04%	(13.83)	0.00%	-	-0.04%	-13.83
5081	Arcil Trust 2026C 006	-0.01%	(19.10)	-0.06%	(19.10)	0.00%	-	-0.06%	-19.10
5082	Arcil Trust 2026C 008	-0.01%	(15.85)	-0.05%	(15.85)	0.00%	-	-0.05%	-15.85
8001	Arcil Trust 2026C 009	-0.01%	(31.13)	-0.10%	(31.13)	0.00%	-	-0.10%	-31.13
8005	Arcil Trust 2026 016	-0.03%	(86.32)	-0.27%	(86.32)	0.00%	-	-0.27%	-86.32
8996	Arcil-Trust-2026-009	-0.02%	(68.34)	-0.22%	(68.34)	0.00%	-	-0.22%	-68.34
8997	Arcil-Trust-2026C-007	-0.02%	(45.30)	-0.14%	(45.30)	0.00%	-	-0.14%	-45.30
3076	Arcil-Trust-2026C-011	0.00%	(9.48)	-0.03%	(9.48)	0.00%	-	-0.03%	-9.48
8008	Arcil-Trust-2026-013	-0.01%	(38.88)	-0.12%	(38.88)	0.00%	-	-0.12%	-38.88
3077	Arcil-Trust-2026C-012	0.00%	(9.30)	-0.03%	(9.30)	0.00%	-	-0.03%	-9.30
1365	Arcil-Trust-2026C-013	0.00%	(6.75)	-0.02%	(6.75)	0.00%	-	-0.02%	-6.75
8010	Arcil-Trust-2026-022	-0.44%	(1,301.30)	-4.12%	(1,301.30)	0.00%	-	-4.12%	-1,301.30
8011	Arcil-Trust-2026-021	-0.11%	(320.09)	-1.01%	(320.09)	0.00%	-	-1.01%	-320.09
1366	Arcil-Trust-2026C-014	0.00%	(6.09)	-0.02%	(6.09)	0.00%	-	-0.02%	-6.09
8012	Arcil-Trust-2026-023	-0.03%	(89.09)	-0.28%	(89.09)	0.00%	-	-0.28%	-89.09
3078	Arcil-Trust-2026C-010	0.00%	(11.15)	-0.04%	(11.15)	0.00%	-	-0.04%	-11.15
5002	Arcil-SBPS-001-II Trust	0.00%	5.81	-0.01%	(2.93)	0.00%	-	-0.01%	-2.93
5AVB	Arcil-SBPS-001-IX Trust	0.01%	24.73	0.41%	130.12	0.00%	-	0.41%	130.12
5022	Arcil-SBPS-001-XI Trust	-0.04%	(114.70)	0.00%	(1.13)	0.00%	-	0.00%	-1.13
5001	Arcil-SBPS-004-I Trust	0.01%	20.61	-0.02%	(5.07)	0.00%	-	-0.02%	-5.07

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(₹ in Lakhs)

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		%	Amount	%	Amount	%	Amount	%	Amount
5AFA	Arcil-SBPS 001-V Trust	0.02%	62.09	0.00%	(0.96)	0.00%	-	0.00%	-0.96
3AFA	Arcil-CPS 001-IV Trust	-0.06%	(164.19)	0.00%	(1.07)	0.00%	-	0.00%	-1.07
1002	Arcil-Kesri Vanaspati Products Limited Trust	-0.03%	(83.50)	0.00%	(0.74)	0.00%	-	0.00%	-0.74
1367	Arcil-Trust-2026C-015	0.00%	(0.00)	0.00%	(0.00)	0.00%	-	0.00%	-0.00
5084	Arcil-Trust-2026C-019	0.00%	(1.50)	0.00%	(1.50)	0.00%	-	0.00%	-1.50
5085	Arcil-Trust-2026C-023	0.00%	(1.50)	0.00%	(1.50)	0.00%	-	0.00%	-1.50
8015	Arcil-Trust-2026-029	0.00%	(1.38)	0.00%	(1.38)	0.00%	-	0.00%	-1.38
8017	Arcil-Trust-2026-028	0.00%	(1.99)	-0.01%	(1.99)	0.00%	-	-0.01%	-1.99
8020	Arcil-Trust-2026C-017	0.00%	(0.21)	0.00%	(0.21)	0.00%	-	0.00%	-0.21
8021	Arcil-Trust-2026-030	0.00%	(0.17)	0.00%	(0.17)	0.00%	-	0.00%	-0.17
8024	Arcil-Trust-2026-034	0.00%	(14.33)	-0.05%	(14.33)	0.00%	-	-0.05%	-14.33
	Associates (Investment as per Equity method)								
5064	Arcil-SBPS-022-II Trust	0.00%	-	0.00%	(0.39)	0.00%	-	0.00%	-0.39
5065	Arcil-SBPS-022-III-Trust	0.00%	-	0.00%	(0.83)	0.00%	-	0.00%	-0.83
5067	Arcil-SBPS-022-IV Trust	0.00%	-	0.00%	(1.11)	0.00%	-	0.00%	-1.11
8916	Arcil-Retail Port-046-A-T	0.00%	-	0.04%	12.38	0.00%	-	0.04%	12.38
3APA	Arcil-CPS-002-V TrustScheme A	0.00%	-	0.00%	0.41	0.00%	-	0.00%	0.41
8934	Arcil-Retail Loan Portfolio-022-A-Trust	0.00%	-	0.14%	43.16	0.00%	-	0.14%	43.16
3064	Arcil-CPS-081-I-Trust	0.00%	-	-0.08%	(24.93)	0.00%	-	-0.08%	-24.93
5077	ARCIL-TRUST-2024-001	0.00%	-	-0.32%	(99.93)	0.00%	-	-0.32%	-99.93
8982	Arcil-Trust-2025-013	0.00%	-	-0.20%	(61.58)	0.00%	-	-0.19%	-61.58
8984	Arcil-Trust-2025-012	0.00%	-	-0.42%	(132.40)	0.00%	-	-0.42%	-132.40
8986	Arcil-Trust-2025-018	0.00%	-	-0.10%	(30.56)	0.00%	-	-0.10%	-30.56
5083	Arcil Trust 2026 012	0.00%	-	-0.07%	(20.58)	0.00%	-	-0.07%	-20.58
8003	Arcil Trust 2026 019	0.00%	-	-0.04%	(13.88)	0.00%	-	-0.04%	-13.88
8004	Arcil Trust 2026 017	0.00%	-	-0.18%	(57.10)	0.00%	-	-0.18%	-57.10
8006	Arcil Trust 2026 018	0.00%	-	-0.11%	(35.06)	0.00%	-	-0.11%	-35.06

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

(₹ in Lakhs)

Trust Code	Name of Enterprise	Net assets i.e Total Assets Minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		%	Amount	%	Amount	%	Amount	%	Amount
8998	Arcil-Trust-2026-011	0.00%	-	-0.09%	(26.99)	0.00%	-	-0.09%	-26.99
8999	Arcil Trust 2026 010	0.00%	-	-0.25%	(79.08)	0.00%	-	-0.25%	-79.08
8013	Arcil-Trust-2026-024	0.00%	-	-0.03%	(9.40)	0.00%	-	-0.03%	-9.40
8018	Arcil-Trust-2026-025	0.00%	-	-0.06%	(19.22)	0.00%	-	-0.06%	-19.22
8019	Arcil-Trust-2026-033	0.00%	-	0.00%	(1.38)	0.00%	-	0.00%	-1.38
8022	Arcil-Trust-2026-031	0.00%	-	0.00%	(0.27)	0.00%	-	0.00%	-0.27
8023	Arcil-Trust-2026-032	0.00%	-	0.00%	(0.31)	0.00%	-	0.00%	-0.31
8025	Arcil-Trust-2026-035	0.00%	-	0.00%	(0.58)	0.00%	-	0.00%	-0.58
8956	Arcil-Retail Loan Portfolio-092-A-Trust	0.00%	-	-0.51%	(160.35)	0.00%	-	-0.51%	-160.35
	Total	**100.85%**	**298,035.51**	**145.52%**	**45,910.74**	**100.00%**	**39.18**	**145.47%**	**45,949.93**
	Inter Company Elimination / Consolidation Adjustments	**0.73%**	**2,168.13**	**-34.05%**	**(10,741.97)**	**0.00%**	**-**	**-34.01%**	**-10,741.97**
	Net Total	**101.58%**	**300,203.65**	**111.47%**	**35,168.77**	**100.00%**	**39.18**	**111.46%**	**35,207.96**
	Non Controlling Interest in all subsidiaries	**-1.58%**	**(4,682.23)**	**-11.47%**	**(3,619.68)**	**0.00%**	**-**	**-11.46%**	**-3,619.68**
	Grand Total	**100.00%**	**295,521.43**	**100.00%**	**31,549.09**	**100.00%**	**39.18**	**100.00%**	**31,588.28**

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

(₹ in Lakhs)

Trust Code	Name of Enterprise	Net assets i.e Total Assets Minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		%	Amount	%	Amount	%	Amount	%	Amount
	Parent								
	Arcil	**103.93%**	**276,779.81**	**114.57%**	**35,531.64**	**100.00%**	**(129.65)**	**114.63%**	**35,401.99**
	Indian Subsidaries:								
1016	Arcil-Daewoo Motors India Ltd Trust	-0.03%	-66.77	0.13%	41.98	0.00%	-	0.13%	41.98
1040	Arcil-Precision Fastners Ltd-Trust	-0.05%	-135.01	0.03%	9.60	0.00%	-	0.03%	9.60
1103	Arcil-Parekh Platinum Ltd. Trust	0.00%	-8.11	0.11%	34.38	0.00%	-	0.11%	34.38
1106	Arcil-Bellary Steels & Alloys Ltd.-II Trust	0.00%	-2.51	0.00%	(0.26)	0.00%	-	0.00%	(0.26)
1108	Arcil-Indo Deutch Metallo Trust	-0.01%	-24.39	-0.06%	(18.19)	0.00%	-	-0.06%	(18.19)
1123	Arcil-Hanuman Miner Oil Ltd. Trust	-0.01%	-28.26	0.03%	9.60	0.00%	-	0.03%	9.60
1124	Arcil-Equipment Conductor & Cables Ltd. Trust	-0.02%	-63.07	0.00%	(0.57)	0.00%	-	0.00%	(0.57)
1145	Arcil-LSIL Trust	-0.01%	-16.34	-0.01%	(1.72)	0.00%	-	-0.01%	(1.72)
1149	Arcil-PSL II Trust	0.00%	-0.41	0.00%	(0.62)	0.00%	-	0.00%	(0.62)
1151	Arcil-Polar Industries Limited Trust	0.00%	-9.93	-0.01%	(1.94)	0.00%	-	-0.01%	(1.94)
1152	Arcil-MVR-I Trust	-0.01%	-27.58	-0.06%	(17.81)	0.00%	-	-0.06%	(17.81)
1153	Arcil-Ispat Profiles Trust	-0.01%	-29.76	0.00%	(0.74)	0.00%	-	0.00%	(0.74)
1163	Arcil-Nath Seeds Limited Trust	0.00%	-2.58	0.00%	(0.42)	0.00%	-	0.00%	(0.42)
1164	Arcil-JCT II Trust	-0.02%	-51.35	-0.02%	(6.67)	0.00%	-	-0.02%	(6.67)
1165	Arcil-Maridia Steel Limited-I Trust	0.01%	20.13	0.01%	3.19	0.00%	-	0.01%	3.19
1166	Arcil-Maridia Steel Limited-II Trust	0.00%	-1.49	0.00%	(1.13)	0.00%	-	0.00%	(1.13)
1167	Arcil-Maridia Steel Limited-III Trust	0.00%	-2.62	0.00%	(1.14)	0.00%	-	0.00%	(1.14)
1172	Arcil-MVR-II Trust	0.00%	-0.62	0.00%	(0.26)	0.00%	-	0.00%	(0.26)
1173	Arcil-NPPML Trust	0.00%	-3.31	0.00%	(0.36)	0.00%	-	0.00%	(0.36)
1174	Arcil-PSL III Trust	0.00%	-1.66	-0.01%	(1.62)	0.00%	-	-0.01%	(1.62)
1175	Arcil-PSL IV Trust	0.00%	-6.22	0.00%	(0.26)	0.00%	-	0.00%	(0.26)
1180	Arcil-Kiran Overseas Exports Ltd. Trust	0.00%	-8.40	-0.01%	(3.33)	0.00%	-	-0.01%	(3.33)

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

(₹ in Lakhs)

Trust Code	Name of Enterprise	Net assets i.e Total Assets Minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		%	Amount	%	Amount	%	Amount	%	Amount
1188	Arcil-Shalimar Wires Industries Limited-II Trust	0.19%	510.05	-0.05%	(16.85)	0.00%	-	-0.05%	(16.85)
1190	Arcil-MVR-III Trust	0.00%	-8.51	-0.01%	(3.57)	0.00%	-	-0.01%	(3.57)
1191	Arcil-Bentels Corporation Limited Trust	-0.01%	-20.62	0.00%	(0.29)	0.00%	-	0.00%	(0.29)
1193	Arcil-KOEL-I Trust	0.00%	0.07	0.00%	(0.37)	0.00%	-	0.00%	(0.37)
1194	Arcil-Mafatlal Engineering Industries Ltd Trust	-0.05%	-142.98	0.00%	(0.40)	0.00%	-	0.00%	(0.40)
1195	Arcil-Maridia Steel Limited-IV Trust	0.00%	-1.49	0.00%	(1.13)	0.00%	-	0.00%	(1.13)
1196	Arcil-JCT III Trust	-0.01%	-16.66	-0.01%	(2.20)	0.00%	-	-0.01%	(2.20)
1197	Arcil-Shalimar Wires Industries Limited-III Trust	0.13%	352.07	-0.03%	(10.21)	0.00%	-	-0.03%	(10.21)
1199	Arcil Mukerian Paper Ltd Trust	-0.02%	-66.01	0.00%	(0.30)	0.00%	-	0.00%	(0.30)
1200	Arcil-Mukerian II Trust	-0.01%	-17.19	0.00%	(0.26)	0.00%	-	0.00%	(0.26)
1204	Arcil-KOEL-II Trust	0.00%	-1.56	0.00%	(0.41)	0.00%	-	0.00%	(0.41)
1206	Arcil-Jhagadia Copper Limited Trust	0.00%	-1.52	0.00%	(0.24)	0.00%	-	0.00%	(0.24)
1207	Arcil-Polar Industries Limited-II Trust	-0.01%	-19.94	0.00%	(0.49)	0.00%	-	0.00%	(0.49)
1208	Arcil-BPL Display Devices Limited-I Trust	0.00%	-5.48	0.00%	(0.53)	0.00%	-	0.00%	(0.53)
1222	Arcil - Excel Oils and Chemicals Pvt. Ltd. Trust	0.00%	0.04	-0.01%	(1.93)	0.00%	-	-0.01%	(1.93)
1224	Arcil-International Sree Balaji Hotels Private Limited Trust	-0.01%	-15.52	0.02%	7.88	0.00%	-	0.02%	7.88
1227	Arcil-Uday Estates Pvt. Ltd. Trust	-0.01%	-26.78	-0.03%	(10.46)	0.00%	-	-0.03%	(10.46)
1231	Arcil-L. S. P. Agro Limited Trust	0.00%	-5.59	1.96%	616.91	0.00%	-	1.95%	616.91
1232	Arcil-The Dhar Textile Mills Ltd. Trust	0.00%	-10.55	1.31%	413.28	0.00%	-	1.31%	413.28
1233	Arcil-Jagat Edible Oil India Pvt. Ltd. Trust	0.00%	-2.17	0.00%	(0.28)	0.00%	-	0.00%	(0.28)
1235	Arcil-Vama Exports Ltd. Trust	0.00%	8.40	0.30%	95.45	0.00%	-	0.30%	95.45

Notes forming part of the Consolidated Financial Statements

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(₹ in Lakhs)

Trust Code	Name of Enterprise	Net assets i.e Total Assets Minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		%	Amount	%	Amount	%	Amount	%	Amount
1237	Arcil-Golden Fries Ltd. Trust	0.00%	-9.34	0.00%	(0.29)	0.00%	-	0.00%	(0.29)
1239	Arcil-Esteem Estate Projects Pvt. Ltd. Trust	-0.01%	-34.64	0.00%	(0.42)	0.00%	-	0.00%	(0.42)
1247	Arcil-AST-IV-Trust	-0.01%	-23.66	0.00%	(1.01)	0.00%	-	0.00%	(1.01)
1248	Arcil-AST-VII-Trust	0.00%	-2.22	0.00%	(0.28)	0.00%	-	0.00%	(0.28)
1255	Arcil-AST-039-I-Trust	0.00%	-2.77	-0.01%	(3.27)	0.00%	-	-0.01%	(3.27)
1265	Arcil-AST-001-VI-Trust	0.00%	-2.03	0.00%	(0.12)	0.00%	-	0.00%	(0.12)
1282	Arcil-AST-017-I-Trust	0.00%	-1.13	0.00%	(0.20)	0.00%	-	0.00%	(0.20)
1291	Arcil-AST-018-I-Trust	0.00%	-0.52	0.00%	(1.39)	0.00%	-	0.00%	(1.39)
1292	Arcil-AST-001-IX-Trust	0.00%	0.35	0.00%	(0.58)	0.00%	-	0.00%	(0.58)
1293	Arcil-AST-001-X-Trust	-0.08%	-201.07	0.69%	219.25	0.00%	-	0.69%	219.25
1296	Arcil-AST-001-XI-Trust	-0.02%	-57.82	-0.02%	(6.13)	0.00%	-	-0.02%	(6.13)
1299	Arcil-AST-017-V-Trust	0.00%	0.00	0.00%	(0.78)	0.00%	-	0.00%	(0.78)
1305	Arcil-AST-024-I-Trust	-0.01%	-15.87	0.00%	(0.84)	0.00%	-	0.00%	(0.84)
1306	Arcil-AST-026-I-Trust	-0.01%	-39.31	-0.02%	(6.55)	0.00%	-	-0.02%	(6.55)
3017	Arcil-CPS-002-IX Trust	-0.01%	-17.86	-0.08%	(25.84)	0.00%	-	-0.08%	(25.84)
3026	Arcil-CPS-012-II Trust	0.00%	-6.79	-0.01%	(2.15)	0.00%	-	-0.01%	(2.15)
3027	Arcil-CPS-012-I Trust	-0.01%	-21.03	-0.01%	(3.66)	0.00%	-	-0.01%	(3.66)
3031	Arcil-CPS-032-I-Trust	0.00%	-5.86	0.00%	(0.31)	0.00%	-	0.00%	(0.31)
3034	Arcil-CPS-006-III-Trust	0.00%	-1.57	0.52%	163.06	0.00%	-	0.52%	163.06
3036	Arcil-CPS-003-IV Trust	0.00%	-10.77	0.00%	(0.57)	0.00%	-	0.00%	(0.57)
3037	Arcil-CPS-003-V Trust	-0.01%	-22.03	0.00%	(0.32)	0.00%	-	0.00%	(0.32)
3041	Arcil-CPS-012-III-Trust	0.00%	0.69	0.06%	18.48	0.00%	-	0.06%	18.48
3055	Arcil-CPS-041-I-Trust	-0.02%	-56.26	-0.01%	(3.91)	0.00%	-	-0.01%	(3.91)
3060	Arcil-CPS-008-II-Trust	0.00%	-1.54	0.90%	284.92	0.00%	-	0.90%	284.92
5003	Arcil-SBPS-001-I Trust	0.01%	21.86	-0.03%	(11.00)	0.00%	-	-0.03%	(11.00)
5006	Arcil-SBPS-001-VI Trust	-0.06%	-165.98	-0.02%	(5.59)	0.00%	-	-0.02%	(5.59)
5020	Arcil-SBPS-001-VIII Trust	-0.04%	-103.82	-0.04%	(12.46)	0.00%	-	-0.04%	(12.46)
5023	Arcil-SBPS-001-X Trust	-0.01%	-34.88	-0.01%	(4.14)	0.00%	-	-0.01%	(4.14)

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

(₹ in Lakhs)

Trust Code	Name of Enterprise	Net assets i.e Total Assets Minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		%	Amount	%	Amount	%	Amount	%	Amount
5030	Arcil-SBPS 001-XII Trust	0.00%	-1.51	0.00%	(1.43)	0.00%	-	0.00%	(1.43)
5034	Arcil-SBPS 021-II Trust	0.00%	-3.41	0.00%	(0.32)	0.00%	-	0.00%	(0.32)
5036	Arcil-SBPS 016-I Trust	0.00%	-11.90	0.00%	(0.53)	0.00%	-	0.00%	(0.53)
5040	Arcil-SBPS-025-I Trust	0.00%	2.48	-0.05%	(14.35)	0.00%	-	-0.05%	(14.35)
5044	Arcil-SBPS-028-I-Trust	-0.01%	-23.61	0.00%	(0.87)	0.00%	-	0.00%	(0.87)
5045	Arcil-SBPS-027-I Trust	0.00%	-8.06	0.07%	23.07	0.00%	-	0.07%	23.07
5047	Arcil-SBPS-026-II-Trust	0.00%	-1.38	0.00%	(0.29)	0.00%	-	0.00%	(0.29)
5049	Arcil-SBPS-002-II-Trust	0.00%	0.09	0.00%	(0.53)	0.00%	-	0.00%	(0.53)
5050	Arcil-SBPS-008-I Trust	0.00%	0.31	0.00%	(0.10)	0.00%	-	0.00%	(0.10)
5066	Arcil-SBPS-042-I-Trust	0.00%	0.76	0.51%	162.02	0.00%	-	0.51%	162.02
8300	Arcil NHB Retail Loan Portfolio 001 Trust	-0.01%	-29.60	0.00%	(0.38)	0.00%	-	0.00%	(0.38)
8901	Arcil-Retail Loan Portfolio-002-A Trust	0.00%	-4.50	0.00%	(0.91)	0.00%	-	0.00%	(0.91)
8904	Arcil-Retail Loan Portfolio-002-B Trust	0.00%	-1.12	0.01%	4.16	0.00%	-	0.01%	4.16
8905	Arcil-Retail Loan Portfolio-003-A Trust	0.00%	0.08	0.00%	(0.33)	0.00%	-	0.00%	(0.33)
8910	Arcil-Retail Loan Portfolio-029-A-Trust	0.00%	-0.79	0.04%	13.02	0.00%	-	0.04%	13.02
8913	Arcil-Retail Loan Portfolio -036-A-Trust	0.01%	17.05	0.76%	240.08	0.00%	-	0.76%	240.08
8915	Arcil-Retail Port-044-A-T	0.00%	12.81	0.18%	56.27	0.00%	-	0.18%	56.27
8918	Arcil-Retail Port-048-A-Trust	0.00%	1.31	0.27%	85.17	0.00%	-	0.27%	85.17
8920	Arcil-Retail Port-042-A-Trust	0.00%	-6.04	1.36%	429.83	0.00%	-	1.36%	429.83
8921	Arcil-Retail Port-032-A-Trust	0.00%	-4.22	-0.01%	(2.17)	0.00%	-	-0.01%	(2.17)
8922	Arcil-Retail Port-049-A-Trust	0.00%	-1.47	0.00%	(0.17)	0.00%	-	0.00%	(0.17)
8923	Arcil-Retail Port-050-A-Trust	0.00%	-5.15	0.00%	(1.00)	0.00%	-	0.00%	(1.00)
8924	Arcil Retail Loan Portfolio-045-B-Trust	-0.08%	-211.16	-0.06%	(17.40)	0.00%	-	-0.06%	(17.40)

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

(₹ in Lakhs)

Trust Code	Name of Enterprise	Net assets i.e Total Assets Minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		%	Amount	%	Amount	%	Amount	%	Amount
8925	Arcil Retail Loan Portfolio-042-B-Trust	0.00%	-4.50	0.37%	117.03	0.00%	-	0.37%	117.03
8926	Arcil Retail Loan Portfolio-053-A-Trust	-0.04%	-97.15	-0.04%	(12.19)	0.00%	-	-0.04%	(12.19)
1FSN & 1FSO	Arcil-Shalimar Wires Industries Limited-IV TrustSeries I	0.17%	452.78	-0.05%	(16.87)	0.00%	-	-0.05%	(16.87)
3AAB	Arcil-CPS 002-II TrustScheme B	0.00%	-10.83	-0.02%	(6.53)	0.00%	-	-0.02%	(6.53)
3AHB	Arcil-CPS-002-VII TrustScheme B	-0.01%	-29.80	0.00%	(0.20)	0.00%	-	0.00%	(0.20)
3AHD	Arcil-CPS-002-VII TrustScheme D	0.00%	-5.31	0.00%	(0.96)	0.00%	-	0.00%	(0.96)
3AMD	Arcil-CPS-002-I TrustScheme A4	0.00%	-2.10	0.00%	(0.21)	0.00%	-	0.00%	(0.21)
3AME	Arcil-CPS-002-I TrustScheme A5	0.00%	-1.79	0.00%	(0.20)	0.00%	-	0.00%	(0.20)
3AMF	Arcil-CPS-002-I TrustScheme A6	0.00%	-6.75	0.00%	(0.20)	0.00%	-	0.00%	(0.20)
3AMI	Arcil-CPS-002-I TrustScheme B1	0.00%	0.60	0.00%	(0.22)	0.00%	-	0.00%	(0.22)
3AMK	Arcil-CPS-002-I TrustScheme D	-0.13%	-351.86	0.00%	(0.20)	0.00%	-	0.00%	(0.20)
5AAA	Arcil-SBPS 001-IV TrustScheme A	0.11%	279.86	-0.03%	(10.81)	0.00%	-	-0.03%	(10.81)
5AAB	Arcil-SBPS 001-IV TrustScheme B	0.00%	-10.16	0.00%	(0.34)	0.00%	-	0.00%	(0.34)
5AEA	Arcil-SBPS 001-III TrustScheme A	0.07%	183.98	0.41%	129.84	0.00%	-	0.41%	129.84
5AEB	Arcil-SBPS 001-III TrustScheme B	0.01%	26.50	0.09%	28.09	0.00%	-	0.09%	28.09
5AFB	Arcil-SBPS 001-V TrustScheme B	-0.02%	-62.86	0.00%	(1.45)	0.00%	-	0.00%	(1.45)
5AHA	Arcil-SBPS 002-I TrustScheme A	-0.01%	-14.16	-0.03%	(10.21)	0.00%	-	-0.03%	(10.21)
5AHD	Arcil-SBPS 002-I TrustScheme B2	-0.01%	-31.53	0.28%	87.80	0.00%	-	0.28%	87.80
5AZC	Arcil-SBPS-007-II-TrustScheme C	-0.02%	-49.38	0.00%	(0.34)	0.00%	-	0.00%	(0.34)
5AZD	Arcil-SBPS-007-II-TrustScheme A1	0.00%	-1.79	0.00%	(0.49)	0.00%	-	0.00%	(0.49)
5AZE	Arcil-SBPS-007-II-TrustScheme A2	0.00%	-1.39	0.00%	(0.22)	0.00%	-	0.00%	(0.22)
5BAA	Arcil-SBPS-014-I-TrustScheme A	-0.01%	-33.10	-0.01%	(2.26)	0.00%	-	-0.01%	(2.26)
5BAB	Arcil-SBPS-014-I-TrustScheme B	0.00%	-6.85	0.00%	(0.20)	0.00%	-	0.00%	(0.20)
5BBA	Arcil-SBPS 014-II TrustScheme A	0.00%	-13.15	0.00%	0.04	0.00%	-	0.00%	0.04
5BBC	Arcil-SBPS 014-II TrustScheme C	0.00%	-4.22	0.00%	(0.22)	0.00%	-	0.00%	(0.22)
5BCB	Arcil-SBPS 013-I TrustScheme B	-0.01%	-24.88	0.07%	23.47	0.00%	-	0.07%	23.47

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

(₹ in Lakhs)

Trust Code	Name of Enterprise	Net assets i.e Total Assets Minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		%	Amount	%	Amount	%	Amount	%	Amount
5BFB	Arcil-SBPS 019-I TrustScheme B	0.00%	-4.77	-0.02%	(6.23)	0.00%	-	-0.02%	(6.23)
5BGD	Arcil-SBPS 022-I TrustScheme A1	-0.01%	-20.24	-0.01%	(4.50)	0.00%	-	-0.01%	(4.50)
5BJB	Arcil-SBPS 021-I TrustScheme B	0.00%	-0.18	0.22%	70.06	0.00%	-	0.22%	70.06
5BJC	Arcil-SBPS 021-I TrustScheme C	0.00%	-2.34	0.00%	(0.38)	0.00%	-	0.00%	(0.38)
7AAA - 7AAM	Arcil-AARF-II-Trust	0.21%	550.66	4.55%	1,436.47	0.00%	-	4.55%	1,436.47
1309	ARCIL-AST-024-II-TRUST	-0.05%	-144.65	0.35%	110.30	0.00%	-	0.35%	110.30
5068	Arcil-SBPS-060-I-Trust	-0.02%	-49.69	-0.04%	(12.18)	0.00%	-	-0.04%	(12.18)
5069	Arcil-SBPS-041-I-Trust	-0.01%	-14.85	8.11%	2,559.58	0.00%	-	8.10%	2,559.58
8930	Arcil-Retail Loan Portfolio-058-B-Trust	-0.10%	-254.57	-0.06%	(19.80)	0.00%	-	-0.06%	(19.80)
8931	Arcil-Retail Loan Portfolio-060-A-Trust	-0.03%	-74.71	-0.03%	(11.00)	0.00%	-	-0.03%	(11.00)
8932	Arcil-Retail Loan Portfolio-061-A-Trust	-0.02%	-57.35	-0.03%	(9.79)	0.00%	-	-0.03%	(9.79)
8933	Arcil-Retail Loan Portfolio-058-C-Trust	0.00%	6.76	0.57%	179.20	0.00%	-	0.57%	179.20
8936	Arcil-Retail Loan Portfolio-42-D-Trust	-0.03%	-79.57	-0.06%	(18.54)	0.00%	-	-0.06%	(18.54)
8937	Arcil-Retail Loan Portfolio-042-E-Trust	-0.04%	-114.92	-0.04%	(11.62)	0.00%	-	-0.04%	(11.62)
5072	Arcil- SBPS-006-VII Trust	0.01%	32.83	1.87%	589.83	0.00%	-	1.87%	589.83
8938	Arcil-Retail Loan Portfolio-042-F-Trust	-0.08%	-218.13	-0.13%	(41.48)	0.00%	-	-0.13%	(41.48)
8939	Arcil-Retail Loan Portfolio-042-I-Trust	-0.02%	-60.51	-0.03%	(9.74)	0.00%	-	-0.03%	(9.74)
8940	Arcil-Retail Loan Portfolio-042-H-Trust	-0.07%	-185.61	-0.15%	(46.62)	0.00%	-	-0.15%	(46.62)
8941	Arcil-Retail Loan Portfolio-042-G-Trust	-0.14%	-361.08	-0.45%	(142.00)	0.00%	-	-0.45%	(142.00)

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

(₹ in Lakhs)

Trust Code	Name of Enterprise	Net assets i.e Total Assets Minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		%	Amount	%	Amount	%	Amount	%	Amount
8944	Arcil-Retail Loan Portfolio-029-B-Trust	-0.02%	-63.80	-0.07%	(22.11)	0.00%	-	-0.07%	(22.11)
8945	Arcil-Retail Loan Portfolio-074-A-Trust	-0.03%	-79.64	-0.06%	(18.75)	0.00%	-	-0.06%	(18.75)
1348	Arcil-AST-001-XVIII-Trust	-0.03%	-77.80	-0.19%	(59.77)	0.00%	-	-0.19%	(59.77)
3065	Arcil-CPS-II-Trust	-0.20%	-525.24	-0.71%	(223.92)	0.00%	-	-0.71%	(223.92)
5075	Arcil-SBPS-I-Trust	-0.07%	-190.62	-0.08%	(23.69)	0.00%	-	-0.07%	(23.69)
5076	Arcil-SBPS 073-I Trust	-0.02%	-41.86	0.55%	173.31	0.00%	-	0.55%	173.31
8948	Arcil-Retail Loan Portfolio-074-B-Trust	-0.02%	-49.02	-0.06%	(17.42)	0.00%	-	-0.06%	(17.42)
8950	Arcil-Retail Loan Portfolio-045-C-Trust	-0.01%	-36.80	-0.05%	(14.42)	0.00%	-	-0.05%	(14.42)
1033	Arcil-Parasrampuria Synthetics ltd Trust	-0.02%	-55.63	0.00%	0.34	0.00%	-	0.00%	0.34
1177	Arcil-Kishore Dalal & Company Trust	-0.08%	-224.04	0.01%	3.70	0.00%	-	0.01%	3.70
3AHC	Arcil-CPS-002-VII Trust	0.00%	12.40	-0.02%	(5.37)	0.00%	-	-0.02%	(5.37)
1349	Arcil-AST-003-VIII-Trust	-0.02%	-58.34	-0.15%	(46.33)	0.00%	-	-0.15%	(46.33)
1350	Arcil-AST-RA-001 Trust	-0.02%	-45.75	-0.04%	(11.64)	0.00%	-	-0.04%	(11.64)
1352	Arcil-AST-030-II-Trust	0.00%	-7.29	-0.01%	(4.49)	0.00%	-	-0.01%	(4.49)
3068	Arcil-CPS-IV-Trust	-0.44%	-1,182.51	-1.70%	(537.11)	0.00%	-	-1.70%	(537.11)
8956	Arcil-Retail Loan Portfolio-092-A-Trust	-0.15%	-399.39	-0.67%	(209.92)	0.00%	-	-0.66%	(209.92)
8957	Arcil-2024C-001 -Trust	-0.06%	-162.81	-0.42%	(133.49)	0.00%	-	-0.42%	(133.49)
8958	Arcil-2024C-003 -Trust	-0.09%	-242.06	-0.66%	(209.14)	0.00%	-	-0.66%	(209.14)
8959	Arcil-2024C-004 -Trust	-0.09%	-250.59	-0.69%	(216.56)	0.00%	-	-0.69%	(216.56)
8960	Arcil-2024C-005 -Trust	-0.01%	-22.93	-0.05%	(17.03)	0.00%	-	-0.05%	(17.03)
5078	Arcil-2024C-007-Trust	-0.04%	-117.92	-0.37%	(117.38)	0.00%	-	-0.37%	(117.38)
8961	Arcil-2024C-006 -Trust	-0.01%	-14.97	-0.04%	(13.17)	0.00%	-	-0.04%	(13.17)
1356	Arcil-Trust-2025C-001	0.00%	-12.58	-0.04%	(12.58)	0.00%	-	-0.04%	(12.58)
1358	Arcil-Trust-2025C-005	-0.01%	-34.92	-0.11%	(34.92)	0.00%	-	-0.11%	(34.92)

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

(₹ in Lakhs)

Trust Code	Name of Enterprise	Net assets i.e Total Assets Minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		%	Amount	%	Amount	%	Amount	%	Amount
1360	Arcil-Trust-2025C-007	0.00%	-6.13	-0.02%	(6.13)	0.00%	-	-0.02%	(6.13)
1361	Arcil-Trust-2025C-015	0.00%	-7.44	-0.02%	(7.44)	0.00%	-	-0.02%	(7.44)
1362	Arcil-Trust-2025C-019	0.00%	-0.24	0.00%	(0.24)	0.00%	-	0.00%	(0.24)
3072	Arcil-Trust-2025C-013	-0.01%	-27.29	-0.09%	(27.29)	0.00%	-	-0.09%	(27.29)
5079	Arcil-Trust-2025C-018	0.00%	-0.60	0.00%	(0.60)	0.00%	-	0.00%	(0.60)
8962	Arcil-Trust-2025C-003	-0.01%	-29.36	-0.09%	(29.36)	0.00%	-	-0.09%	(29.36)
8963	Arcil-Trust-2025C-004	-0.08%	-205.40	-0.65%	(205.40)	0.00%	-	-0.65%	(205.40)
8964	Arcil-Trust-2025C-006	-0.01%	-24.46	-0.08%	(24.46)	0.00%	-	-0.08%	(24.46)
8966	Arcil-Trust-2025C-008	-0.01%	-17.97	-0.06%	(17.97)	0.00%	-	-0.06%	(17.97)
8968	Arcil-Trust-2025-005	-0.05%	-127.43	-0.40%	(127.43)	0.00%	-	-0.40%	(127.43)
8970	Arcil-Trust-2025C-010	0.00%	-7.84	-0.02%	(7.84)	0.00%	-	-0.02%	(7.84)
8971	Arcil-Trust-2025C-009	0.00%	-8.46	-0.03%	(8.46)	0.00%	-	-0.03%	(8.46)
8972	Arcil-Trust-2025-008	-0.13%	-353.42	-1.12%	(353.42)	0.00%	-	-1.12%	(353.42)
8973	Arcil-Trust-2025C-012	-0.01%	-24.55	-0.08%	(24.55)	0.00%	-	-0.08%	(24.55)
8974	Arcil-Trust-2025C-011	0.00%	-4.91	-0.02%	(4.91)	0.00%	-	-0.02%	(4.91)
8975	Arcil-Trust-2025C-014	0.00%	-3.63	-0.01%	(3.63)	0.00%	-	-0.01%	(3.63)
8977	Arcil-Trust-2025-015	-0.05%	-129.03	-0.41%	(129.03)	0.00%	-	-0.41%	(129.03)
8978	Arcil-Trust-2025-016	-0.04%	-102.73	-0.33%	(102.73)	0.00%	-	-0.33%	(102.73)
8979	Arcil-Trust-2025C-016	0.00%	-2.12	-0.01%	(2.12)	0.00%	-	-0.01%	(2.12)
8980	Arcil-Trust-2025-010	-0.01%	-24.19	-0.08%	(24.19)	0.00%	-	-0.08%	(24.19)
8981	Arcil-Trust-2025C-017	0.00%	-0.39	0.00%	(0.39)	0.00%	-	0.00%	(0.39)
	Associates (Investment as per Equity method)								
1279	Arcil-AST-003-IV-Trust	0.00%	-	0.24%	74.10	0.00%	-	0.24%	74.10
5064	Arcil-SBPS-022-II Trust	0.00%	-	0.00%	1.02	0.00%	-	0.00%	1.02
5065	Arcil-SBPS-022-III-Trust	0.00%	-	0.00%	(0.65)	0.00%	-	0.00%	(0.65)
5067	Arcil-SBPS-022-IV Trust	0.00%	-	0.05%	14.76	0.00%	-	0.05%	14.76
8916	Arcil-Retail Port-046-A-T	0.00%	-	0.13%	38.84	0.00%	-	0.13%	38.84

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March 2026

(₹ in Lakhs)

Trust Code	Name of Enterprise	Net assets i.e Total Assets Minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		%	Amount	%	Amount	%	Amount	%	Amount
3APA	Arcil-CPS-002-V TrustScheme A	0.00%	-	0.00%	0.11	0.00%	-	0.00%	0.11
8934	Arcil-Retail Loan Portfolio-022-A-Trust	0.00%	-	0.14%	43.52	0.00%	-	0.14%	43.52
3064	Arcil-CPS-081-I-Trust	0.00%	-	-0.01%	(3.59)	0.00%	-	-0.01%	(3.59)
5077	ARCIL-TRUST-2024-001	0.00%	-	-0.25%	(76.84)	0.00%	-	-0.25%	(76.84)
8982	Arcil-Trust-2025-013	0.00%	-	0.00%	(0.52)	0.00%	-	0.00%	(0.52)
8984	Arcil-Trust-2025-012	0.00%	-	0.00%	(1.26)	0.00%	-	0.00%	(1.26)
8986	Arcil-Trust-2025-018	0.00%	-	0.00%	(0.44)	0.00%	-	0.00%	(0.44)
	Total	**101.33%**	**269,858.30**	**130.16%**	**40,366.78**	**100.00%**	**(130)**	**130.29%**	**40,237.13**
	Inter Company Elimination / Consolidation Adjustments	**1.07%**	**2,853.59**	**-23.91%**	**(7,416.08)**	**0.00%**		**-24.01%**	**(7,416.08)**
	Net Total	**102.40%**	**272,711.89**	**106.25%**	**32,950.71**	**100.00%**	**(130)**	**106.27%**	**32,821.06**
	Non Controlling Interest in all subsidiaries	**-2.40%**	**-6,397.88**	**-6.25%**	**(1,937.80)**	**0.00%**	**-**	**-6.27%**	**(1,937.80)**
	Grand Total	**100.00%**	**266,314.01**	**100.00%**	**31,012.91**	**100.00%**	**(130)**	**100.00%**	**30,883.26**

Notes forming part of the Standalone Financial Statements

for the year ended 31st March 2026

j) As on 31-Mar-2026, the Company has acquired assets as a Resolution Applicant under Insolvency and Bankruptcy Code, 2016 (IBC). Consequently the disclosure as required in Point 13(vi) and 13(vii) of Reserve Bank of India notification DoR. SIG.FIN.REC.75/26.03.001/2022-23 dated 11 October 2022 is as below:-.

Name of the asset	Date of acquisition	Type o the Asset	Value of the Asset	Sectorwise Distribution	Resolution status
Unimark Remedies Ltd	May 25, 2023	Pharmaceutical & Health Care	3351.35	100%	Resolution plan submitted by Arcil alongwith Shamrock and Intas, was approved by NCLT in April 2023, post which required contribution was transferred to the Resolution Professional in May 2023. Arcil has executed the assignment agreement with all the lenders. Restructuring agreement, shareholder agreement and other related documents have agreed upon between Shamrock & Arcil and the same are expected to be executed shortly.

k) Disclosure pursuant to Reserve Bank of India notification DOR.ACC.REC.No.104/21.07.001/2022-23 dated 20 February 2023 pertaining to Implementation of Indian Accounting Standards (Ind AS):

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
A. Outstanding amount of unrealised management fee	13,975.88	8,212.07
Out of the above, amount outstanding for:		
B. (a) Amounts where the net asset value of the security receipts has fallen below 50 per cent of the face value	0.84	6.08
C. (b) Other amounts unrealised for:		
(i) More than 180 days but upto 1 year	2,147.66	790.02
(ii) More than 1 year but upto 3 years	3,842.68	1,916.27
(iii) More than 3 years	7.40	167.42
D. Allowances held for unrealised management fee (on B & C)	745.42	414.90
E. Net unrealised management fee receivable(B+C-D)	5,253.15	2,464.89

Notice

Notice is hereby given that the 24th Annual General Meeting of the Members of Asset Reconstruction Company (India) Limited will be held on Thursday, 27th day of August, 2026 at 4:00 P.M. through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM"), in accordance with the applicable provisions of the Companies Act, 2013 read with MCA General Circular No. 03/2025, 09/2024, 09/2023, 10/2022, 02/2022, 21/2021, 19/2021, 02/2021, 20/2020, 17/2020 and 14/2020 dated September 22, 2025, September 19, 2024, September 25, 2023, December 28, 2022, May 5, 2022, December 14, 2021, December 8, 2021, January 13, 2021, May 5, 2020, April 13, 2020 and April 8, 2020, respectively, to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the audited financial statements (including the consolidated financial statements) of the Company as at March 31, 2026, the Auditor's Report and the Director's Report thereon, in this regard, to consider and if thought fit, to pass the following resolution:

   "RESOLVED that the audited financial statements (including the consolidated financial statements) of the Company as of March 31, 2026, the Auditor's Report and the Directors' Report thereon, submitted to this Meeting, are hereby adopted.**"**

2. To declare a dividend on equity shares at a rate of 10% per equity shares for the financial year ended March 31, 2026 and, in this regard, to consider and if thought fit, to pass the following resolution:

   "RESOLVED that a dividend at the rate of 10% per equity shares amounting to ₹ 1/- (One rupee only) per equity share of ₹ 10/- (Ten rupees only) each fully paid-up of the Company, as recommended by the Board of Directors, be and is hereby declared for the financial year ended March 31, 2026 and the same be paid out of the profits of the Company.**"**

3. To appoint a Director in place of Mr. Ashish Shukla (DIN: 09145210) who retires by rotation and, being eligible, offered himself for re-appointment, in this regard, to consider and if thought fit, to pass the following resolution:

   "RESOLVED that Mr. Ashish Shukla (DIN: 09145210), who retires by rotation at this meeting and being eligible, has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.**"**

Special Business:

4. **To consider and if thought fit, to pass, with or without modification(s) the following resolution as a Special Resolution:**

   "RESOLVED that pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Rules made thereunder, read with Schedule IV of the said Act (including any statutory modification or re-enactment thereof for the time being in force), and subject to approval of the Reserve Bank of India, Mr. Balachander Rajaraman (DIN: 08012912), whose re-appointment as an Independent Director is recommended by the Nomination and Remuneration Committee and the Board of Directors of the Company, and in respect of whom the Company has received a notice in writing proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013 and submitted a declaration that he meets criteria of independence as provided in Section 149(6) of the Act, be and is hereby re-appointed as an Independent Director of the Company for a second term of three years i.e. up to October 30, 2029, and shall not be liable to retire by rotation."

By Order of the Board,

Ameet Kela
Company Secretary and Compliance Officer
Membership No.: F7934

Registered office:
"The Ruby", 10th Floor,
29, Senapati Bapat Marg,
Dadar (West),
Mumbai – 400 028
CIN: U65999MH2002PLC134884

Place: Mumbai
Date: July 30, 2026

NOTES:

1. In terms of the MCA General Circular No. 03/2025, 09/2024, 09/2023, 10/2022, 02/2022, 21/2021, 19/2021, 02/2021, 20/2020, 17/2020 and 14/2020 dated September 22, 2025, September 19, 2024, September 25, 2023, December 28, 2022, May 5, 2022, December 14, 2021, December 8, 2021, January 13, 2021, May 5, 2020, April 13, 2020 and April 8, 2020, respectively, the businesses set out in the Notice will be transacted by the members through e-voting.

2. Pursuant to Section 20(2) of the Companies Act, 2013 read with Rule 35 of the Companies (Incorporation) Rules, 2014, as amended, companies are permitted to send official documents to their shareholders electronically.

3. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote at the meeting.

4. In view of the circulars issued by the MCA, no proxy shall be appointed by the members. However, corporate members are required to send to the Company, a certified copy of the Board Resolution, pursuant to section 113 of the Companies Act 2013, authorizing their representative to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.

5. The Notice along with the explanatory statement for this Meeting shall be available on the Corporate Governance section of the website of the Company www.arcil.co.in. All documents referred to in the Notice and the statutory registers along with other requisite documents as required by the members shall be made available only in electronic form for inspection and can be requested up to the date of Annual General Meeting at cs@arcil.co.in.

6. Details of Director retiring by rotation / seeking appointment/ re-appointment at the ensuing Meeting are provided in the "Annexure" to the Notice.

7. In compliance with the aforesaid MCA Circulars, Notice of the AGM as well as the weblink for joining the meeting is being sent only through electronic mode to those members whose email addresses are registered with the Company.

8. Those shareholders whose email IDs are not registered, are requested to register their email ID with the Company, by providing their Name, Address, email ID, PAN, DP ID/Client ID or Folio Number and Number of shares held by them by sending an email to cs@arcil.co.in.

9. In accordance with the aforementioned MCA Circulars, the Company will be using Zoom Video Communication facility for providing the Audio-Visual facility to the members for participating in the Meeting. The members are requested to follow the following instructions in order to participate in the Meeting through Audio-Visual mechanism:

   a) The login-id and password for joining the meeting has been separately provided along with this Notice;

   b) The facility for joining the Meeting shall be kept open 15 minutes before the time scheduled to start the meeting i.e. 3:45 p.m. and 15 minutes after the expiry of the said scheduled time;

   c) Members who hold shares in dematerialised form are requested to furnish their Client ID and DP ID Nos. for easy identification of attendance at the Meeting;

   d) Participation of single member shall only be allowed at a time;

   e) Queries on the accounts and operations of the Company or the businesses covered under the Notice may be sent to cs@arcil.co.in at least seven days in advance of the meeting so that the answers may be made readily available at the meeting;

   f) Members are requested to e-mail at cs@arcil.co.in or call at 022 66581358 in case of any technical assistance required at the time of log in/ assessing/ e-voting at the Meeting through Audio-Visual facility;

10. The scheduled venue of the meeting as set forth in the notice convening the meeting, shall be deemed to be held at registered office of the Company and all recordings of the proceedings at the meeting shall be deemed to be held at registered office of the Company.

11. The attendance of the members attending the AGM through VC / OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act.

12. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and the Secretarial Standard on General Meetings (SS-2) issued by the ICSI (as amended), and the Circulars issued by the Ministry of Corporate Affairs from time to time the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as e-voting on the date of the AGM will be provided by NSDL. Instructions of e-Voting will be shared separately with the shareholders as Annexure.

13. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at https://www.arcil.co.in/about-us/corporate-governance. The AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

14. Members are requested to contact the Company's Registrar & Share Transfer Agent, i.e. 'MUFG Intime India Private Limited' for reply to their queries/ redressal of complaints, if any, or contact at e-mail: cs@arcil.co.in or call at 022 66581358.

15. Subject to approval of the Members at the AGM, the dividend will be paid within the timelines prescribed under Companies Act, 2013 from the conclusion of the AGM, to the Members whose names appear on the Company's Register of Members as on the Record Date, and in respect of the shares held in dematerialised mode, to the Members whose names are furnished by National Securities Depository Limited & Central Depository Services (India) Limited as beneficial owners as on that date.

16. The Record date for the purpose of determining the shareholders eligible to receive dividend shall be August 17, 2026.

17. The Register of Members of the Company shall remain closed from Thursday, August 17, 2026 to Thursday, August 27, 2026 (both days inclusive).

18. Payment of dividend shall be made through electronic mode to the Members who have updated their bank account details. Cheque / demand drafts will be dispatched to the registered address of the Members who have not updated their bank account details. Members are requested to register / update their complete PAN detail, bank details with the Depository/ Company for demat shares. The dividend is subject to applicable taxes in the hands of the shareholders and the company shall therefore be required to deduct tax at source at the applicable rates.

19. Since the AGM will be held through VC/OAVM, the route map, proxy form and attendance slip are not attached to this notice.

By Order of the Board,

Ameet Kela
Company Secretary and
Compliance Officer
Membership No.: F7934

Registered office:
"The Ruby", 10th Floor,
29, Senapati Bapat Marg,
Dadar (West),
Mumbai – 400 028
CIN: U65999MH2002PLC134884

Place: Mumbai
Date: July 30, 2026

Explanatory Statement

[Pursuant to Section 102 of the Companies Act, 2013]

Agenda No.: 4

The Shareholders at their meeting held on September 27, 2024 had approved the appointment of Mr. Balachander Rajaraman (DIN: 08012912) as Independent Director of the Company for an initial term of three years i.e. till October 31, 2026. As per Article 144A of the Articles of Association of the Company, an independent director shall hold office for a term up to three consecutive years on the Board of the Company and shall not hold office for more than two consecutive terms of up to three years each. Further, re-appointment of any Director on the Board requires prior approval of the Reserve Bank of India ("RBI") as prescribed under RBI (Asset Reconstruction Companies (ARCs)) Directions, 2025, DoR.FIN.REC.No.293/ 26.03.001/2025-26 dated November 28, 2025 and as per the provisions of the Companies Act, 2013, the re-appointment of independent director shall be approved by the Company by passing a Special Resolution in a General Meeting.

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee have re-appointed Mr. Balachander Rajaraman as an Independent Director on the Board of Arcil, not being liable to retire by rotation, for a second term of three years i.e. up to October 30, 2029, subject to approval of the shareholders and subject to the approval of the RBI for re-appointment of Mr. Balachander Rajaraman for a second term of three years.

The brief profile of Mr. Balachander Rajaraman is as under:

Mr. Balachander Rajaraman is the Non-Executive Independent Director of our Company. He holds a Bachelor's Degree in Commerce from University of Delhi, and is also a Chartered Accountant. He was previously associated with Ernst and Young as a partner and Thakur Vaidyanath Aiyar & Co as a partner. He has more than 29 years of working experience. His areas of expertise include accounting and audit, taxation, and restructuring/insolvency proceedings. He is currently a member of the Indian Institute of Insolvency Professionals, ICAI. Further, he had been associated with PHD Chamber of Commerce and Industry.

Mr. Balachander Rajaraman has given declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Act. In the opinion of the Board, he fulfills the conditions specified in the Act and the Rules framed thereunder for re-appointment as Independent Director of the Company.

The terms and conditions of re-appointment of Mr. Balachander Rajaraman shall be open for inspection by the members at the Registered Office during office hours between 11.00 a.m. to 5.00 p.m. except on Saturdays, Sundays and Holidays.

Based on the performance evaluation, the recommendation of the Nomination and Remuneration Committee and considering the qualifications, experience and valuable contribution being made by Mr. Balachander Rajaraman, to keep a proper balance of professional experience on the Board and to effectively avail his services for the Company particularly in the emerging business scenario, the Board recommends the Special Resolution under the provisions of Section 149 of the Companies Act, 2013 at Agenda No. 4 of the accompanying notice for approval by the members of the Company.

Save and except Mr. Balachander Rajaraman, none of the other directors of the Company or the Key Managerial Personnel or their relatives is, in any way, concerned or interested in the said resolution.

Annexure

Details of the Directors seeking appointment / re-appointment at the ensuing Annual General Meeting (in pursuance of Secretarial Standard - 2 on General Meetings)

Name of the Director	Mr. Ashish Shukla	Mr. Balachander Rajaraman
Date of Birth (Age)	July 6, 1967 (59)	November 20, 1957 (68)
Date of first Appointment	September 06, 2022	November 1, 2023
Expertise in specific functional areas	Mr. Ashish Shukla was previously associated with Westover Advisors in Singapore as a senior strategic and restructuring advisor and advised companies in South East Asia and South Asia on restructuring, value creation and turnaround. He has also been associated with Income Partners Asset Management (HK) Limited as an executive director and senior portfolio manager (special situations). He has been associated with Clearwater Capital Partners Singapore Limited as the vice president where he managed the asset management, restructuring and company turnaround initiatives throughout its portfolios and with Concordia Advisors (Singapore) Pte. Limited where, as a distressed debt analyst, Ashish was responsible for investing, restructuring and asset management for portfolio companies. He has experience in structured credit, acquisition/project finance and special-situation private investing. He is presently associated with Avenue India Resurgence Pte. Ltd. in the capacity of a director and is responsible for asset management and investment advice for Asia strategy.	Mr. Balachander Rajaraman was previously associated with Ernst and Young as a partner and Thakur Vaidyanath Aiyar & Co as a partner. He has more than 29 years of working experience. His areas of expertise include accounting and audit, taxation, and restructuring/insolvency proceedings. He is currently a member of the Indian Institute of Insolvency Professionals, ICAI. Further, he had been associated with PHD Chamber of Commerce and Industry.
Qualifications	Master's degree in business administration from the A.B. Freeman School of Business, Tulane University, New Orleans, Louisiana.	Bachelor's degree in commerce from University of Delhi, and Chartered Accountant.
Terms and Conditions of appointment or re-appointment	As per the resolution at agenda no. 3 of the Notice convening this Meeting, Mr. Ashish Shukla is proposed to be re-appointed as a Director of the Company, liable to retire by rotation.	As per the resolution at agenda no. 4 of the Notice convening this Meeting, Mr. Balachander Rajaraman is proposed to be re-appointed as an Independent Director of the Company for a second term of 3 years i.e. up to October 30, 2029.
Other Directorships as on July 30, 2026	1. Meraprime Investments Limited 2. Northoak Investments Limited 3. Ecoville Investments Limited 4. Rainflower Investments Limited 5. Twinview Investments Limited 6. Havelock Investments Limited 7. Coastline Investments Limited 8. Land Registration Systems, Inc 9. Coastline Co-investments Limited 10. Avenue India Resurgence Pte. Ltd. 11. Corval Avenue Limited	Nil

Name of the Director	Mr. Ashish Shukla	Mr. Balachander Rajaraman
Committee positions held in other Companies as on July 30, 2026	Land Registration Systems, Inc Member: (a) Audit Committee (b) Remuneration Committee	Nil
Remuneration Last drawn	Nil	Nil
Remuneration sought to be paid	Nil	Nil
No. of Board Meetings attended during the year (FY 2025-26)	15	15
No. of shares held: • **Own** • **For other persons on beneficial interest**	Nil	Nil
Relationship with other Directors and other Key Managerial Personnel of the company	None	None