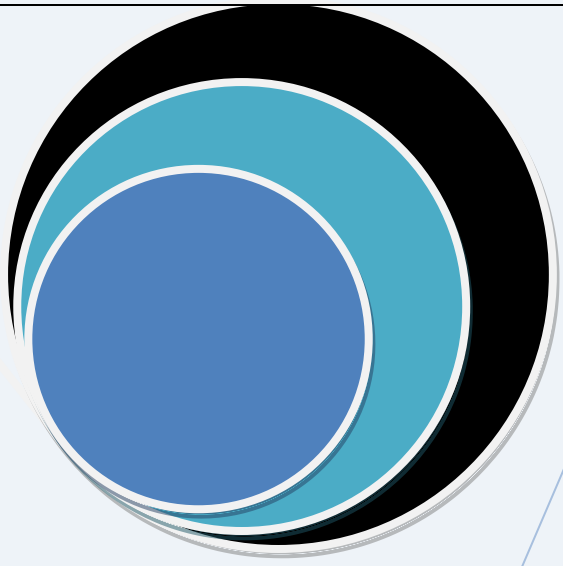
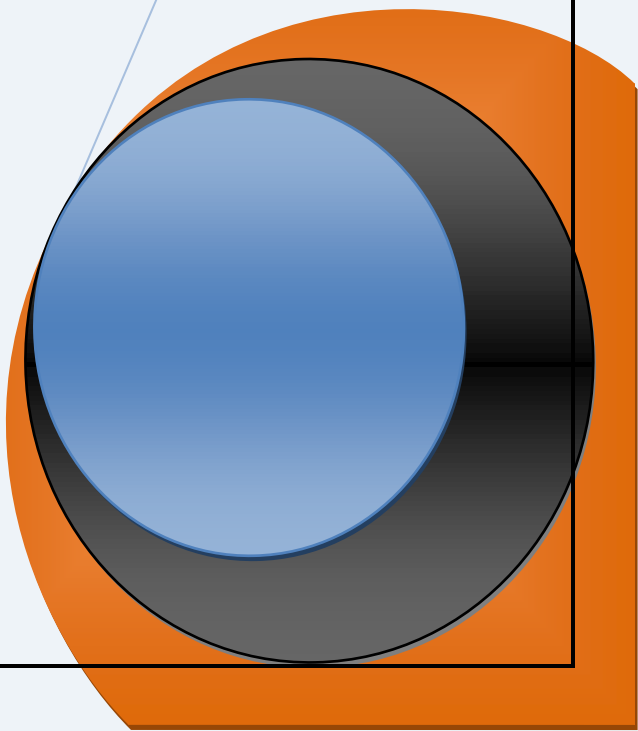
ARC FINANCE LIMITED





***44th* ANNUAL REPORT**
2025-26



CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Virendra Kr Soni	Executive Director
Mrs. Shikha Singhal	Executive Director
Mr. Asis Banerjee	Independent Director
Mr. Gopal Singh	Independent Director
Mrs. Aparna Sharma	Independent Director
Mr. Somnath Chitrakar	Executive Director

Mr. Virendra Kumar Soni	Managing Director
Mr. Somnath Chitrakar	Chief Financial Officer
Mrs. Sweety Agarwal	Company Secretary

STATUTORY AUDITOR

SSRV& ASSOCIATES.
Chartered Accountants
FRN: 135901W
Mumbai

INTERNAL AUDITOR

OP Khajanchi & Co.
Chartered Accountants
FRN: 330280E

SECRETARIAL AUDITOR

Mr. Akhil Agarwal
Practicing Company Secretary
CP No. – 16313

AUDIT COMMITTEE

Mr. Asis Banerjee	Chairman
Mr. Gopal Singh	Member
Mrs. Aparna Sharma	Member
Mrs. Shikha Singhal	Member

NOMINATION & REMUNERATION COMMITTEE

Mr. Gopal Singh	Chairman
Mr. Asis Banerjee	Member
Mrs. Aparna Sharma	Member

STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. Asis Banerjee	Chairman
Mr. Gopal Singh	Member
Mrs. Aparna Sharma	Member
Mrs. Shikha Singhal	Member

BANKERS

IndusInd Bank Ltd.
ICICI Bank Ltd.

REGISTERED OFFICE

18, Rabindra Sarani,
Poddar Court, Gate No.4,
4th Floor, Room No.3,
Kolkata-700001

REGISTRAR & SHARE TRANSFER AGENTS

M/s. ABS CONSULTANT PVT. LTD,
Stephen House, Room No. 99, 6th Floor,
4, B.B.D Bagh (E), Kolkata- 700001
Phone Nos.: (033) 2230-1043, 2243-0153,
Email Id: absconsultant99@gmail.com

LISTED AT: The BSE Limited, CSE Limited

WEBSITE: www.arcfinance.in

ARC FINANCE LIMITED

18, RABINDRA SARANI, PODDAR COURT, GATE NO.4,
4TH FLOOR, ROOM NO.3, KOLKATA-700001
CIN NO. L51909WB1982PLC035283; Email.ID. arcfinancelimited@gmail.com;
www. arcfinance.in; Contact. No. 9830286229

NOTICE OF THE 44TH ANNUAL GENERAL MEETING

Notice is hereby given that the 44th Annual General Meeting of the Members of **ARC Finance Limited** will be held on Wednesday, 30th September, 2026 at 2:30 P.M., through Video Conferencing ('VC')/Other Audio-Visual Means ('OAVM') to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2026, the report of the Auditors' thereon and the report of the Board of Directors.

To consider, and if thought fit, to pass, with or without modification(s), the following resolution, as an ordinary resolution:

"**RESOLVED THAT** the Audited Financial Statements of the Company for the financial year ended March 31, 2026, the report of the auditors' thereon and the report of the Board of Directors for the financial year ended March 31, 2026, placed before the 44th Annual General Meeting be and are hereby received, considered and adopted."

2. To appoint a director in place of Mrs. Shikha Singhal Executive Director, who retires by rotation and being eligible, offers himself for re - appointment.

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013 and other applicable provisions, if any, **Mrs. Shikha Singhal (DIN: 9720474)**, who retires by rotation at this Annual General Meeting and being eligible, offers himself for reappointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

For and on behalf of the Board

Date: 04.09.2026
Place: Kolkata

ARC Finance Limited

Sd/-
Sweety Agarwal
Company Secretary

NOTES:

1. Pursuant to the General Circular No. 09/2024 dated September 19, 2024, issued by the Ministry of Corporate Affairs (MCA) and circular issued by SEBI vide circular no. SEBI/ HO/ CFD/ CFDPoD-2/ P/ CIR/ 2024/ 133 dated October 3, 2024 ("SEBI Circular") and other applicable circulars and notifications issued (including any statutory modifications or re-enactment thereof for the time being in force and as amended from time to time, companies are allowed to hold EGM/AGM through Video Conferencing (VC) or other audio visual means (OAVM), without the physical presence of members at a common venue. In compliance with the said Circulars, EGM/AGM shall be conducted through VC / OAVM.

2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM/AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the EGM/AGM through VC/OAVM and participate there at and cast their votes through e-voting.

3. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.

4. The attendance of the Members attending the EGM/AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) the Secret arial Standard on General Meet ings (SS-2) issued by the ICSI and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (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 EGM/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 EGM/AGM will be provided by NSDL.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the EGM/AGM has been uploaded on the website of the Company at www.arcfinance.in. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the EGM/AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

7. EGM/AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular issued from time to time.

8. In compliance with Regulation 36(1)(b) of the SEBI LODR Regulations, a letter is being sent to the shareholders whose email addresses are not registered with the Company/DP, providing a web-link for accessing the Annual Report 2025- 26.

9. Members holding shares in dematerialized mode are requested to intimate the same to their respective Depository Participants.

10. All documents referred to in the accompanying Notice, the Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 and other Statutory registers & records as stipulated under the Act shall be open for inspection at the Registered Office of the Company during (3:00 pm to 5:00 pm) on all working days, up to and including the date of the Annual General Meeting of the Company.

11. In terms of Sections 101 and 136 of the Act read with the relevant Rules made thereunder and Regulation 34 and 36 of the Listing Regulations read with SEBI/HO/DDHS/DDHS-PoD-1/P/CIR/2025/8 dated June 05, 2025, Companies can send Annual Reports and other communications through electronic mode. The Company is sending this AGM Notice along with the Annual Report for FY25 in electronic form only to those Members whose email addresses are registered with the Company/ RTA/ NSDL and/or Central Depository Services (India) Limited ('CDSL'), (NSDL and CDSL collectively 'Depositories'). The Company shall send the physical copy of the Annual Report for FY25 only to those Members who specifically request for the same at arcfinancelimited@gmail.com or absconsultant99@gmail.com mentioning their Folio numbers/DP ID and Client ID. The Notice convening the AGM and the Annual Report for FY26 have been uploaded on the website of the Company at www.arcfinance.in, the website of BSE Limited ('BSE') at www.bseindia and the website of National Stock Exchange of India Limited ('NSE') at www.nseindia on which the equity shares of the Company are listed and on the website of NSDL at www.evoting.nsdl.

The Company has sent a letter by physical mode to those shareholders who have not registered their email addresses with the Company or with their respective Depository Participants.

The said letter provides the web-link along with the exact path to access the Annual Report for the financial year 2025-26 and the Notice of the AGM, which are available on the Company's website at **www.arcfinance.in**

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on **Sunday, 27th September, 2026 at 9:00 A.M. and ends on Tuesday, 29th September, 2026 at 5:00 P.M.** The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the

record date (cut off date) i.e. **23rd September, 2026 (Wednesday)**, may cast their vote electronically. The voting right of shareholders shall be in

proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being **23rd September, 2026.**

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	**Login Method**
Individual Shareholders holding securities in demat mode with NSDL.	1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service**

	provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 3. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 4. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 5. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-

	Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000

Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	**Your User ID is:**
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12********** then your user ID is 12**********
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
      (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
   a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to **akhilkumaragarwal@ymail.com** with a copy marked to evoting@nsdl.com . Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request at evoting@nsdl.com .

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to arcfinancelimited@gmail.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16-digit DPID + CLID or 16-digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to arcfinancelimited@gmail.com. If you are an Individual shareholder holding securities in demat mode, you

are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**.

3. Alternatively, shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER: -

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views/have questions may send their questions in advance at least 10 days before the date of AGM mentioning their name, demat account number/folio number, email id, mobile number at arcfinancelimited@gmail.com. The same will be replied by the company suitably.

6. Shareholders who would like to express their views/ask questions as a speaker at the Meeting may pre-register themselves by sending a request from their registered e-mail address

mentioning their names, DP ID and Client ID/folio number, PAN and mobile number at arcfinancelimited@gmail.com between 8th September, 2026 , 11:00 a.m. (IST) and 27th September, 2026, 6:00 p.m. (IST). Only those Shareholders who have pre-registered themselves as a speaker will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

7. Shareholders attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

For and on behalf of the Board

Date: 04.09.2026
Place: Kolkata

ARC Finance Limited

Sd/-
Sweety Agarwal
Company Secretary

Annexure to the Notice

Annexure –A

Details of Directors seeking appointment/re-appointment at the 44th Annual General Meeting

(Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on General Meetings)

Name of the Director	Mrs. Shikha Singhal
Director Identification Number (DIN)	9720474
Age	37 years
Date of First Appointment on the Board	11-03-2025
Current Position	Executive Director
Brief Profile, Experience & Expertise in specific functional areas	She is an integral part of decision-making process in consultation with the Board and operation, activity, management and growth of company making.
Relationship between Directors, Managers and other Key Managerial Personnel of the Company	None
Board Membership of other Listed Companies as on March 31, 2026	1
Name of the listed entities from which the person has resigned in the past three years	Nil
Number of Shares held in the Company as of March 31, 2026	Nil
Terms and conditions of appointment/reappointment	Terms and conditions of appointment/reappointment remains the same.

For and on behalf of the Board

Date: 04.09.2026
Place: Kolkata

ARC Finance Limited

Sd/-
Sweety Agarwal
Company Secretary

BOARD'S REPORT

To
The Members,

The Directors have pleasure in presenting before you the 44th Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2026.

1. FINANCIAL PERFORMANCE OF THE COMPANY

The performance during the period ended 31st March, 2026 has been as under:

(Rs. In Hundred)

Particular	2025-26	2024-25
Revenue from operations	28,06,135.64	23,29,604.08
Other Income	2,500.00	-
Total Income	28,08,635.64	23,29,604.08
Less: Expenditure	26,51,832.19	16,93,064.5
Profit before Interest, Depreciation and Tax	1,56,803.45	6,36,539.58
Less: Interest	37,575.88	1,68,686.48
Less: Depreciation & Amortisation cost	21,302.00	20,224.39
Profit before Tax	97,925.57	4,47,628.72
Less: Tax Expense: • **Current Tax** • **Deferred Tax**	25,460.64	1,16,383.47
Net Profit after Tax	72,464.93	3,31,245.25

2. REVIEW OF OPERATIONS

The Total Income of the Company stood at ₹2808.64 lacs for the year ended March 31, 2026 as against ₹2329.60 lacs in the previous year. The Company made a net profit of ₹72.46 lacs for the year ended March 31, 2026 as compared to the net profit of ₹331.245 lacs in the previous year.

3. TRANSFER TO RESERVES IN TERMS OF SECTION 134 (3) (J) OF THE COMPANIES ACT, 2013

The Board has decided not to transfer any amount to the Reserves for the year under review.

4. DIVIDEND:

The Company has not declared any Dividend during the period under review.

5. TRANSFER OF UNPAID AND UNCLAIMED DIVIDENDS TO INVESTOR EDUCATION AND PROTECTION FUND

The Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

6. **SHARE CAPITAL**

The paid-up equity capital as on March 31, 2026 was Rs. 87,15,09,623.

7. **MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT**

Management's Discussion and Analysis Report for the year under review, in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") and SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 (the "Amended Listing Regulations"), is presented in a separate section forming part of the Annual Report.

8**. CHANGE IN NATURE OF BUSINESS, IF ANY**

There has been no change in nature of business of the Company during the FY under review.

9. **FRAUD REPORTING**

There have been no frauds reported by the Auditors of the Company to the Audit Committee or the Board of Directors under sub-section (12) of section 143 of the Companies Act, 2013 during the financial year.

10**. DISCLOSURES BY DIRECTORS**

The Board of Directors have submitted notice of interest in Form MBP 1 under Section 184(1) as well as intimation by directors in Form DIR 8 under Section 164(2) and declarations as to compliance with the Code of Conduct of the Company.

11. **REMUNERATION POLICY:**

The Company has framed a Nomination and Remuneration Policy pursuant to Section 178 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 details of which along with the roles and responsibilities of respective members have been placed on the website of the company viz. http://arcfinance.in/policies.html as “Committees of Board of Directors”

12. **MATERIAL CHANGES AND COMMITMENTS**

There have been no material changes and commitments, which affect the financial position of the Company which have occurred between the end of the FY and the date of this Report.

13. **EXTRACT OF ANNUAL RETURN:**

The Annual Return of the Company as on 31st March, 2026 will be available on the website of the Company at http://arcfinance.in/corp.html

14**. FAMILIARISATION PROGRAMME FOR DIRECTORS**

As a practice, all Directors (including Independent Directors) inducted to the Board go through a structured orientation programme. Presentations are made by Senior Management giving an overview of the operations, to familiarise the new Directors with the Company's business operations. The Directors are given an orientation on the products of the business, Board constitution and procedures, matters reserved for the Board, and the major risks and risk management strategy of the Company.

During the year under review, no new Independent Directors were inducted to the Board.

15. **DIRECTORS AND KEY MANANGERIAL PERSONNEL**

Since April 1, 2025 till the date of this Report, the following changes took place in the Board of Directors and the Key Managerial Personnel (in the order of their occurrence):

(a) No Changes

16. **BOARD MEETINGS:**

The Company held five meetings of its Board of Directors during the year on May 28, 2025, August 8, 2025, August 26, 2025, November 13, 2025, February 10, 2026.

17. **BOARD EVALUATION:**

Your Board has devised an Evaluation Policy for evaluating the performance of the Board, its Committees, Executive Directors, and Independent Directors. Based on the same, the performance was evaluated for the financial year ended March 31, 2026. As part of the evaluation process, the performance of Non- Independent Directors, the Chairman and the Board was conducted by the Independent Directors. The performance evaluation of the respective Committees and that of Independent and Non-Independent Directors was done by the Board excluding the Director being evaluated.

The policy inter alia provides the criteria for performance evaluation such as Board effectiveness, quality of discussion, contribution at the meetings, business acumen, strategic thinking, time commitment, and relationship with the stakeholders, corporate governance practices, contribution of the committees to the Board in discharging its functions etc.

The Board carried out formal annual evaluation of its own performance and that of its Committees viz., the Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee (NRC). The Board also carried out the performance evaluation of all the individual directors including the Chairman of the Company.

18. **CORPORATE SOCIAL RESPONSIBILITY**

The Company does not fall under the criteria laid under the provisions of Section 135 of the Act and rules framed there under. Therefore, the provisions of Corporate Social Responsibility are not applicable to the Company.

19. **AUDITORS:**

i. <u>Statutory Auditors:</u>

Pursuant to the provisions of Section 139 of the Companies Act, 2013, the Companies (Audit and Auditors) Rules, 2014, (including any re-enactment or modification thereto), and such other applicable provisions, if any, M/s. SSRV & Associates, Chartered Accountants, Mumbai with Firm Registration Number 135901W were appointed as the Statutory Auditors of the Company at a remuneration as may be mutually agreed to, between the Board of Directors and M/s. SSRV & Associates, Chartered Accountants, to hold office of Statutory Auditor for the period of 5 years till the conclusion of Annual Meeting of the Company to be held in the year 2027.

ii. **Secretarial Auditor:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed **Mr. Akhil Agarwal**, Company Secretary in Practice (CP No. 16313), to undertake the Secretarial Audit of the Company for the F.Y. 2025-26. The Secretarial Audit Report for F.Y. 2025-26 is annexed herewith as *"Annexure A".*

iii. ***Cost Auditor:***

Cost Audit is not applicable to the Company as per provisions of Section 148 of the Companies Act, 2013.

iv. ***Internal Auditor:***

The Board of Directors, based on the recommendation of the Audit Committee and pursuant to the provisions of section 138 of the Act read with the Companies (Accounts) Rules, 2014, has appointed ***M/s. O P Khajanchi & Co, Chartered Accountants, Kolkata*** *as the Internal Auditors of the Company for the financial year 2025-26.*

20. ***AUDITOR'S REPORT:***

(a) Statutory Auditors Report:

The Board has duly reviewed the Statutory Auditor's Report on the Accounts for the year ended March 31, 2026 and has noted that the same does not have any reservation or adverse remarks.

(b) Secretarial Audit Report:

The Board has duly reviewed the Secretarial Audit Report on the Compliances according to the provisions of section 204 of the Companies Act 2013, and the same does not have any reservation, qualifications or adverse remarks.

21. **PARTICULARS OF EMPLOYEES AND REMUNERATION**

During the period under review, no employee of the Company drew remuneration in excess of the limits specified under the provisions of section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and hence no disclosure is required to be made in the Annual Report.

22. **VIGIL MECHANISM:**

In pursuance of the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for Directors and Employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at http://arcfinance.in/policies.html .

23. **INTERNAL CONTROL SYSYEM AND THEIR ADEQUACY**

The Company has in place adequate internal financial controls system with reference to financial statements. The scope of work includes review of process for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. During the year, such controls were tested and no reportable weakness in the design or operation was observed.

24. **RISK ASSESSMENT AND MANAGEMENT:**

Our Company has been on a continuous basis reviewing and streamlining its various operational and business risks involved in its business as part of its risk management policy. Our Company also takes all efforts to train its employees from time to time to handle and minimize these risks.

25. **LISTING WITH STOCK EXCHANGES:**

ARC Finance Limited continues to be listed on BSE Limited & CSE Limited.

26. **COMPLIANCE WITH SECRETARIAL STANDARDS:**

The Company is complying with the Secretarial Standards issued by the Institute of Company Secretaries of India with respect to Meetings of the Board of Directors and General Meetings.

27. **POLICIES AND DISCLOSURE REQUIREMENTS:**

In terms of provisions of the Companies Act, 2013 the Company has adopted policies which are available on its website http://arcfinance.in/policies.html .

28. **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:**

The required information as per rule 8(3) of the companies (Accounts) Rules, 2014 is provided hereunder:

A. Conservation of Energy:
Our Company's operations are not energy intensive. Adequate measures have been taken to conserve energy wherever possible by using energy efficient computers and purchase of energy efficient equipment.

B. Technology Absorption:
1. Research and Development (R&D): NIL
2. Technology absorption, adoption and innovation: NIL

C. Foreign Exchange Earnings and Out Go:
Foreign Exchange Earnings: NIL
Foreign Exchange Outgo: NIL

29. **PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:**

During the Financial Year, no Guarantees given by the company under section 186 of the Companies Act, 2013. Details of Loans and investments, outstanding as on 31st March, 2026 are given in the notes to the financial statements.

30. **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. Thus, Disclosure in form AOC-2 is not required. Further, during the year, the Company had not entered into any contract / arrangement /transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. All related party transactions

are placed before the Audit Committee and Board for review and approval, if required. The details of the related party transactions are set out in Note to the financial statements forming part of this Annual Report.

31. **DEPOSITS:**

Your Company did not accept / hold any deposits from public / shareholders during the year under review.

32. **RELATED PARTY TRANSACTIONS:**

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on arm's length basis. During the year, the Company had not entered into any contract/arrangement/transaction with related parties which could be considered material in accordance with the policy of the company on materiality of related party transactions.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at www.arcfinance.in

33. **SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS:**

During the period under review, there were no significant and material orders passed by the regulators or Courts or Tribunals impacting the going concern status and the company's operations in future.

34. **HUMAN RESOURCES:**

Our Company has established an organization structure that is agile and focused on delivering business results. With regular communication and sustained efforts, it is ensuring that employees are aligned on common objectives and have the right information on business evolution.

35. **DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.**

The Company has a policy of zero tolerance for sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under.

The following is the summary of sexual harassment complaints received and disposed during the calendar year.

- No. of complaints received: Nil
- No. of complaints disposed off: Nil

36. **CORPORATE GOVERNANCE:**

Pursuant to SEBI (LODR) Regulations, 2015, the report on Corporate Governance during the period under review with the Certificate issued by Akhil Agarwal., Practicing Company Secretaries, on compliance in this regards forms part of this Annual Report.

37. **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

(a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) 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;

(c) 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;

(d) The Directors had prepared the annual accounts on a going concern basis; and

(e) The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

(f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

38. **CAUTIONARY STATEMENTS:**

Statements in this Annual Report, particularly those which relate to Management Discussion and Analysis as explained in the Corporate Governance Report, describing the Company's objectives, projections, estimates and expectations may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied in the statement depending on the circumstances.

39. **ACKNOWLEDGEMENTS:**

Our Directors would like to express deep sense of appreciation for the assistance and co-operation received from the Financial Institutions, Banks, Government Authorities and Shareholders and for the devoted service by the Executives, staff and workers of the Company. The Directors express their gratitude towards each one of them.

For and on behalf of the Board
ARC Finance Limited

Date: 04.09.2026
Place: Kolkata

Sd/-
Virendra Kumar Soni
Managing Director & Executive Director
DIN No. 08554333

Sd/-
Somnath Chitrakar
Executive Director
Din No. 09678491

Sd/-
Aparna Sharma
Director
DIN No. 07006877

ANNEXURE "A" TO BOARD'S REPORT

FORM MR -3
SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2026
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
ARC Finance Limited
18, Rabindra Sarani, Poddar Court,
Gate No. 4,4th Floor, Room No.3,
Kolkata-700001

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ARC Finance Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **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.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **March 31, 2026** according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment; - **(Not Applicable to the Company during the Audit Period).**
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

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

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

c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; (SEBI LODR);

d) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

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

f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993- **Not applicable to the Company during the review period;**

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 – **Not applicable to the Company during the review period;**

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 – **Not applicable to the Company during the review period;**

i) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2014; **Not applicable to the company during the review period**

j) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not applicable to the Company during the review period.**

I have also examined compliance with the applicable clauses of the following: -

- Secretarial Standards issued by The Institute of Company Secretaries of India;
- The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

I 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.
- Proper notice is given to all Directors to schedule the Board meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice, 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.
- Majority decisions of the Board and committee meetings are carried out unanimously. There were no dissenting views by any member of the Board of Directors during the period under review.

I 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.

I further report that during the year under review, the following events or actions had a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For Akhil Agarwal
Practicing Company Secretary

Sd/-
Akhil Agarwal
Proprietor
ACS No. 35073
CP No.: 16313

Place: Kolkata
Date: 18.08.2026
UDIN NO. A035073H001140045
Peer Review No. 4237/2023

Note: This report is to be read with our letter of even date which is annexed as **"Annexure A"** and forms an integral part if this report.

"ANNEXURE-1"

To,
The Members,
ARC Finance Limited
18, Rabindra Sarani, Poddar Court,
Gate No. 4,4th Floor, Room No.3,
Kolkata-700001

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

1. Maintenance of Secretarial records 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 the test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, 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. Where ever required, we have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.

5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the 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 efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Akhil Agarwal
Practicing Company Secretary

Sd/-
Akhil Agarwal
Proprietor
ACS No. 35073
CP No.: 16313

Place: Kolkata
Date: 18.08.2026

UDIN NO. A035073H001140045
Peer Review No. 4237/2023

REPORT ON CORPORATE GOVERNANCE FOR F.Y. 2025-26
Pursuant to Regulations 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015



Our Company's Corporate Governance is an ethically driven business process that is committed to values and conduct aimed at enhancing an organization's wealth generating capacity. This is ensured by taking ethical business decisions and conducting the business with a firm commitment to values, while meeting stakeholders' expectations. Good governance practices stem from the culture and mindset of the organization and here, we are committed to meet the aspirations of all our stakeholders and believes in adopting best corporate practices for ethical conduct of business.

The detailed report on Corporate Governance for the financial year ended March 31, 2026, as per the disclosure requirements prescribed in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is set out below:

1. COMPANY'S PHILOSOPHY

Company's Philosophy on Corporate Governance is a combination of voluntary practices and compliance with laws and regulations leading to delegation of operational powers to experienced staff members, effective control, oversight mechanism, strategies and policies which are constantly reviewed and strengthened to be in alignment with market realities and overall management of the organization.

In ensuring that the desired levels of Corporate Governance practices are imbibed in the organization and with a focus on its own fiduciary & trusteeship role, the Board of Directors of the Company seeks to evolve, strengthen and adopt structures and policies which would align and direct the actions of the organization towards creating wealth and shareholder value.

2. BOARD OF DIRECTORS

An active, informed and independent Board is necessary to ensure highest standard of corporate governance. The Board lays down business strategy, sets strategic goals and seeks accountability for their fulfilment.

a. COMPOSITION OF BOARD OF DIRECTORS

The Company has maintained an optimum Combination of Executive and Non-executive Directors including one-woman directors. The Chairman of the Board is the Managing Director (Executive Category). As of March 31, 2026, the Board of Directors (the 'Board') consisted of six directors of which three are Independent Directors.

The Board considers the recommendations of the Nomination & Remuneration Committee and takes appropriate decisions in regard to continuance of and induction of new skill-sets at the Board level to ensure the availability of these experienced professionals to guide the Company in an ever-evolving business environment.

None of the Director on the Company's Board is holding office of Director in more than twenty Companies and Independent Director in more than seven listed companies. Further, none of the Director is a member of more than ten Committees and Chairman of more than five Committees across all the Companies in which he acts as Director.

b. NUMBER OF BOARD MEETINGS AND DATES ON WHICH HELD:

During the year the Board of Directors met (5) five times. The following are the dates of Board meeting: 28.05.2025, 08.08.2025, 26.08.2025, 13.11.2025, 10.02.2026 (Maximum time gap between any two consecutive meetings did not exceed 120 days)

The Compositions of The Board, Attendance at The Board Meetings Held During the FY 2025 – 2026 Under Review and at The Last Annual General Meeting, Number of Directorship in Other Companies, Memberships/Chairmanships of The Committees and Their Shareholding as on March 31, 2026 in the Company are as follows: -

Name of Director	Category	No. of Board Meetings		No. of Directorship(s) held in other Indian Public Limited Companies	Committee Position		Attendance at the last AGM held on September 20, 2025
		HELD	ATTENDED		Chairperson	Member	
Mr. Gopal Kumar Singh	NED	5	5	0	0	0	Present
Mr. Virendra Kumar Soni	ED	5	5	0	0	0	Present
Mr. Asis Banerjee	NED	5	5	1	0	0	Present
Mrs. Aparna Sharma	NED	5	5	0	0	0	Present
Mrs. Shikha Singhal	ED	5	5	1	1	0	Present
Mr. Somnath Chitrakar	ED	5	5	0	0	0	Present

Notes:

- There are no inter-se relationships between our Board members.
- Includes memberships/chairmanships of only Audit Committee and Stakeholders Relationship Committee in other public limited as well as CSE listed company, have been considered for the Committee position.
- Mrs. Aparna Sharma was a Chairman in Stakeholder Relationship Committee in Hamilton Poles Manufacturing Company Limited.
- Mrs. Shikha Singhal is the chairman of Audit Committee and Nomination Remuneration Committee of M/s. Command Polymers Ltd.

3. Independent Directors' Meeting

During the year under review, a separate meeting of the Independent Directors was held on 10th February 2026, without the attendance of Non-Independent Directors and members of Management. All the Independent Directors were present at the meeting. The following issues were discussed in detail:

i. Review the performance of non-independent directors and the Board as a whole;

ii. Review of chairman performance;

iii. Assessment of the quality, quantity and timeliness flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

4. No. Of Shares Held by the Non-Executive Directors

None of the Non-Executive Directors of the Company held any shares of the Company.

5. COMMITTEE OF THE BOARD

(a) AUDIT COMMITTEE:

The Audit Committee, as per Section 177 of Companies Act, 2013, continued working under Chairmanship of Mr. Asis Banerjee. During the year, the committee met six times with full attendance of all the members. The composition of the Audit Committee as at March 31, 2026 and details of the Members participation at the Meetings of the Committee are as under:

Name of Director	Category	Position in committee	Attendance at the Audit Committee Meetings held on				
			28.05.2025	08.08.2025	26.08.2025	13.11.2025	10.02.2026
Asis Banerjee	Independent Director	Chairman	Yes	Yes	Yes	Yes	Yes
Gopal Kumar Singh	Independent Director	Member	Yes	Yes	Yes	Yes	Yes
Aparna Sharma	Independent Director	Member	Yes	Yes	Yes	Yes	Yes

Shikha Singhal	Executive Director	Member	Yes	Yes	Yes	Yes	Yes

The Company Secretary acts as Secretary to the Committee.

Terms of Reference

The terms of reference of Audit Committee are wide enough, covering the matters specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as in Section 177 of the Companies Act, 2013, which inter alia includes the following:

i) Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
ii) Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
iii) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
iv) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
   (a) matters to be included in Directors Responsibility Statements to be included in Board's report;
   (b) Changes in accounting policies and practices and reasons for the same;
   (c) Major accounting entries involving estimates based on the exercise of judgment by management;
   (d) Significant adjustments made in the financial statements arising out of audit findings;
   (e) Compliance with listing and other legal requirements relating to financial statement;
   (f) Disclosure of related party transactions;
   (g) Qualification in draft audit report.
v) Reviewing with the management, the quarterly financial statement before submission to the board for approval;
vi) 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;
vii) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
viii) Approval or any subsequent modification of transactions of the Company with related parties;
ix) Scrutiny of inter-corporate loans and investments;
x) Valuation of undertakings or assets of the listed entity, wherever it is necessary;
xi) Evaluation of internal financial controls and risk management systems;
xii) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
xiii) 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;
xiv) Discussion with internal auditors of any significant findings and follow up there on;
xv) 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;

xvi) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

xvii) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

xviii) To review the functioning of the whistle blower mechanism;

xix) Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

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

xxi) 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.

xxii) Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

The audit committee shall mandatorily review the following information:

- Management discussion and analysis of financial condition and results of operations;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- 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).

All the Members on the Audit Committee have the requisite qualification for appointment on the Committee and possess sound knowledge of finance, accounting practices and internal controls.

The Company Secretary acts as the Secretary to the Committee.

(b) NOMINATION & REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee is constituted in compliance with the requirements of SEBI (LODR) Regulations 2015 and Section 178 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014.

During the year five (4) meeting of the committee was held on 28.05.2025, 26.08.2025, 13.11.2025, 10.02.2026, comprised of the following:

The Composition and the attendance of Directors at these meetings are as under:

Name of Director	Category	Position in the committee	Attendance at the Nomination & Remuneration Committee Meetings held on			
			28.05.2025	26.08.2025	13.11.2025	10.02.2026
Gopal Kumar Singh	Independent Director	Chairperson	Yes	Yes	Yes	Yes
Asis Banerjee	Independent Director	Member	Yes	Yes	Yes	Yes
Aparna Sharma	Independent Director	Member	Yes	Yes	Yes	Yes

The Board terms of reference and functions of the Nomination and Remuneration Committee are as follows:

I. review & recommend to the Board on the structure and composition of the Board of Directors of the Company;

II. formulation of the criteria for determining qualification, positive attributes and independence of a director and recommend to the Board of directors a policy relating to, remuneration of directors, key managerial personnel and other employees of the Company;

III. formulation of the criteria for evaluation of performance of independent directors and the board of directors;

IV. devising a policy on diversity of Board of directors;

V. formulate appropriate policies, institute processes which enable the identification of individuals who are qualified to become Directors and who may be appointed in Senior Management and recommend the same to the Board;

VI. review and implement succession and development plans for Managing Director, Executive Directors and Senior Management;

VII. to supervise and monitor the process of issuance/ grant/vesting/ cancellation of ESOPs and such other instruments as may be decided to be granted to the employees of the Company/ Subsidiary Company, from time to time, as per the provisions of the applicable laws, more particularly in terms of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

BOARD EVALUATION

The Board carried out formal annual evaluation of its own performance and that of its committees., viz., the Audit Committee, Nomination and Remuneration Committee (NRC) & Stakeholders' Relationship Committee. The Board also carried out the performance evaluation of all the individual directors including the Chairman of the Company.

The Nomination Remuneration Committee also carried out evaluation of every director's performance. The evaluation was done after taking into consideration inputs received from the Directors, setting out parameters of evaluation. Evaluation parameters of the Board and

Committees were mainly based on Disclosure of Information, Key functions of the Board and Committees, Responsibilities of the Board and Committees, etc. Evaluation parameters of Individual Directors including the Chairman of the Board and Independent Directors were based on Knowledge to Perform the Role, Time and Level of Participation, Performance of Duties and Level of Oversight and Professional Conduct etc.

Independent Directors in their separate meeting evaluated the performance of Non-Independent Directors, Chairman of the Board and the Board as a whole.

(c) STAKEHOLDER RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee, as per Section 178 (5) of Companies Act, 2013, continued working under Chairmanship of Mr. Asis Banerjee. During the year, the committee met 4 (Four) times with full attendance of all the members. The composition of the Stakeholders' Relationship Committee as at March 31, 2026 and details of the Members participation at the Meetings of the Committee are as under:

During the year 4 (Four) meetings of the committee was held on 28.05.2025, 26.08.2025, 13.11.2025, 10.02.2026.

Name of Director	Category	Position in the committee	Attendance at the Stakeholder Relationship Committee Meetings held on			
			28.05.2025	26.08.2025	13.11.2025	10.02.2026
Gopal Kumar Singh	Independent Director	Member	Yes	Yes	Yes	Yes
Asis Banerjee	Independent Director	Chairperson	Yes	Yes	Yes	Yes
Aparna Sharma	Independent Director	Member	Yes	Yes	Yes	Yes
Shikha Singhal	Executive Director	Member	Yes	Yes	Yes	Yes

The terms of reference of the Committee are:

I. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
II. Review of measures taken for effective exercise of voting rights by shareholders.
III. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
IV. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

5. GENERAL BODY MEETINGS:

During the preceding three years, three (3) General Meeting were held:

AGM	Year ended as on	Venue	No of Special Resolutions
43rd	20.09.2025	Through Video Conferencing ('VC')/Other Audio-Visual Means ('OAVM')	3
42nd	30.09.2024	Through Video Conferencing ('VC')/Other Audio-Visual Means ('OAVM')	2
41st	30.09.2023	Through Video Conferencing ('VC')/Other Audio-Visual Means ('OAVM')	2

There is no immediate proposal for passing of any resolution through Postal Ballot.

7. MEANS OF COMMUNICATION:

a. The Company's corporate website, www.arcfinance.in provides comprehensive information to the Shareholders.
b. The quarterly and yearly financial results are submitted to the Stock Exchange in accordance with the Regulation 33 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 and are also made available on the Company's website, www.arcfinance.in.
c. The Unaudited/Audited Financial results for the quarter and year end are published in Financial Express, English edition & Sukhabar Bengali edition.
d. The Company's Shareholding Pattern is filed on a quarterly/Annual basis with the Stock Exchanges and also displayed on the Company's website www.arcfinance.in.

8. GENERAL SHAREHOLDERS INFORMATION:

➢ CIN	:	L51909WB1982PLC035283
Annual General Meeting Date and Time	:	30th September, 2026 ,2:30 P.M.
Venue	:	Through Video Conferencing ('VC')/Other Audio-Visual Means ('OAVM')
Financial Year	:	Year ended March 31, 2026.
Date of Book Closure	:	24th Sept.2026 to 30th Sept. 2026 (Both Days Inclusive)
ISIN	:	INE202R01026
Listing of Shares on Stock Exchanges	:	BSE Limited, CSE Limited
Stock Code	:	BSE -540135, CSE -011278
Listing fees payment status	:	The Company has paid the listing fees to BSE for the year 2025-26.
Share transfer system	:	The Company's shares are compulsorily traded in Demat mode on the BSE Limited. The transfer of Physical shares, if any, are processed and returned to the shareholders within a period of 15 days by the Registrar & Share Transfer Agent.
Registrar & Share Transfer Agents	:	M/s. ABS Consultant Pvt. Ltd. Stephen House, Room No. 99, 6th Floor, 4, B.B.D. Bag (E), Kolkata-700 001 Phone Nos. (033) 2230-1043, 2243-0153, Email: absconsultant99@gmail.com

➢ **Market Price Data:**

Month	High (Rs.)	Low (Rs.)	Volume (Nos.)
April, 2025	1.09	0.95	4,60,49,057
May, 2025	1.20	0.92	19,08,44,531
June, 2025	1.54	0.91	46,16,00,360
July, 2025	1.04	0.83	9,74,11,967
August, 2025	0.94	0.83	3,93,42,789
September, 2025	0.87	0.77	6,96,73,896
October, 2025	0.84	0.69	6,68,66,688
November, 2025	0.81	0.68	3,84,61,831
December, 2025	0.75	0.63	4,74,17,640
January, 2026	0.70	0.53	4,76,60,340
February, 2026	0.70	0.54	4,23,78,311
March, 2026	0.60	0.44	4,46,20,575

➢ **Shareholding Pattern:**

The shareholding of Distribution of shareholders as on 31st March, 2026 is given below:

Ordinary Shares held	Number of shareholders	% Of shareholders	Number of shares held	% Of shares held
Upto 500	227197	69.04	25880763	2.97
501-1000	34562	10.50	28950727	3.32
1001-2000	24590	7.47	36867212	4.23
2001-3000	9782	2.97	24751884	2.84
3001 -4000	5346	1.62	19038530	2.18
4001-5000	5586	1.70	26561550	3.05
5001-10000	10279	3.12	78835809	9.05
10001 and above	11758	3.57	630623148	72.36
Total		**100.00**		**100.00**

- **Categories of Shareholders as on March 31, 2026**

Category	No. of shares held	% Of shareholding
Promoters & Promoter Group		
Bodies Corporate	60718750.00	6.97
Public		
Individual	743774425	85.34
NRI	4435660	0.51
Bodies Corporate	57522284	6.60
Any Other	5058504	0.58
TOTAL	**871509623**	**100**

- **Dematerialisation of shares and liquidity**

Status of Dematerialisation	No. of Shares	% of total shares
Share held in Dematerialised form – NSDL	14,91,66,308	17.12
Share held in Dematerialised form – CDSL	72,05,64,495	82.68
Share held in Physical form	17,78,820	0.20
Total	**87,15,09,623**	**100.00%**

Shares held in dematerialised and physical form as on 31st March, 2026.

8. Disclosures:

i. The Company did not have any material significant related party transactions having a potential conflict with the interest of the Company at large. Transactions with the related parties are disclosed in the audited financial statements.

ii. The financial statements have been prepared in accordance with the Indian Accounting Standards (IND-AS).

iii. There were no instances of non-compliance by the Company on any matter related to the capital markets, resulting in disciplinary action against the Company by the Stock Exchanges or Securities and Exchange Board of India (SEBI) or any other statutory authority, during the last three years.

iv. The Company has a vigil mechanism for employees to report concerns about unethical behavior, actual or suspected fraud or violation of our code of conduct and confirms that no personnel have been denied access to the Audit Committee.

v. The Company has a formal system of internal control testing which examines both the design effectiveness and operational effectiveness to ensure reliability of financial and operational information and all statutory / regulatory compliances.

vi. Policy for determining 'material' subsidiaries and Policy on dealing with related party transactions is available on **http://arcfinance.in/policies.html** .

vii. The Company has complied with mandatory requirements specified from Regulations 17 to 27 and clauses (b) to (i) of sub –regulation (2) of Regulation 46 of the SEBI (LODR) Regulations, 2015.

viii. The CFO have issued certificate pursuant to the provisions of Regulation 17(8) of the SEBI (LODR) Regulations, 2015 certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.

ix. Pursuant to SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, a certificate from Akhil Agarwal., Company Secretaries, certifying the compliance by the Company with the provisions of the Corporate Governance of the Listing Regulations forms part of this Report.

x. Pursuant to SEBI (LODR) Regulations, 2015, that none of the Directors on the Board of the Company have been debarred or disqualified as Directors of Companies by SEBI or Ministry of Corporate Affairs or any such other Authority is issued by Akhil Agarwal., Practicing Company Secretaries, annexed to this report and forms part of this Report.

xi. Disclosures of number of complaints received, disposed off and pending during financial year 2025-26 under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.The Company is committed to provide a work environment which ensures that every employee is treated with dignity, respect and afforded equal treatment. In compliance with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 along with Rules made thereunder, the Company has in place a policy which mandates no tolerance against any conduct amounting to sexual harassment of women at workplace. There were no case / complaints filed during the year.

xii. The Company have paid fees to statutory auditor of the Company. As confirmed by Statutory Auditors of the Company, they are not part of any network firm/network entity.

MANAGEMENT DISCUSSION ANALYSIS REPORT

A. ECONOMIC OUTLOOK:

The long-term fundamentals of the Indian economy continue to be strong due to rising incomes and large investments. These growth drivers are expected to sustain over a long period of time. At the same time, there are some concerns due to uncertain global economic environment and slow recovery in developed markets.

B. COMPANY OVERVIEW:

The company is engaged in advancing loans and advances, investing and trading in securities where the outlook of the business seems to be encouraging over and above, we have been diversified into different businesses ranging from third party product distributions (lowest balance sheet risk) to originating unsecured personal loans, corporate loans (highest balance sheet risk). We believe that we are well placed to leverage on the growth opportunities in the economy.

C. OPPORTUNITIES & THREATS:

Opportunities

- Increase in Income levels will aid greater penetration of financial products.
- Positive regulatory reforms.
- Increase in corporate growth & risk appetite.
- Focus on selling new product/services.

Threats

- Inflation could trigger increase in consumer price inflation, which would dampen growth.
- Increased competition in both local & overseas markets.
- Unfavourable economic development.
- Market risk arising from changes in the value of financial instruments as a result of changes in market variables like interest rate and exchange rates.

D. RISK MANAGEMENT AND CONCERNS:

The company operates in the Financial Services Sector, which is affected by variety factors linked to economic development in India and globally which, in turn, also affected global fund flows. Any economic event across the globe can have direct or indirect impact on your company. To mitigate this, Company has diversified its revenue stream across multiple verticals. Your Company's risk management system is a comprehensive and integrated framework comprising structured reporting and stringent controls. Through its approach it strives to identify opportunities that enhance organizational values while managing or mitigating risks that can adversely impact the company's future performance. Within the organization, every decision taken is after weighing the pros and cons of such a decision-making taking note of the risk attributable.

E. HUMAN RESOURCE:

The Company keeps developing its organizational structure consistently over time. Efforts are made to follow excellent Human Resource practices. Adequate efforts of the staff and management personnel are directed on imparting continuous training to improve the management practices.

The objective of your Company is to create a workplace where every person can achieve his or her full potential. The employees are encouraged to put in their best. Lot of hard work is put in to ensure that new and innovative ideas are given due consideration to achieve the short and long-term objectives of your company.

F. MATERIAL DEVELOPMENT IN HUMAN RESOURCES / INDUSTRIAL RELATION FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED:

The employees are satisfied and having good relationship with the Management.

G. DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT:

This is to confirm that the Company has adopted a Code of conduct for its employees including the director.

I confirm that the Company has in respect of the financial Year ended 31st March, 2026, received from the Senior Management team of the Company and the members of the Board, a declaration of Compliance with the code of Conduct as applicable to them.

H. DISCLOSURE OF ACCOUNTING TREATMENT:

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 133 of the Companies Act, 2013 ("the 2013 Act") and the relevant provisions of the 2013 Act, as applicable. The financial statements have been prepared on going concern basis under the historical cost convention on accrual basis.

The Company has opted to continue with the period of 1st day of April to 31st day of March, each year as its financial year for the purpose of preparation of financial statements under the provisions of Section 2(41) of the Companies Act, 2013.

G. CAUTIONARY STATEMENT:

Statements in the Management Discussion and Analysis describing the Company's objectives, expectations, predictions and assumptions may be "FORWARD LOOKING" within the meaning of applicable Laws and Regulations. Actual results may differ materially from those expressed herein, important factors that could influence the Company's operations include domestic economic Conditions affecting demand, supply, price conditions, and change in Government’s regulations, tax regimes, other statutes and other factors such as industrial relation.

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
ARC FINANCE LIMITED
18, Rabindra Sarani, Poddar Court,
Gate No.4, 4th Floor, Room No.3, Kolkata-700001

I have examined the compliance of conditions of Corporate Governance by ARC Finance Limited for the purpose of certifying compliance of the conditions of the Corporate Governance under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended March 31, 2026. I have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of conditions of Corporate Governance.

This Certificate 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.

In my opinion, and to the best of my information and according to the explanations and information furnished to me, I certify that the Company has complied with all the mandatory requirements of Corporate Governance as stipulated in Regulation 27(2) of the said Regulations.

This certificate is issued solely for the purposes of complying with the aforesaid Regulations and may not be suitable for any other purpose.

For Akhil Agarwal
Practicing Company Secretary

sd/-
Akhil Agarwal
Proprietor
ACS No. 35073
CP No.: 16313

Place: Kolkata
Date: 18.08.2026

UDIN No. A035073H001140122
Peer Review No. 4237/2023

CFO CERTIFICATE

To,
The Board of Directors,
ARC Finance Limited
18, Rabindra Sarani, Poddar Court,
Gate No.4, 4th Floor, Room No.3, Kolkata-700001

(a) We have reviewed the financial statements and the cash flow statement of ARC Finance Ltd. for the year ended March 31, 2026 and 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 the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take for rectifying these deficiencies.

(d) We have indicated to the Auditors and the Audit Committee:
(i) Significant changes in internal control over financial reporting during the year;
(ii) Significant changes in accounting policies made during the year and the same have been disclosed in the notes to the financial statements; and
(iii) Instances of significant fraud of which we have 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
ARC FINANCE LTD

sd/-
Somnath Chitrakar
Chief Financial Officer

Place: Kolkata
Date: 04.09.2026

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
ARC Finance Limited
18, Rabindra Sarani, Poddar Court,
Gate No.4, 4th Floor, Room No.3, Kolkata-700001

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **ARC Finance Limited** having **CIN L51909WB1982PLC035283** and having registered office at **18, Rabindra Sarani, Poddar Court, Gate No.4, 4th Floor, Room No.3, Kolkata-700001.**(hereinafter referred to as 'the Company'), produced before me 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 my opinion and to the best of my 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 me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 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 DIRECTORS	DIN
1	ASIS BANERJEE	05273668
2	GOPAL SINGH	06739896
3	APARNA SHARMA	07006877
4	SHIKHA SINGHAL	09720474
5	VIRENDRA KUMAR SONI	08554333
6	SOMNATH CHITRAKAR	09678491

I further hereby inform that, ensuring the eligibility for the appointment / continuity of Director on the Board is the responsibility of the management of the Company. Our responsibility is to issue this certificate based on verification of documents and information available in the public domain. 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 Akhil Agarwal
Practicing Company Secretary

Sd/-
Akhil Agarwal
Proprietor
ACS No. 35073
CP No.: 16313

Place: Kolkata
Date: 18.08.2026

UDIN No. A035073H001140067
Peer Review No. 4237/2023

SSRV & ASSOCIATES
Chartered Accountants
Head Office: Office No. 215, 2nd Floor, Gundecha Ind. Estate, Akurlo Road, Kandivali (E) Mumbai - 40010

INDEPENDENT AUDITOR'S REPORT

To the Members of **ARC FINANCE LTD**

Opinion

We have audited the financial statements of ARC FINANCE LTD ("the Company"), which comprise the balance sheet as at 31st March 2026, and the statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2026, its ***profit*** and its cash flows for the year ended on that date

a) In the case of the balance sheet, of the state of affairs of the company as at March 31, 2026
b) In the case of the Profit and Loss Account, of the profit for the period ended on that date and
c) In the case of cash flow statement, for the cash flows for the year ended on that date
d) And the changes in equity for the year ended on that date

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 financial statements under the provisions of the Companies Act, 2013 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.

S. No.	Key Audit Matter	Auditor's Response
1.	Nil	Nil

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, 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 Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Indian AS) 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using

the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system 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.

• Conclude on the appropriateness of management'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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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.

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 Companies Act, 2013, we give in the '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.

   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.

   c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   e) On the basis of the written representations received from the directors as on 31st March, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.

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

g) With respect to the matter to be included in the Auditor's Report under section 197(16), In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.

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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv.

v. (a) The management has represented that, to the best of it's knowledge and belief, 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, whether, 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 its knowledge and belief, 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, whether, 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; and

(c) Based on such audit procedures 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), as provided under (a) and (b) above, contain any material mis-statement.

vi. No dividend have been declared or paid during the year by the company.

vii. Based on our examination which we did on test check basis, we report that the company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.
Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the company as per statutory requirements for record retention.

For SSRV& ASSOCIATES.
Chartered Accountants
Firm Regn No. 135901W

CA VISHNU KANT KABRA
Partner
Membership No. 403437
Date: 29.05.2025
Place: Kolkata
UDIN: 26403437DTONDX5855

Annexure 'A'

The Annexure referred to in paragraph 1 of Our Report on "Other Legal and Regulatory Requirements".

We report that:

(i) (a) (A) The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;

(B) The company is maintaining proper records showing full particulars of intangible assets;

(b) As explained to us, Property, Plant and Equipment have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification;

(c) The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statementsare held in the name of the company, except the following:-

Description of Property	Gross carrying value	Held in name of	Whether promoter, director or their relative or employee	Period held - indicate range, where appropriate	Reason fornot beingheld in name of company
NIL					

(d) The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) As explained to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) (a) As explained to us, physical verification of inventory has been conducted at reasonable intervals by the management. In our opinion, the coverage and procedure of such verification by the management is appropriate. No discrepancy of 10% or more in the aggregate for each class of inventory were noticed on physical verification of stocks by the management as compared to book records.

(b) According to the information and explanations given to us, the Company

has not been sanctioned any working capital limits in excess of Rs. 5 crore, in aggregate, at any points of time during the year.

(iii) (a) During the year the company has made investments or guarantee or security or granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.

(b) According to the information and explanations given to us, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prima facie prejudicial to the company's interest;

(c) There is no stipulation of schedule of repayment of principal and payment of interest and therefore we are unable to comment on the regularity of repayment of principal & payment of interest.

(d) Since the term of arrangement do not stipulate any repayment schedule we are unable to comment whether the amount is overdue or not.

(e) No loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties except following:

Name of Party	Amount renewed or extended	% of total loan	Remark, if any
	Nil		

(f) The company has granted loans or advances in the nature of loans repayable on demand. NO loan has been given to promoters.

(iv) In respect of loans, investments, guarantees, and security, provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.

(v) The company has not accepted any deposits or amounts which are deemed to be deposits covered under sections 73 to 76 of the Companies Act, 2013.

(vi) As per information & explanation given by the management, maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act.

(vii) (a) According to the records made available to us, company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs,

duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. According to the information

and explanation given to us there were no outstanding statutory dues as on 31st of March, 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, there is no statutory dues referred to in sub-clause (a) that have not been deposited on account of any dispute.

(viii) According to the information and explanations given by the management, no transactions not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(ix) (a) In our opinion and according to the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given by the management, the company is not declared willful defaulter by any bank or financial institution or other lender;

(c) In our opinion and according to the information and explanations given by the management, the Company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained, except for:

Nature of the fund raised	Name of the lender	Amount diverted (Rs.)	Purpose for which amount was sanctioned	Purpose for which amount was utilized	Remarks
			Nil		

(d) In our opinion and according to the information and explanations given by the management, funds raised on short term basis have not been utilized for long term purposes.

(e) In our opinion and according to the information and explanations given by the management, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures,

(f) In our opinion and according to the information and explanations given by the management, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

(x) (a) The company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year.

(b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.

(xi) (a) According to the information and explanations given by the management, no fraud by the company or any fraud on the company has been noticed or reported during the year;

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;

(c) According to the information and explanations given to us by the management, no whistle-blower complaints had been received by the company

(xii) The company is not a Nidhi Company. Therefore, clause xii is not applicable on the company.

(xiii) According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, where applicable and the details have been disclosed in the financial statements,

(xiv) (a) In our opinion and based on our examination, the company have adequate internal audit system.

(xv) On the basis of the information and explanations given to us, in our opinion during the year the company has not entered into any non-cash transactions with directors or persons connected with him.

(xvi) (a) In our Opinion and based on our examination, the Company is registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934).

(xvii) Based on our examination, the company has not incurred cash losses in the financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year.

(xix) On the information obtained from the management and audit procedures performed and on the basis of the financial ratios, ageing and expected dates of

realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is 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;

(xx) Based on our examination, the provision of section 135 are not applicable on the company. Hence this clause is not applicable on the company.

(xxi) The company is not required to prepare Consolidate financial statement hence this clause is not applicable.

For SSRV& ASSOCIATES.
Chartered Accountants
Firm Regn No. 135901W

CA VISHNU KANT KABRA
Partner
Membership No. 403437
Date: 29.05.2025
Place: Kolkata
UDIN: 26403437DTONDX5855

Annexure'B'

Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of ARC FINANCE LTD ('the Company') as at and for the year ended 31 March 2026, we have audited the internal financial controls with reference to standalone financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls 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'). 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 the Company's business, including adherence to the 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.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Standalone Financial Statements

3. 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 Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements, and the Guidance Note issued by the ICAI. 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 financial statements were established and maintained and if such controls operated effectively in all material respects.

4. 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 includes obtaining an understanding of such internal financial controls, 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.

5. 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

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include 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 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 unauthorised 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

7. 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 standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2025, based on the internal financial controls 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 the ICAI.

For SSRV& ASSOCIATES.
Chartered Accountants
Firm Regn No. 135901W

CA VISHNU KANT KABRA
Partner
Membership No. 403437
Date: 29.05.2025
Place: Kolkata
UDIN: 26403437DTONDX5855

ARC FINANCE LTD

Balance Sheet as at March 31, 2026

Rs. In Hundred

PARTICULARS	Note No.	As at March 31, 2026	As at March 31, 2025
I. ASSETS			
Financial Assets			
(a) Cash and cash equivalents	**4**	48,340.39	33,635.80
(b) Bank balance other than cash and cash equivalents	**5**	1,565.67	70,821.98
(c) Receivables			
(I) Trade receivables	**6**	5,127.37	5,127.39
(d) Loans	**7**	86,91,997.20	69,96,199.79
(e) Investments	**8**	4,03,633.35	2,62,000.85
(f) Other financial assets	**9**	57,793.37	1,27,156.98
Total financial assets		**92,08,457.35**	**74,94,942.79**
Non financial Assets			
(a) Inventories	**10**	20,65,267.84	23,84,104.19
(b) Deferred tax Assets		-	-
(c) Property, plant and equipment	**11**	1,05,670.38	1,26,632.38
(d) Other non financial assets		22,500.00	30,000.00
Total non financial assets		**21,93,438.22**	**25,40,736.57**
Total Assets		**1,14,01,895.57**	**1,00,35,679.36**
II. LIABILITIES AND EQUTIY			
Liabilities			
Financial liabilities		-	-
(a) Payables			
(I) Trade payables		-	-
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	**12 (i)**	32,997.90	1,238.99
(II) Other payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	**12 (ii)**	-	-
(b) Debt securities		-	-
(c) Borrowings (other than debt securities)	**13**	13,71,047.67	7,075.10
(d) Subordinated liabilities		-	-
(e) Other financial liabilities	**14**	4,080.99	3,460.86
Total financial liabilities		**14,08,126.56**	**11,774.95**
Non financial liabilities			
(a) Current tax liabilities		-	-
(b) Provisions	**15**	60,221.69	1,40,497.36
(c) Long Term Borrowings	**16**	34,913.00	50,824.34
(d) Deffered tax liabilities (net)	**17**	140.00	140.00
(e) Other non financial liabilities	**18**	4,353.23	119.39
Total non financial liabilities		**99,627.92**	**1,91,581.09**
EQUITY			
(a) Equity share capital	**19**	87,15,096.23	87,15,096.23
(b) Other equity	**20**	11,79,044.86	11,17,227.09
Total Equity		**98,94,141.09**	**98,32,323.32**
TOTAL LIABILITIES AND EQUITY		**1,14,01,895.57**	**1,00,35,679.36**
See accompanying notes to the financial statements	I-3		
		-0.00	-0.00

For and on Behalf of Board of Directors of ARC Finance Ltd

As per our report of even date
For SSRV& ASSOCIATES
Chartered Accountants
FRN 135901W

Virendra Kumar Soni	**ASIS BANERJEE**
Managing Director	Director
DIN - 08554333	**DIN: 05273668**

VISHNU KANT KABRA
PARTNER
M. No 403437
UDIN: 26403437DTONDX5855

Somnath Chitrakar	**SWEETY AGARWAL**
Chief Financial Officer	CS
PAN - BXCPC5616E	**PAN - BPFPG8336C**

Place : Kolkata
Date : 29.05.2026

ARC FINANCE LTD

Statement of Profit and Loss for the year ended March 31, 2026

Rs. In Hundred

	Particulars	Note No.	As at March 31, 2026	As at March 31, 2025
I.	**Revenue from operations**			
(i)	Interest income	**21**	6,10,820.61	2,53,757.51
(ii)	Dividend income	**22**	262.10	236.22
(iii)	Sale of product/service	**23**	21,95,052.93	20,75,610.35
II.	**Other income**	**24**	2,500.00	-
III.	**Total Income (I+II)**		**28,08,635.64**	**23,29,604.08**
IV.	**Expenses :**			
(i)	Finance Costs	**25**	37,575.88	1,68,686.48
(ii)	Impairment on financial assets	**26**	-	-
(iii)	Purchase of stock in trade	**27**	21,68,108.10	15,84,127.33
(iv)	Changes in inventory of finished goods	**28**	3,18,836.35	-60,576.89
(v)	Employee Benefit Expenses	**29**	20,780.29	20,115.25
(vi)	Payment to Auditors	**30**	1,062.00	1,062.00
(vii)	Depreciation, Amortization and impairment		21,302.00	20,224.39
(viii)	Other Expenses	**31**	1,43,045.45	1,48,336.81
	Total expenses (IV)		**27,10,710.07**	**18,81,975.37**
V.	**Profit before tax (III-IV)**		**97,925.57**	**4,47,628.71**
VI.	**Tax Expense:**			
	Current tax		25,460.64	1,16,383.47
	Deferred tax	**32**	-	-
	Total tax expense (VI)		**25,460.64**	**1,16,383.47**
VII.	**Profit for the year (VI-VII)**		**72,464.93**	**3,31,245.24**
VIII.	**Other Comprehensive Income**			
	Items that will not be reclassified to profit or loss			
(i)	Re-measurement losses/(gain) on defined benefit plans		-	-
(ii)	Equity instruments through other comprehensive income		-	-
(iii)	Income tax relating to items that will not be reclassified to profit or loss		-	-
	Total Other comprehensive income (VIII)			
IX.	**Total Comprehensive Income for the year (VII+VIII)**		**72,464.93**	**3,31,245.24**
XII.	**Earnings per equity share of ₹ 10 each**	**33**		
	- Basic		0.83	3.80
	- Diluted		0.83	3.80
See accompanying notes to the financial statements		I-3		

For and on Behalf of Board of Directors of ARC Finance Ltd

As per our report of even date
For SSRV& ASSOCIATES
Chartered Accountants
FRN 135901W

Virendra Kumar Soni	**ASIS BANERJEE**
Managing Director	Director
DIN - 08554333	**DIN: 05273668**

VISHNU KANT KABRA
PARTNER
M. No 403437
UDIN: 26403437DTONDX5855
Place : Kolkata
Date : 29.05.2026

Somnath Chitrakar	**SWEETY AGARWAL**
Chief Financial Officer	CS
PAN - BXCPC5616E	**PAN - BPFPG8336C**

ARC FINANCE LTD

Statement of Cash flows for the year ended 31st March, 2026

Rs. In Hundred

	Particulars	As at March 31, 2026	As at March 31, 2025
A.	**Cash flow from operating activites**		
	Net profit before tax	97,925.57	4,47,628.72
	Adjustments for Depreciation	21,302.00	20,224.39
	Adjustment for balance of asset written off		150.62
	Operating profit before working capital changes	**1,19,227.57**	**4,68,003.73**
	Adjustments for:-		
	Movements in working capital :		
	(Increase)/ decrease in operating (current) Asset	-13,07,597.43	-25,59,916.26
	Increase/ (decrease) in operating (current) liabilities	14,00,585.45	-19,33,002.03
	Cash generated from operations	**2,12,215.59**	**-40,24,914.56**
	Income tax paid	1,16,383.47	9,533.91
	Net cash inflow/(outflow) from operating activities	**95,832.12**	**-40,34,448.47**
B.	**Cash flow from investing activites**		
	Purchase of Fixed Assets / Investment	-1,41,972.50	-9,991.39
	(Increase)/ decrease in non-operating (Non-current) Asset	7,500.00	-2,61,600.00
	Increase/ (decrease) in non-operating (Non-current) liabilities	-15,911.34	-18,734.38
	Net cash inflow / (outflow) from investing activities	-1,50,383.84	-2,90,325.77
C.	**Cash inflow/(outflow) from financing activities**	-	-
	Repayment of short-term borrowings		
	Issue proceeds from right Issue	-	43,98,715.47
	Proceeds from other long term liabilities		
	Financial expenses		
	Net cash inflow / (outflow) used in financing activities	**-**	**43,98,715.47**
	Net changes in cash and cash equivalents	**-54,551.72**	**73,941.23**
	Opening Cash and cash equivalents	1,04,457.78	30,516.55
	Closing cash and cash equivalents	49,906.06	1,04,457.78
	Components of cash and cash equivalents		
	Cash in hand	48,340.39	33,635.80
	Deposit with banks in current accounts	1,565.67	70,821.98
	Toal cash and cash equivalents	**49,906.06**	**1,04,457.78**
	Note:	0.00	0.00

(i) Statement of cash flows has been prepared using Indirect method in accordance with Ind AS-7

See accompanying notes to the financial statements

As per our report of even date

For SSRV& ASSOCIATES

Chartered Accountants

FRN 135901W

VISHNU KANT KABRA

PARTNER

M. No 403437

UDIN: 26403437DTONDX5855

Place : Kolkata

Date : 29.05.2026

For and on Behalf of Board of Directors of ARC Finance Ltd

Virendra Kumar Soni	**ASIS BANERJEE**
Managing Director	Director
DIN - 08554333	**DIN: 05273668**
Somnath Chitrakar	**SWEETY AGARWAL**
Chief Financial Officer	CS
PAN - BXCPC5616E	**PAN - BPFPG8336C**

ARC FINANCE LTD

I Notes Forming Part of the Financial Statements

Note 1 : Corporate Information

ARC Finance Limited is a company limited by shares, domiciled in India, incorporated under the provisions of Companies Act applicable in India. The Company's shares are listed on BSE, a recognised stock exchange,in India. The registered office of the company is located at 18, RABINDRA SARANI, PODDAR COURT GATE NO.4, 4TH FLOOR, ROOM NO.3, Kolkata, West Bengal, 700001. The company is engaged in the business of lending. ARC also accepts loans-advances and offers variety of financial services to its customers.The standalone financial statements comprise of financial statements of ARC Finance Limited for the year ended March 31, 2026.

Note 2 : Basis of preparation

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under section 133 of the Companies Act, 2013 (the Act) along with other relevant provisions of the Act and the Master Direction-Non Banking Financial Company ('the NBFC Master Directions') issued by RBI. The financial statements have been prepared on a going concern basis. The company uses accrual basis of accounting except in case of certain uncertainties.For all periods up to and including the year ended 31 March, 2026, the company had prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016 and the NBFC Master Directions (herein referred as 'Previous GAAP'). These financial statements for the year ended 31 March, 2026 are the first, the company has prepared in accordance with Ind AS.

2(a) Presentation of financial statements

The company presents its Balance Sheet in order of liquity.The company generally reports financial assets and financial liabilities on a gross basis in the Balance Sheet.

2(b) Critical accounting estimates and judgements

The preparation of the Company's financial statements requires Management to make use of estimates and judgements. In view of the inherent uncertainties and a level of of subjectivity involved in measurement of items, it is possible that the outcomes in the subsequent financial years could differ from those on which the Managements's estimates are based. Accounting estimates and judgements are used in various line items in the financial statements.

Note 3: Summary of significant accounting

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

Revenue recognition

(i) Interest income

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Interest is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

(ii) Dividend income

Dividend income on equity shares is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

(iii) Other income

Other revenues are recognised as per applicable and relevant Ind AS.

(iv) Taxes

Incomes are recognised net of the Goods and Service Tax, wherever applicable.

Expenditures

(i) Finance Costs

Borrowing costs on financial liabilities are recognised as per relevant Ind AS.

(ii) Depreciation, Amortization and impairment

Depreciation has been provided using the written down value method as per the rates prescribed under schedule II of the Companies Act, 2013.

(iii) Taxes

Expenses are recognised net of the Goods and Services Tax/Service tax, except where the input tax is not statutorily permitted.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Financial instruments

Financial intruments, comprising of financial assets and liabilities are being recorded as per relevant Ind AS and the changes in significant changes (increase or decrease) in the credit risk are being monitored and accordingly impairment on financial instruments is recoginsed against such instruments as per relevant Ind AS.

Investments

The policy opted for recording investments is at amortised cost as per the relevant Ind AS.

Taxes

(i) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from ot paid to the taxation authorities, in accordance with the Income Tax Act, 1961.

(ii) Deferred tax

Deferred tax is provided using the Balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for deductible temporary differences to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilised.

Inventories

Inventories of shares have been recorded at lower of cost and net realisable value as per relevant Ind AS.Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Property, plant and equipment

Property, plant and equipment are carried at historical cost (amortised cost) of acquisition less accumulated depreciation and impairment losses, consistent with the criteria specified in Ind AS 16 'Property, Plant and equipment'.

Impairment of financial assets

The policy opted for recoginsing impairment on financial instruments is as per the Expected Credit loss in n coming financial years and accordingly financial assets are categorised are monitored upon for their timely recovery and resultanlty the Expected Credit loss is provided for.

Provisions and Contingent Liabilities

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. There is no contingent liability as at 31st March, 2026.

Segment Reporting

The company operates in segments of investment in securities and extending financial loan services, which are considered by the management as a single segment for reporting purposes in order to analyse risk-return fundamentals based on internal organisational structure.

Statement of Changes in Equity for the year ended on March 31, 2026

Rs. In Hundred

Equity Share Capital

	Particulars	As at March 31, 2026	As at March 31, 2025
	Balance at the beginning of the year	87,15,096.23	50,49,500.00
	Changes during the year (RIGHT ISSUE)	-	**36,65,596.23**
	Balance at the end of the year	**87,15,096.23**	**87,15,096.23**

Other Equity

	Particulars	As at March 31, 2026	As at March 31, 2025
	Reserves and Surplus		
(i)	**Securities Premium Reserve**		
	Balance at the beginning of the year	7,33,119.24	-
	Add : Premium on shares issued during the year (Right Issue)	-	7,33,119.24
	Balance at the end of the year	**7,33,119.24**	**7,33,119.24**
(ii)	**Retained Earnings**		
	Balance at the beginning of the year	2,34,776.37	5,089.42
	Profit/(Loss) for the year	72,464.93	3,31,245.25
	Add: Previous Year TDS adjustment		150.62
	Less:- Transfer to Statutory Reserve @20%	18,116.23	86,432.89
	Less: - Contingent Provision Against Standard Assets	10,647.16	15,276.03
	Less: Previous Year Statutory Receivables	-	-
	Balance at the end of the year	**2,78,477.91**	**2,34,776.37**
(iii)	**Statutory Reserve**		
	Balance at the beginning of the year	**1,49,331.48**	**62,898.59**
	Profit/(Loss) for the year	**18,116.23**	**86,432.89**
	Other Comprehensive Income	-	-
	Balance at the end of the year	**1,67,447.71**	**1,49,331.48**

As per our report of even date
For SSRV& ASSOCIATES
Chartered Accountants
FRN 135901W

For and on Behalf of Board of Directors of ARC Finance Ltd

Virendra Kumar Soni
Managing Director
DIN - 08554333

ASIS BANERJEE
Director
DIN: 05273668

VISHNU KANT KABRA
PARTNER
M. No 403437
UDIN: 26403437DTONDX5855

Somnath Chitrakar
Chief Financial Officer
PAN - BXCPC5616E

SWEETY AGARWAL
CS
PAN - BPFPG8336C

Place : Kolkata
Date : 29.05.2026

ARC FINANCE LTD

Notes forming part of financial statements for the year ended March 31, 2026

4 Cash and cash equivalents

Rs. In Hundred

Particulars	As at March 31, 2026	As at March 31, 2025
Cash on hand	48,340.39	33,635.80
Total	**48,340.39**	**33,635.80**

5 Bank balance other than cash and cash equivalents

Rs. In Hundred

Particulars	As at March 31, 2026	As at March 31, 2025
Balance with Banks	1565.67	70821.98
- In current accounts	-	-
Total	**1,565.67**	**70,821.98**

6 Trade Receivable

Rs. In Hundred

Particulars	As at March 31, 2026	As at March 31, 2025
Sundry Debtors		
-Over Six Months	5,009.36	5,009.36
-Others	118.01	118.03
Total	**5,127.37**	**5,127.39**

Rs. In Hundred

Particulars	As at 31st March, 2026	As at 31st March, 2025
Trade receivables		
- Trade receivables considered good-secured -		
- Trade receivables considered good-secured		
Undisputed Trade Receivablesconsidered good		
- Less than Six Months		
- 6 months to 1 year		
- 1 year to 2 years		
- 2 years to 3 years		
- Trade receivables which have significant increase in credit risk		
- Trade receivables - credit imparied		
Other receivables		
- Other receivables considered good-secured -		
- Other receivables considered good-secured		
- Less than Six Months	118.01	118.03
- 6 months to 1 year		-
- 1 year to 2 years	5,009.36	
- 2 years to 3 years		5,009.36
- Other receivables which have significant increase in credit risk		
- Other receivables - credit imparied		
	5,127.37	**5,127.39**

ARC FINANCE LTD

Notes forming part of financial statements for the year ended March 31, 2026

7 Loans

Rs. In Hundred

Years	(2025-26)					(2024-25)				
Particulars	Amortised Cost	Through Other Comprehensive Income	Through Profit or Loss	Others	Total	Amortised Cost	Through Other Comprehensive Income	Through Profit or Loss	Others	Total
Secured	-	-	-	-	-	-	-	-	-	-
Unsecured	86,91,997.20				86,91,997.20	69,96,199.79	-	-	-	69,96,199.79
Less: Impairment						-				-
Total	86,91,997.20	-	-	-	86,91,997.20	3,37,026.02	-	-	-	69,96,199.79

DETAILS AS PER LIST ATTACHED.

Receivable of loan or advance from related party is Nil

Impairmnet loss on loans and advances recognised is Nil as per the estimation made by the management of the company.

8 Investments

Rs. In Hundred

Years	(2025-26)					(2024-25)				
Particulars	Amortised Cost	Through Other Comprehensive	Through Profit or Loss	Others	Total	Amortised Cost	Through Other Comprehensive	Through Profit or	Others	Total
Government securities	-	-	-	-	-	-	-	-	-	-
Equity instruments	4,03,633.35				4,03,633.35	2,62,000.85	-	-	-	2,62,000.85
Mutual Fund	-	-	-	-	-	-	-			
Total	4,03,633.35	-	-	-	4,03,633.35	2,62,000.85	-	-	-	2,62,000.85

9 Other financial assets

Rs. In Hundred

Particulars	As at March 31, 2026	As at March 31, 2025
TDS receivable	57,793.37	27,156.98
Advance Tax paid	-	1,00,000.00
Total	**57,793.37**	**1,27,156.98**

10 Inventories

Rs. In Hundred

Particulars	As at March 31, 2026	As at March 31, 2025
Equtiy instruments		
-Quoted	20,65,267.84	23,84,104.19
-Unquoted	-	-
Total	**20,65,267.84**	**23,84,104.19**

12 Payables

Rs. In Hundred

Particulars	As at March 31, 2026	As at March 31, 2025
(i) Trade payables		
- total outstanding dues of micro enterprises and small enterprises	-	-
- total outstanding dues other than micro enterprises and small enterprises	32,997.90	1,238.99
	32,997.90	1,238.99
(ii) Other payables		
- total outstanding dues of micro enterprises and small enterprises		
- total outstanding dues other than micro enterprises and small enterprises	0.00	0.00
	-	-

Management has not obtained any information from its payables regarding micro enterprises and small enterprises.

13 Borrowings

Rs. In Hundred

Particulars	As at March 31, 2026	As at March 31, 2025
Loans repable of demand		
a) from other parties (Unsecured)	13,71,047.67	7,075.10
Total	**13,71,047.67**	**7075.10**

14 Other financial liabilities

Rs. In Hundred

Particulars	As at March 31, 2026	As at March 31, 2025
Audit fee payable	972.00	972.00
Advance Payables	-	-
Other Payables	3,108.99	2,488.86
Total	**4,080.99**	**3460.86**

15 Provisions

Rs. In Hundred

Particulars	As at March 31, 2026	As at March 31, 2025
Contingent provision on standard assets	34,761.05	24,113.89
Provision for Tax	25,460.64	1,16,383.47
Total	**60,221.69**	**1,40,497.36**

16 Long Term Borrowings

Rs. In Hundred

Particulars	As at March 31, 2026	As at March 31, 2025
Secured Loan (car)	34,913.00	50,824.34
Total	**34,913.00**	**50,824.34**

17 Deffered tax liability

Rs. In Hundred

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax relates to the following:		
-Disallowance under Income Tax Act	140.00	140.00
-Depreciation		-
-Other temporary differences		-
Total	**140.00**	**140.00**

18 Other non financial liabilities

Rs. In Hundred

Particulars	As at March 31, 2026	As at March 31, 2025
TDS payable	4353.23	119.39
Total	**4353.23**	**119.39**

ARC FINANCE LTD

Notes forming part of financial statements for the year ended March 31, 2026

19 Equity share capital

Rs. In Hundred

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	Amt in Rupees	No. of shares	Amt in Rupees
Authorised				
1010,000,000 Shares of Rs. 1/- each *	1,01,00,00,000	1,01,00,000.00	1,01,00,00,000	1,01,00,000.00
Total	**1,01,00,00,000**	**1,01,00,000.00**	**1,01,00,00,000**	**1,01,00,000.00**
Issued, subscribed and fully paid up				
Equity shares of ` 1 /- each	87,15,09,623	87,15,09,623.00	87,15,09,623	87,15,096.23
Total	**87,15,09,623**	**87,15,09,623.00**	**87,15,09,623**	**87,15,096.23**

(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period :

Particulars	As at March 31, 2026	As at March 31, 2025
	Number of shares	Number of shares
Shares at the beginning of the year	87,15,09,623	87,15,09,623
Movement during the year *		-
Shares outstanding at the end of the year	**87,15,09,623**	**87,15,09,623**

(b) Rights, preferences and restrictions attached to equity shares

The company has one class of equity shares having a par value of 1/- each. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Detail of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number	% holding	Number	% holding
Equity shares of 1 each fully paid				
VAIBHAVLAXMI VANIJYA PRIVATE LIMITED	6,00,00,000	6.88%	6,00,00,000	11.88%
UMA SHANKAR EXIM PRIVATE LIMITED			5,13,27,360	5.89%
SAJM GLOBAL IMPEX PRIVATE LIMITED			15,24,66,455	17.49%

	Shares held by promoters at the end of the year 31st March			
Sr. No.	Promoter Name	No. of Shares	% of total shares	% Change during the year
1	S K GROWTH FUND PVT LTD	7,18,750	0.08	0
2	VAIBHAVLAXMI VANIJYA PRIVATE LIMITED	60000000	6.88	0
	Total	**6,07,18,750**	**6.96**	**0**

	Shares held by promoters at the end of the year 31st March			
Sr. No.	Promoter Name	No. of Shares	% of total shares	% Change during the year
1	S K GROWTH FUND PVT LTD	7,18,750	0.08	0.08
2	VAIBHAVLAXMI VANIJYA PRIVATE LIMITED	60000000	6.88	6.88
	Total	**6,07,18,750**	**6.96**	**0**

ARC FINANCE LTD

Notes forming part of financial statements for the year ended March 31, 2026

20 Other equity

Rs. In Hundred

Particulars	Reserves and Surplus				Total
	Securities Premium	Retained Earnings	Equity Instruments through OCI	Statutory Reserve	
Balance as at April 1, 2025	-	2,34,776.37	-	1,49,331.48	**3,84,107.85**
Profit for the year	7,33,119.24	72,464.93		18,116.23	**8,23,700.40**
		-			**-**
Balance as at March 31, 2026	**7,33,119.24**	**3,07,241.30**	**-**	**1,67,447.71**	**12,07,808.25**
Profit for the year	-		-		**-**
Deferred tax due to Implementation of IND AS					**-**
Other comprehensive income (expense) (net of tax)	-	-28,763.39	-	-	**-28,763.39**
Balance as at March 31, 2026	**7,33,119.24**	**2,78,477.91**	**-**	**1,67,447.71**	**11,79,044.86**

Nature and purpose of other equity:

(i) Securities Premium

Securities premium is used to record the premium on issue of shares. It can be utilised only for limited purposes in accordance with the provisions of the Companies Act, 2013.

(ii) Retained Earnings

Retained earnings represents the surplus in profit and loss account and appropriations.

(iii) Reserve fund in terms of section 45-IC (1) of the Reserve Bank of India Act,1934

Reserve fund is created as per the terms of section 45-IC(1) of the Reserve Bank of India Act, 1934 as a statutory reserve.

ARC FINANCE LTD

Notes forming part of financial statements for the year ended March 31, 2026

21 Interest income

Rs. In Hundred

Particulars	As at March 31, 2026	As at March 31, 2025
Interest on loans	6,10,820.61	2,53,757.51
Total	**6,10,820.61**	**2,53,757.51**

22 Dividend income

Rs. In Hundred

Particulars	As at March 31, 2026	As at March 31, 2025
Dividend on equity instruments	262.10	236.22
Total	**262.10**	**236.22**

23 Sale of product/service

Rs. In Hundred

Particulars	As at March 31, 2026	As at March 31, 2025
Sale of shares	21,95,052.93	20,75,610.35
Income from futures	-	-
Total	**21,95,052.93**	**20,75,610.35**

24 Other income

Rs. In Hundred

Particulars	As at March 31, 2026	As at March 31, 2025
Loan processing fees	2,500.00	-
Total	**2,500.00**	**-**

25 Finance Cost

Rs. In Hundred

Particulars	As at March 31, 2026	As at March 31, 2025
On financial liabilities measured at amortised cost:		
Interest & Other Expense	37,548.20	1,68,682.35
Demat Charges	27.68	4.13
Total	**37,575.88**	**1,68,686.48**

26 Impairment on financial assets

Rs. In Hundred

Particulars	As at March 31, 2026	As at March 31, 2025
Loans		
Expected credit loss	-	-
Write off (net of recoveries)	-	-
Total	**-**	**-**

27 Purchase of stock in trade

Rs. In Hundred

Particulars	As at March 31, 2026	As at March 31, 2025
Purchase of Shares	21,68,108.10	15,84,127.33
Total	**21,68,108.10**	**15,84,127.33**

28 Changes in inventory of finished goods

Rs. In Hundred

Particulars	As at March 31, 2026	As at March 31, 2025
Opening Stock of equity instruments	23,84,104.19	23,23,527.30
Less: Closing stock of equity instruments	20,65,267.84	23,84,104.19
Total	**3,18,836.35**	**-60,576.89**

29 Employee benefits expense

Rs. In Hundred

Particulars	As at March 31, 2026	As at March 31, 2025
Salaries & wages including bonus	20,780.29	20,115.25
Total	**20,780.29**	**20,115.25**

30 Payment to Auditors

Rs. In Hundred

Particulars	As at March 31, 2026	As at March 31, 2025
(i) Auditors' remuneration		
a) Statutory audit fee & tax audit	1,062.00	1,062.00
Total payment to auditors	**1,062.00**	**1,062.00**

31 Other expenses

Rs. In Hundred

Particulars	As at March 31, 2026	As at March 31, 2025
Advertisement Exp.	125.66	303.73
Annual Listing Fees	41,071.32	2,046.64
Right Issue Expenses	-	94,675.43
Bank Charges	21.13	4.22
E-voting expenses	436.60	413.00
CIT Appeal	-	10.00
Printing and stationary	984.50	1,306.20
Rent	1,800.00	1,800.00
Business Promotion expenses	1,665.35	2,030.41
Car Insurance	1,898.87	3,659.62
Commission Expenses	53,000.00	-
Filing Fees	67.27	84.08
General Expense	1,416.35	970.31
Insurance	-	21.52
Listing & Depository Exp	6,051.68	20,221.75
Postage & Telegram Expense	649.00	1,052.41
Professional Fees	9,146.06	2,502.51
Repairs & Maintenance Expense	1,158.65	4,683.70
TDS Interest Expense	2.78	1,223.75
Telephone Expense	561.82	991.88
Software Exp	35.40	35.40
Travelling & Conveyance Expense	1,648.69	1,892.77
Website Maintenance Exp	188.80	82.60
Road Tax	-	758.85
Equifax annual fees	-	59.00
Tds Filling Fees	-	7.00
CRIF Annual Fees & Registration fees	295.00	-
Preliminary Expense Written off	7,500.00	7,500.00
Annual Custody Fees (NSDL)	1,962.72	-
Round off	-	0.03
Donation	1,000.00	-
Income Tax for earlier years	7,790.19	-
Interest on income tax	2,060.50	-
Meeting expenses	447.00	-
Sundry exp	32.11	-
Trade Licence	28.00	-
Total	**1,43,045.45**	**1,48,336.81**

ARC FINANCE LTD

Notes forming part of financial statements for the year ended March 31, 2026

32 Income tax expense

Rs. In Hundred

Particulars	As at March 31, 2026	As at March 31, 2025
Current tax	25,460.64	1,16,383.47
Deferred tax	-	-
Total tax expenses	**25,460.64**	**1,16,383.47**

33 Earnings per share

The calculation of Earning Per Share (EPS) as disclosed in the statement of profit and loss has been made in accordance with Indian Accounting Standard (Ind AS)-33 on "Earning Per Share" given as under: -

Rs. In Hundred

Particulars	As at March 31, 2026	As at March 31, 2025
Profit/(Loss) attributable to equity shareholders (`) (A) [Rupees in thousands]	72,464.93	3,31,245.24
Weighted average number of outstanding equity shares (B)	87,15,096	87,15,096
Nominal value per equity share (`)	0.01	0.01
Basic EPS (in `) (A/B)	0.83	3.80
Diluted EPS (in `) (A/B)	0.83	3.80

ARC FINANCE LTD

Notes forming part of financial statements for the year ended March 31, 2026

34 Related party disclosures #

Rs. In Hundred

The related party disclosures in accordance with the requirements of Ind AS - 24 "Related Party Disclosures" has been given below: -

(a) Name and nature of related party relationships

Name of Related Party	Relationship
ASIS BANERJEE	Director
GOPAL SINGH	Director
APARNA SHARMA	Director
VIRENDRA KUMAR SONI	Managing Director
SOMNATH CHITRAKAR	Director / CFO
SWEETY AGARWAL	Company Secretary
SHIKHA SINGHAL	Director

(b) Description of the nature of transactions with the related parties

Particulars	Enterprises over which KMP is able to exercise significant influence	
	Financial Year 2025-26	Financial Year 2024-25
1) Salary and Remuneration Paid		
SWEETY AGARWAL (CS)	1,350.00	1,200.00

Related party relationship is as identified by the Company on the basis of information available with them and relied upon by the auditors.

35 The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

ARC FINANCE LTD

Notes forming part of financial statements for the year ended March 31, 2026

36 Financial Risk Management Objectives and Policies

(A) Financial risk management

The company has a risk management committee which has the responsibility to identify the risk and suggest the management the mitigation plan for the identified risks in accordance with the risk management policy of the Company. The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency.

These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Company seeks to minimise the effects of these risks by using derivative financial instruments, credit limit to exposures, etc., to hedge risk exposures.

(i) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: foreign currency risk, interest rate risk, investment risk.

(ii) Interest rate risk

Arising from:
Interest rate risk stems from movements in market factors, such as interest rates, credit spreads which impacts investments, income and the value of portfolios.

Measurement,monitoring and management of Risk:
Interest rate risk is measured, monitored by assessment of probable impacts of interest rate sensitivities under stimulated stress test scenarios given range of probable interest rate movements on both fixed and floating assets and liabilities.

(iii) Liquidity risk management

Arising from:
Liquidity risk arises from mismatches in the timing of cash flows, whereas funding risk arises when long term assets cannot be funded at the expected term resulting in cashflow mismatches.

Measurement,monitoring and management of Risk:
Liquidity and funding risk is measured by identifying gaps in the structural and dynamic liquidity statements.Monitored by assessment of the gap between visibility of funds and the near term liabilities given under current liquidity conditions and evolving regulatory directions for NBFCs.

Maturity profile of financial liabilities:

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date.

Rs. In Hundred

As at March 31, 2026	Upto 1 year	1-2 years	> 2 years	Total
Financial liabilities				
Long term borrowings	13,87,159.01	16,311.34	2,490.32	**14,05,960.67**
Current maturities of long term debt	-	-	-	**-**
Trade payables	33,297.90	-	-	**33,297.90**
Other payables	-	-	-	**-**
Other financial liabilities	4,080.98		-	**4,080.98**
Total financial liabilities	**14,24,537.89**	**16,311.34**	**2,490.32**	**14,43,339.55**

(iv) Credit risk management

Arising from:
Credit risk is the risk of financial loss arising out of a customer or counterparty failing to meet their repayment obligations to the company.

Measurement,monitoring and management of Risk:
Credit risk is measured as the amount at risk due to repayment default of a customer or counterparty to the Company. Various matrics such as EMI default rate, overdue position, collection efficiency, customers non performing loans, etc. are used as leading indicators to access credit risk.

ARC FINANCE LTD

Notes forming part of financial statements for the year ended March 31, 2026

37 Fair value measurement

(a) Financial assets

Rs. In Hundred

Particulars	As at March 31, 2026		As at March 31, 2025	
	Amortised Cost	Carrying value	Amortised Cost	Carrying value
(i) Measured at amortised cost				
Trade receivables	5,127.37	5,127.37	5,127.39	5,127.39
Cash and cash equivalents	48,340.39	48,340.39	33,635.80	33,635.80
Bank balances other than cash and cash equivalents	1,565.67	1,565.67	70,821.98	70,821.98
Loans	86,91,997.20	86,91,997.20	69,96,199.79	69,96,199.79
Investments	4,03,633.35	4,03,633.35	2,62,000.85	2,62,000.85
Total financial assets at amortised costs (A)	**91,50,663.98**	**91,50,663.98**	**73,67,785.81**	**73,67,785.81**
(ii) Measured at fair value through other comprehensive income			-	-
Non-current Investments			-	-
Total financial assets at fair value through other comprehensive income (B)			**-**	**-**
Total financial assets	**91,50,663.98**	**91,50,663.98**	**73,67,785.81**	**73,67,785.81**

(b) Financial liabilities

Rs. In Hundred

Particulars	As at March 31, 2026		As at March 31, 2025	
	Amortised Cost	Carrying value	Amortised Cost	Carrying value
(i) Measured at amortised cost				
Trade payables	32,997.90	32,997.90	1,238.99	1,238.99
Other payables	-	-	-	-
Other financial liabilities	4,080.99	4,080.99	3,460.86	3,460.86
Total financial liabilities	**37,078.89**	**37,078.89**	**4,699.85**	**4,699.85**

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties in an orderly market transaction, other than in a forced or liquidation sale.

ARC FINANCE LTD

Notes to Financial Statements for the year ended 31st March,2026

Note : Calculation of Important Financial Ratios				
Particulars			2025-26	2024-25
1) Current Ratio				
	Current Assets			
	Cash & Cash Equivalents		49,906.06	1,04,457.78
	Other Current Assets		57,793.37	1,27,156.98
	Trade Receivables		5,127.37	5,127.39
		Total	1,12,826.80	2,36,742.15
	Current Liabilities			
	Other Current Liabilities		13,75,128.66	10,535.96
	Trade Payables		32,997.90	1,238.99
		Total	14,08,126.56	11,774.95
	Current Ratio		0.08	20.11
Remarks:				
2) Debt Equity Ratio				
	Total Liability			
			1,14,01,895.57	1,00,35,679.36
	Shareholder's Equity			
	Equity Share Capital		87,15,096.23	87,15,096.23
	Reserves & Surplus		11,79,044.86	11,17,227.09
		Total	98,94,141.09	98,32,323.32
	Debt Equity Ratio		1.15	1.02
3) Debt Service Coverage Ratio				
4) Return on Equity Ratio				
	Net Income			
	Profit after Tax		72,464.93	3,31,245.24
	Shareholder's Equity			
	Equity Share Capital		87,15,096.23	87,15,096.23
	Reserves & Surplus		11,79,044.86	11,17,227.09
		Total	98,94,141.09	98,32,323.32
	Return on Equity Ratio		0.0073	0.0337
5) Inventory Turnover Ratio				
	COGS		21,68,108.10	15,84,127.33
	Average Inventory		22,24,686.02	23,53,815.75
	Inventory Turnover Ratio		0.97	0.67
6) Trade Receivables Turnover Ratio				
	Net credit Sales		1,28,000.00	3,10,235.35
	Average Receivables			
	Average account receivables		5,127.37	5,127.39
	Trade Receivable Turnover Ratio		24.96	60.51

7) Trade Payables Turnover Ratio				
	Net credit Purchase		65,573.29	-
	Average Payables			
	Average account payables		32,997.90	-
	Trade Payable Turnover Ratio		1.99	-
8) Net Capital Turnover Ratio				
	Net Annual Sales		21,95,052.93	20,75,610.35
	Total Assets			
	Assets		1,14,01,895.57	1,00,35,679.36
	Net Capital Turnover Ratio		0.19	0.21
Remarks:				
9) Net Profit Ratio				
	Net Profit after Tax		72,464.93	3,31,245.24
	Revenue		21,95,052.93	20,75,610.35
	Net Profit Ratio		3.30	15.96
Remarks:				
10) Return on Capital Employed				
	Earnings Before Interest and Tax			
	Profit after Tax		72,464.93	3,31,245.24
	Add:Interest		-	-
	Add:Tax		25,460.64	1,16,383.47
		Total	97,925.57	4,47,628.71
	Capital Employed			
	Total Assets		1,14,01,895.57	1,00,35,679.36
	Less: Current Liabilities		14,08,126.56	11,774.95
			99,93,769.01	1,00,23,904.41
	Return on Capital Employed		0.0098	0.0447
Remarks:				

Other Statutory Disclosures as per the Companies Act, 2013

- The Company does not have any transaction with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.
- The title deeds of the immovable properties are held in the name of the Company.
- The Company is not required to incur any CSR expenditure during the year.
- 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.
- The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- There is no non-compliance with regard to the number of layers of companies prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- The Company has not surrendered or disclosed any income during the current or previous year in the tax assessents under the Income Tax Act, 1961.
- The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.
- The Company has not granted loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly wih any other person.

- The Company has not advanced or loaned or invested funds to any other person or entity,including foreign entity (Intermediary) with the understanding that the Intermediary shall :

a) directly or indirectly lend or invest in other person or entity identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

- The Company has not received any fund from any person(s) or entity(s),including foreign entities (Funding Party with the understanding (whether recorded in writingg or otherwise) that the company shall :

a) directly or indirectly lend or invest in other person or entity identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

Impairment of Asset

In the opinion of Management none of the assets have impaired in value as shown in books.

Segment Reporting

The Company is primarily engaged in the business of polyester fabrics. The same is considered as a business segment and the management consider this as a single reportable segment. Hence, Accounting Standard (AS) 17 on Segment Reporting are not applicable on the Company.

The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary as per the Schedule III to the Companies Act, 2013. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

For and on Behalf of Board of Directors of ARC Finance Ltd

As per our report of even date
For SSRV& ASSOCIATES
Chartered Accountants
FRN 135901W

Virendra Kumar Soni	**Asis Banerjee**
Managing Director	Director
DIN - 08554333	**DIN: 05273668**

VISHNU KANT KABRA
PARTNER
M. No 403437
UDIN: 26403437DTONDX5855

Somnath Chitrakar	**Sweety Agarwal**
Chief Financial Officer	Company Secretary
PAN - BXCPC5616E	**PAN - BPFPG8336C**

Place : Kolkata
Date : 29.05.2026

ROAD MAP TO AGM VENUE

SINCE THE MEETING IS THROUGH VIDEO CONFERENCING, ROAD MAP OF AGM VENUE IS NOT ATTACHED.

THANKING YOU