8th September, 2026

The Secretary

BSE Limited

Phiroze Jeejeebhoy Towers,

Dalal Street, Fort,

Mumbai – 400 001

BSE Code: 500645

Subject: Submission of Annual Report for FY 2025-26 and Notice of 42nd Annual General Meeting of the Company in terms of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir / Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), we enclose herewith the Annual Report for FY 2025-26 including the Notice of 42nd Annual General Meeting of the Company scheduled on Wednesday, 30th September, 2026 at 5.00 P.m. at B-09, Western Edge II, Western Express Highway, Magathane, Food Corporation of India Warehouse, Borivali East, Mumbai, Mahrashtra 400066.

The said Notice forms part of the Annual Report of the Company for the FY 2025-26.

We request you to take the same on your record.

Thanking you,

Yours faithfully,

For Arco Leasing Limited

Jitesh Kothari

Digitally signed by Jitesh Kothari Date: 2026.09.08 19:42:35 +05'30'

Jitesh Kothari

Whole Time Director

DIN: 07522761

Encl.: As above

REPLY TO,
PLOT NO. 123, STREET NO. 17
M.I.D.C. (MAROL),
ANDHERI (E), MUMBAI – 400 093
INDIA
CIN: L65910MH1984PLC031957

TEL:(91-22) 6693 6311-3
2821 7222-5
FAX : (91-22) 2836 1760
E-mail: arcoleasingltd@gmail.com

NOTICE

NOTICE is hereby given that the 42nd Annual General Meeting of the members of ARCO LEASING LIMITED ("the Company") will be held on Wednesday, September 30th, 2026 at 05:00 PM (IST) at the Office of the Company at B-09, Western Edge II, Western Express Highway, Magathane, Food Corporation of India Warehouse, Borivali East, Mumbai, Maharashtra 400066, to transact the following businesses:

ORDINARY BUSINESS:

ITEM NO.01: ADOPTION OF ACCOUNTS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2026.

To receive, consider and adopt the standalone and consolidated Audited Financial Statements of the Company for the Financial Year ended March 31, 2026, together with the Report(s) of the Directors and Auditors thereon and, in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolutions as an Ordinary Resolutions -

a) "**RESOLVED THAT** the audited standalone financial statement of the Company for the financial year ended March 31, 2026 and the reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted."
b) "**RESOLVED FURTHER THAT** the audited consolidated financial statement of the Company for the financial year ended March 31, 2026 and the report of Auditors thereon, as circulated to the Members, be and are hereby considered and adopted."

ITEM NO.02: APPOINTMENT OF M/S. D M K H & CO., CHARTERED ACCOUNTANTS (FIRM REGISTRATION NO. 116886W) AS THE STATUTORY AUDITORS OF THE COMPANY TO FILL THE CASUAL VACANCY

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 139(8), 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), read with the Companies (Audit and Auditors) Rules, 2014 ("Audit Rules"), and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), including any statutory modification(s) or re-enactment(s) thereof for the time being in force, and based on the recommendation of the Audit Committee and the Board of Directors of the Company, the consent of the Members be and is hereby accorded for the appointment of M/s. D M K H & Co., Chartered Accountants (Firm Registration No. 116886W), as the Statutory Auditors of the Company, to fill the casual vacancy caused by the resignation of M/s. M. C. Jain & Co. LLP, Chartered Accountants (Firm Registration No. 304012E), to hold office from the date of their appointment by the Board of Directors until the conclusion of the ensuing Annual General Meeting of the Company, at such remuneration plus applicable taxes and reimbursement of out-of-pocket expenses as may be recommended by the Audit Committee in consultation with the Auditors and duly approved by the Board of Directors of the Company.

RESOLVED FURTHER THAT any of the Directors and/or the Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things as may be

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necessary, desirable or expedient to give effect to this resolution, including but not limited to filing the necessary forms, returns and documents with the Registrar of Companies, Stock Exchanges and other statutory/regulatory authorities and to settle any questions, difficulties or doubts that may arise in this regard."

ITEM NO. 03: APPOINTMENT OF M/S. D M K H & CO., CHARTERED ACCOUNTANTS (FIRM REGISTRATION NO. 116886W) AS THE STATUTORY AUDITORS OF THE COMPANY

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Sections 139(1), 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), read with the Companies (Audit and Auditors) Rules, 2014 ("Audit Rules"), and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), including any statutory modification(s) or re-enactment(s) thereof for the time being in force, and based on the recommendation of the Audit Committee and the Board of Directors of the Company, the consent of the Members of the Company be and is hereby accorded for the appointment of M/s. D M K H & Co., Chartered Accountants (Firm Registration No. 116886W), as the Statutory Auditors of the Company, for a term of 5 (five) consecutive years, commencing from the conclusion of this Annual General Meeting ("AGM") until the conclusion of the 47th AGM of the Company, at such remuneration plus applicable taxes and reimbursement of out-of-pocket expenses as may be recommended by the Audit Committee in consultation with the Auditors and duly approved by the Board of Directors of the Company.

RESOLVED FURTHER THAT any of the Directors and/or the Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things as may be necessary, desirable or expedient to give effect to this resolution, including but not limited to filing the necessary forms, returns and documents with the Registrar of Companies, Stock Exchanges and other statutory/regulatory authorities and to settle any questions, difficulties or doubts that may arise in this regard."

ITEM NO. 04: TO APPROVE APPOINTMENT OF MR. JITESH KOTHARI (DIN: 07522761) AS DIRECTOR OF THE COMPANY.

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

"**RESOLVED THAT** pursuant to the provisions of Section 152 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or enactment thereof for the time being in force) (the "Act"), on the recommendation of Nomination and Remuneration Committee and the Board of Directors Mr. Jitesh Kothari (DIN: 07522761), be and is hereby appointed as Director of the Company, whose appointment as whole time director and chairman of the company is proposed to members in this notice.

RESOLVED FURTHER THAT any one of the Directors or the Company Secretary, be and are hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this Resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this Resolution."

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ITEM NO. 05: TO APPROVE APPOINTMENT OF MR. JITESH KOTHARI (DIN: 07522761) AS WHOLE TIME DIRECTOR AND CHAIRMAN OF THE COMPANY AND FIXING HIS REMUNERATION THEREOF.

To consider and, if thought fit to pass, with or without modification(s), the following resolutions as a Special Resolution:

"**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the 'Act'), read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, and based on the recommendation of the Nomination and Remuneration Committee and subject to such approvals, sanctions and permissions as may be necessary, the consent of the Members be and is hereby accorded for the appointment of Mr. Jitesh Kothari (DIN: 07522761) as the Whole Time Director and chairman of the Company for a period of five (5) years commencing from 23rd July, 2026 to 22nd July, 2031, upon such terms and conditions as may be determined by the Board of Directors and who shall not be liable to retire by rotation, upon the terms and conditions set out in the Explanatory Statement annexed to the Notice convening this Meeting, including the remuneration payable to him, including in the event of loss or inadequacy of profits in any financial year during his tenure, within the overall limits prescribed under Section 197 of the Act read with Schedule V thereto and as contained in the agreement entered into between the Company and the Managing Director, which agreement is hereby approved.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to alter, vary, revise or modify the terms and conditions of appointment and remuneration, including minimum remuneration payable to Mr. Jitesh Kothari, as it may deem fit, from time to time, provided that such revision is within the overall limits prescribed under the Companies Act, 2013 read with Schedule V thereto and/or any other applicable statutory provisions or guidelines as may be prescribed from time to time, without any further reference to the Members of the Company in General Meeting.

RESOLVED FURTHER THAT the agreement entered into between the Company and Mr. Jitesh Kothari be and is hereby approved and the Board of Directors be and is hereby authorised to suitably amend, modify or supplement the said agreement to give effect to any such modification, relaxation or variation in the terms and conditions of his appointment and remuneration.

RESOLVED FURTHER THAT any one of the Directors or the Company Secretary of the Company be and are hereby authorised to do all such acts, deeds, matters and things and to settle any question, difficulty or doubt that may arise in giving effect to this Resolution and to take all such steps as may be necessary, proper, expedient or desirable to give effect to the foregoing Resolution."

ITEM NO. 06: TO APPROVE APPOINTMENT OF MR. ANSHUL SHARMA (DIN:11870835) AS DIRECTOR OF THE COMPANY.

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

"RESOLVED THAT pursuant to the provisions of Section 152 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or enactment thereof for the time being in force) (the "Act"), on the recommendation of Nomination and Remuneration Committee and the Board of Directors Mr. Anshul Sharma (DIN:11870835), be and is hereby appointed as Director of the Company and liable to retire by rotation.

RESOLVED FURTHER THAT any one of the Directors and/or the Company Secretary, be and are hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this Resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this Resolution."

ITEM NO. 07: TO APPROVE APPOINTMENT OF MR. ATUL RAMSHANKAR JAISWAL (DIN: 11615262) AS DIRECTOR OF THE COMPANY.

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

"RESOLVED THAT pursuant to the provisions of Section 152 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or enactment thereof for the time being in force) (the "Act"), on the recommendation of Nomination and Remuneration Committee and the Board of Directors Mr. Atul Ramshankar Jaiswal (DIN: 11615262), be and is hereby appointed as Director of the Company, whose appointment as Managing Director of the company is proposed to members in this notice.

RESOLVED FURTHER THAT any one of the Directors or the Company Secretary, be and are hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this Resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this Resolution."

ITEM NO. 08: TO APPROVE APPOINTMENT OF MR. ATUL RAMSHANKAR JAISWAL (DIN: 11615262) AS MANAGING DIRECTOR OF THE COMPANY.

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the 'Act'), read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, and based on the recommendation of the Nomination and Remuneration Committee and subject to such approvals, sanctions and permissions as may be necessary, the consent of the Members be and is hereby accorded for the appointment of Mr. Atul Ramshankar Jaiswal (DIN: 11615262) as the Managing Director of the Company for a period of five (5) years commencing from 13th August, 2026 to 12th August, 2031, upon such terms and conditions as may be determined by the Board of Directors and who shall be liable to retire by rotation, upon the terms and conditions set out in the Explanatory Statement annexed to the Notice convening this Meeting, including the remuneration payable to him, including in the event of loss or inadequacy

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of profits in any financial year during his tenure, within the overall limits prescribed under Section 197 of the Act read with Schedule V thereto and as contained in the agreement entered into between the Company and the Managing Director, which agreement is hereby approved.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to alter, vary, revise or modify the terms and conditions of appointment and remuneration, including minimum remuneration payable to Mr. Atul Ramshankar Jaiswal (DIN: 11615262), as it may deem fit, from time to time, provided that such revision is within the overall limits prescribed under the Companies Act, 2013 read with Schedule V thereto or any other applicable statutory provisions or guidelines as may be prescribed from time to time, without any further reference to the Members of the Company in General Meeting.

RESOLVED FURTHER THAT the agreement entered into between the Company and Mr. Atul Ramshankar Jaiswal (DIN: 11615262) be and is hereby approved and the Board of Directors be and is hereby authorised to suitably amend, modify or supplement the said agreement to give effect to any such modification, relaxation or variation in the terms and conditions of his appointment and remuneration.

RESOLVED FURTHER THAT any one of the Directors or the Company Secretary of the Company be and are hereby authorised to do all such acts, deeds, matters and things and to settle any question, difficulty or doubt that may arise in giving effect to this Resolution and to take all such steps as may be necessary, proper, expedient or desirable to give effect to the foregoing Resolution."

ITEM NO. 9: TO REGULARIZE MR. UTSAV JASAPARA (DIN: 09711346) AS AN INDEPENDENT DIRECTOR OF THE COMPANY.

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 161 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory amendment(s) or modification(s) thereto or enactment(s) or re-enactment(s) thereof for the time being in force) and on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company, Mr. Utsav Jasapara (DIN: 09711346) who was appointed as an Additional Director designated as an Independent Director of the Company on 13th August,2026 and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company;

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory amendment(s) or modification(s) thereto or enactment(s) or re-enactment(s) thereof for the time being in force) and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or amendment(s) thereof for the time being in force), Mr. Utsav Jasapara (DIN: 09711346), Director of the Company be and is hereby appointed as an Independent Director of the Company to hold office for first term of 5 (Five) consecutive years with effect from 13th August,2026 to 12th August,2031 and that he shall not be liable to retire by rotation; and

RESOLVED FURTHER THAT any one of the Directors and/or the Company Secretary, be and are hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this Resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this Resolution."

ITEM NO. 10: TO MAKE LOANS OR INVESTMENT(S) OR PROVIDE SECURITY AND GUARANTEE IN EXCESS OF THE PRESCRIBED LIMITS UNDER SECTION 186 OF THE COMPANIES ACT, 2013.

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

"**RESOLVED THAT** in supersession of earlier resolution and pursuant to the provisions of Section 186 and other applicable provisions if any of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) and subject to such approvals as may be necessary and subject to the compliance of applicable laws, and based on the recommendations of the Audit Committee, the consent of the members be and is hereby accorded to the Board of Directors and the Audit Committee from time to time to:

a) give loan to any person or body corporate or give guarantee or provide security in connection with a loan to any other person or body corporate provided that the aggregate amount of such loan investment and guarantee outstanding at any time shall not exceed Rs. 1000 Crore (Rupees One Thousand Crores Only); and

b) Make investment and acquire by way of subscription, purchase or otherwise securities of any other body corporate by cash or swap of shares or other mode or any combination hereof provided that the total amount of such investments outstanding at any time shall not exceed Rs. 1000 Crore (Rupees One Thousand Crores Only).

   RESOLVED FURTHER THAT the Board or a duly constituted Committee thereof be and is hereby authorized to decide and finalize the terms and conditions while making investment giving loan or guarantee or providing securities within the aforesaid limits including with the power to transfer and dispose of the investments so made from time to time and to execute all deeds documents and other writings and to do all such acts deeds matters and things as may be necessary and expedient for implementing and giving effect to this resolution."

By Order of the Board
Arco Leasing Limited

Mr. Jitesh Kothari
Whole Time Director
(DIN: 07522761)

Place: Mumbai
Date: 07.09.2026

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NOTES:

1. A statement pursuant to Section 102(1) of the Companies Act, 2013 (“the Act”) in respect of the special business under Item No. 3 to 10 of the Notice is annexed hereto. An Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 read along with Secretarial Standard 2 as issued by Institute of Company Secretaries of India (ICSI) and Regulation 36 of SEBI (LODR) Regulations, 2015 setting out the material facts relating to the Special Business to be transacted at the meeting is annexed hereto.

2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. INSTRUMENT APPOINTING PROXY IN ORDER TO BE VALID MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.

   A PERSON CAN ACT AS PROXY FOR ONLY 50 MEMBERS AND HOLDING IN AGGREGATE NOT MORE THAN 10 PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. MEMBER HOLDING MORE THAN 10 PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER MEMBER.

3. Corporate Members are requested to send a duly certified copy of Board Resolution passed pursuant to Section 113 of the Companies Act, 2013 authorizing their representatives to attend and vote at the Annual General Meeting (AGM).

4. In case of joint holders attending the Meeting, only such joint holders who is higher in the order of names will be entitled to vote

5. Members / Proxies / Authorized Representatives should bring the enclosed Attendance Slip, duly filled in, to attend the Meeting.

6. 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 the Directors are interested under Section 189 of the Companies Act, 2013 will be available for inspection by the members during the AGM.

7. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the Act), setting out material facts concerning the Special business under Item Nos. 3 to 11 of the accompanying Notice, is annexed hereto.

8. The Company has appointed Mr. Hitesh Kothari, Practicing Company Secretary, as Scrutinizer, to scrutinize the e-voting process and the voting in the AGM through ballot paper in fair and transparent manner.

9. All the members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on Friday 04th September 2026 have been considered for the purpose of sending the AGM Notice.

10. As per the provisions of Section 72 of the Act, the facility for making nominations is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13.

11. Members attending the meeting are requested to bring with them the Attendance Slip duly filled in and signed and handed over the same at the entrance of the meeting venue.

12. Voting through electronic means:
The remote e-voting period begins on Sunday, 27th September 2026 at 09:00 A.M. and ends on Tuesday, 29th September 2026 at 05:00 P.M. The remote e-voting module shall be disabled by Bigshare Services Private Limited 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 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.

Bigshare i-Vote E-Voting System

THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:

i. The voting period begins on Sunday, 27th September 2026 at 09:00 A.M. and ends on Tuesday, 29th September 2026 at 05:00 P.M. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23rd September 2026 may cast their vote electronically. The e-voting module shall be disabled by Bigshare for voting thereafter.

ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

iii. Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020,** under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholder's/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders**, **by way of a single login credential, through their demat accounts/**

websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

iv. In terms of SEBI circular **no. SEBI/HO/CFD/CMD/CIR/P/2020/242** 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.

1. Pursuant to above said SEBI Circular**,** Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode** is given below

Type of shareholders	**Login Method**
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 URL for users to login to Easi/Easiest is https://web.cdslindia.com/myeasitoken/home/login or visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use 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 **BIGSHARE** the e-Voting service provider and you will be re-directed to **i-Vote** website for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. **BIGSHARE**, 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 https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link https://evoting.cdslindia.com/Evoting/EvotingLogin 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. Click on **BIGSHARE** and you will be

	re-directed to **i-Vote** website for casting your vote during the remote e-voting period.
Individual Shareholders holding securities in demat mode with **NSDL**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting 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 name **BIGSHARE** and you will be re-directed to **i-Vote** website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is 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 3) 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 name **BIGSHARE** and you will be redirected to **i-Vote** website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting 4) 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 with all e-Voting Service Providers. Click on **BIGSHARE** and you will be re-directed to **i-vote (E-voting website)** for casting your vote during the

	remote e-Voting period or joining virtual meeting & voting during the meeting.
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. After Successful login, you will be able to see e-Voting option. Once you 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 name and you will be redirected to e-Voting service provider website 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. CDSL and NSDL

Login type	Helpdesk details
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 22 55 33.
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- 48867000.

2. **Login method for e-Voting for shareholder other than individual shareholders holding shares in Demat mode & physical mode is given below:**

- You are requested to launch the URL on internet browser: https://ivote.bigshareonline.com

- Click on "**LOGIN**" button under the '**INVESTOR LOGIN**' section to Login on E-Voting Platform.

- Please enter you '**USER ID'** (User id description is given below) and '**PASSWORD'** which is shared separately on you register email id.
    - Shareholders holding shares in **CDSL demat account should enter 16 Digit Beneficiary ID** as user id.
    - Shareholders holding shares in **NSDL demat account should enter 8 Character DP ID followed by 8 Digit Client ID** as user id.
    - Shareholders holding shares in **physical form should enter Event No + Folio Number** registered with the Company as user id.

  Note *If you have not received any user id or password please email from your registered email id or contact i-vote helpdesk team. (Email id and contact number are mentioned in helpdesk section).*

- Click on **I AM NOT A ROBOT (CAPTCHA)** option and login.

  NOTE: If Shareholders are holding shares in demat form and have registered on to e-Voting system of https://ivote.bigshareonline.com and/or voted on an earlier event of any company then they can use their existing user id and password to login.

- If you have forgotten the password: Click on '**LOGIN**' under '**INVESTOR LOGIN**' tab and then Click on '**Forgot your password**?
- Enter "**User ID"** and "**Registered email ID**" Click on **I AM NOT A ROBOT (CAPTCHA)** option and click on '**Reset**'.
  (In case a shareholder is having valid email address, Password will be sent to his / her registered e-mail address).

<u>Voting method for shareholders on i-Vote E-voting portal:</u>

- After successful login, **Bigshare E-voting system** page will appear.
- Click on "**VIEW EVENT DETAILS (CURRENT)**" under '**EVENTS**' option on investor portal.
- Select event for which you are desire to vote under the dropdown option.
- Click on **"VOTE NOW"** option which is appearing on the right hand side top corner of the page.
- Cast your vote by selecting an appropriate option "**IN FAVOUR**", "**NOT IN FAVOUR**" or "**ABSTAIN**" and click on "**SUBMIT VOTE**". A confirmation box will be displayed. Click "**OK**" to confirm, else "**CANCEL**" to modify. Once you confirm, you will not be allowed to modify your vote.
- Once you confirm the vote you will receive confirmation message on display screen and also you will receive an email on your registered email id. During the voting period, members can login any number of times till they have voted on the resolution(s). Once vote on a resolution is casted, it cannot be changed subsequently.

- Shareholder can "**CHANGE PASSWORD**" or "**VIEW/UPDATE PROFILE**" under "**PROFILE**" option on investor portal.

3. **Custodian registration process for i-Vote E-Voting Website:**

- You are requested to launch the URL on internet browser: https://ivote.bigshareonline.com
- Click on "**REGISTER**" under "**CUSTODIAN LOGIN**", to register yourself on Bigshare i-Vote e-Voting Platform.
- Enter all required details and submit.
- After Successful registration, message will be displayed with **"User id and password will be sent via email on your registered email id"**.

  NOTE: If Custodian have registered on to e-Voting system of https://ivote.bigshareonline.com and/or voted on an earlier event of any company then they can use their existing user id and password to login.
- If you have forgotten the password: Click on '**LOGIN**' under '**CUSTODIAN LOGIN**' tab and further Click on '**Forgot your password**?
- Enter "**User ID"** and "**Registered email ID**" Click on **I AM NOT A ROBOT (CAPTCHA)** option and click on '**RESET**.

  (In case a custodian is having valid email address, Password will be sent to his / her registered e-mail address).

Voting method for Custodian on i-Vote E-voting portal:

- After successful login, **Bigshare E-voting system** page will appear.

Investor Mapping:

- First you need to map the investor with your user ID under "**DOCUMENTS**" option on custodian portal.
  - Click on "**DOCUMENT TYPE**" dropdown option and select document type power of attorney (POA).
  - Click on upload document "**CHOOSE FILE**" and upload power of attorney (POA) or board resolution for respective investor and click on "**UPLOAD**".

    Note: The power of attorney (POA) or board resolution has to be named as the "**InvestorID.pdf**" (Mention Demat account number as Investor ID.)
  - Your investor is now mapped and you can check the file status on display.

Investor vote File Upload:

- To cast your vote select "**VOTE FILE UPLOAD**" option from left hand side menu on custodian portal.
- Select the Event under dropdown option.
- Download sample voting file and enter relevant details as required and upload the same file under upload document option by clicking on "**UPLOAD**". Confirmation message will

be displayed on the screen and also you can check the file status on display (Once vote on a resolution is casted, it cannot be changed subsequently).

- Custodian can "**CHANGE PASSWORD**" or "**VIEW/UPDATE PROFILE**" under "**PROFILE**" option on custodian portal.

Helpdesk for queries regarding e-voting:

Login type	**Helpdesk details**
Shareholder's other than individual shareholders holding shares in Demat mode & Physical mode.	In case shareholders/ investor have any queries regarding E-voting, you may refer the Frequently Asked Questions ('FAQs') and i-Vote e-Voting module available at https://ivote.bigshareonline.com, under download section or you can email us to ivote@bigshareonline.com or call us at: 1800 22 54 22, 022-62638338

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like 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 Company/RTA email id.

2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)

3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

In case shareholders/ investors have any queries regarding E-voting, you may refer the Frequently Asked Questions ('FAQs') and i-Vote e-Voting module available at https://ivote.bigshareonline.com , under download section or you can email us to ivote@bigshareonline.com or call us at: 1800 22 54 22. Alternatively, the Members may also write an e-mail to the Company at arcoleasingltd@gmail.com for any queries/ information.

By Order of the Board
Arco Leasing Limited

Mr. Jitesh Kothari
Whole Time Director
(DIN: 07522761)

Place: Mumbai
Date: 07.09.2026

EXPLANATORY STATEMENT (PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013) IN CONFORMITY WITH THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013.

ITEM NO. 2: APPOINTMENT OF M/S. D M K H & CO., CHARTERED ACCOUNTANTS (FIRM REGISTRATION NO. 116886W) AS THE STATUTORY AUDITORS OF THE COMPANY TO FILL THE CASUAL VACANCY

M/s. M. C. Jain & Co. LLP, Chartered Accountants (Firm Registration No. 304012E), the Statutory Auditors of the Company, tendered their resignation, thereby resulting in a casual vacancy in the office of the Statutory Auditors of the Company.

Pursuant to the provisions of Section 139(8) of the Companies Act, 2013 ("Act"), any casual vacancy in the office of an Auditor arising due to resignation shall be filled by the Board of Directors within thirty days and such appointment shall also be approved by the members of the Company at a general meeting convened within three months of the recommendation of the Board.

Accordingly, based on the recommendation of the Audit Committee, the Board of Directors of the Company, at its meeting held on August 25, 2026, approved the appointment of M/s. D M K H & Co., Chartered Accountants (Firm Registration No. 116886W) ("DMKH"), as the Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. M. C. Jain & Co. LLP, Chartered Accountants (Firm Registration No. 304012E), subject to the approval of the Members of the Company.

DMKH have conveyed their consent to act as the Statutory Auditors of the Company and have confirmed that their appointment, if approved by the Members, would be within the limits specified under Section 141 of the Act and that they are not disqualified from being appointed as Statutory Auditors under the applicable provisions of the Act and the rules made thereunder.

The Audit Committee and the Board of Directors, after considering the qualifications, experience, expertise and eligibility of DMKH, have recommended their appointment as the Statutory Auditors of the Company to fill the casual vacancy. Upon approval by the Members, DMKH shall hold office from the date of their appointment by the Board until the conclusion of the ensuing Annual General Meeting of the Company.

The proposed remuneration payable to DMKH, including applicable taxes and reimbursement of out-of-pocket expenses, shall be as may be recommended by the Audit Committee in consultation with the Auditors and duly approved by the Board of Directors.

In accordance with the applicable provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the relevant details pertaining to the proposed appointment of DMKH are provided as part of this Notice.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 02 of the Notice for approval of the Members.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 2 of the Notice.

ITEM NO. 3: APPOINTMENT OF M/S. D M K H & CO., CHARTERED ACCOUNTANTS (FIRM REGISTRATION NO. 116886W) AS THE STATUTORY AUDITORS OF THE COMPANY

M/s. **D M K H & Co., Chartered Accountants (Firm Registration No. 116886W)** ("DMKH"), have been proposed for appointment as the Statutory Auditors of the Company for a term of **5 (five) consecutive years,** commencing from the conclusion of this Annual General Meeting ("AGM") until the conclusion of the **47th AGM** of the Company.

The Board of Directors, based on the recommendation of the Audit Committee, has recommended the appointment of DMKH as the Statutory Auditors of the Company, in accordance with the provisions of Section 139(1) and other applicable provisions of the Companies Act, 2013 ("Act"), read with the Companies (Audit and Auditors) Rules, 2014.

DMKH have conveyed their consent to act as the Statutory Auditors of the Company and have confirmed that their appointment, if made, shall be in accordance with the applicable provisions of Sections 139 and 141 of the Act and the rules made thereunder. DMKH have further confirmed that they satisfy the eligibility and qualification requirements prescribed under the Act and that they are not disqualified from being appointed as Statutory Auditors of the Company.

The Audit Committee and the Board of Directors, after considering the professional experience, expertise, qualifications and eligibility of DMKH, are of the view that their appointment as Statutory Auditors would be in the best interests of the Company and its Members.

Accordingly, the Members are requested to approve the appointment of DMKH as the Statutory Auditors of the Company for a term of **5 (five) consecutive years**, commencing from the conclusion of this AGM until the conclusion of the **47th AGM**.

The remuneration payable to DMKH for the audit services shall be such as may be recommended by the Audit Committee in consultation with the Auditors and duly approved by the Board of Directors of the Company, in addition to applicable taxes and reimbursement of reasonable out-of-pocket expenses incurred in connection with the audit and other permitted professional services.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval of the Members.

None of the Directors, Key Managerial Personnel of the Company or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice.

ITEM NO. 4: TO APPROVE APPOINTMENT OF MR. JITESH KOTHARI (DIN: 07522761), AS DIRECTOR OF THE COMPANY

The Board of Directors of the Company, at its meeting held on 23rd July, 2026, based on the recommendation of the Nomination and Remuneration Committee, appointed Mr. Jitesh Kothari (DIN: 07522761) as an Additional Director of the Company with effect from 23rd July, 2026, subject to the approval of the Members of the Company.

Mr. Jitesh Kothari possesses the requisite qualifications, knowledge, experience and expertise in the areas relevant to the business and affairs of the Company. Considering his experience and contribution, the Board is of the view that his appointment would be beneficial to the Company.

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Jitesh Kothari, being eligible for appointment as Director. Accordingly, the approval of the Members is sought for his appointment as Director of the Company.

Brief Profile of Mr. Jitesh Kothari and Additional Information, required under Regulation 26 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Secretarial Standard on General Meetings, issued by the Institute of Company Secretaries of India, is given in Annexure to this Notice.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives, to whom the resolution relates, is concerned or interested in the Resolution No. 4 mentioned.

The Board of Directors of the Company recommends the resolution set forth at Item no. 4 of the accompanying Notice, for the approval of the members as an Ordinary Resolution.

Item No. 5: TO APPROVE APPOINTMENT MR. JITESH KOTHARI (DIN:07522761) AS WHOLE TIME DIRECTOR AND CHAIRMAN OF THE COMPANY.

The Board of Directors at its meeting held on July 23, 2026 on the recommendation of the Nomination & Remuneration Committee, approved the appointment of Mr. Jitesh Kothari (DIN: 07522761) as Whole Time Director and Chairman of the Company for a period of five years with effect from July 23, 2026 under the provisions of sections 196, 197, 203 and schedule V and other applicable provisions, if any of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 upon the terms and conditions and remuneration hereinafter indicated, to avail his expertise services in the Area of Business Management and Business Development.

The said appointment is subject to the approval of the Members of the Company in General Meeting.

BRIEF PROFILE OF MR. JITESH KOTHARI (DIN: 07522761):

Mr. Jitesh Kothari (DIN: 07522761), Executive Director, proposed as a Whole Time Director of our company. He is expected to substantially contribute towards the growth of the Company by his active participation and personal involvement. He has also served on the Board of various Private Limited Companies.

The Board of Directors has decided to take approval of the members for his appointment as Managing Director in accordance with the provisions of Companies Act, 2013. With consideration of his contribution in various aspects relating to the Company's affairs and long business experience, the Board of directors is of the consideration and opinion that, the services of Mr. Jitesh Kothari should continue to be available to the Company as the designation of Whole Time Director and Chairman of the Company for a period of five years with effect from 23rd July, 2026, subject to members' approval.

Mr. Jitesh Kothari is a qualified Chartered Accountant and a Commerce graduate from the University of Mumbai with over nine years of diversified professional experience in audit and assurance, taxation, financial reporting, corporate compliance, capital markets, fund raising, and business advisory services. He was a practicing Chartered Accountant from February 2016 to July 2024 and is presently working as an Independent Consultant.

He has extensive expertise in statutory and internal audits, direct and indirect taxation, corporate law compliances, financial advisory, due diligence, IPO advisory, fund raising, and Alternative Investment Funds (AIFs). He has also served as a Faculty for ICAI Orientation Programmes, mentoring aspiring Chartered Accountants in professional ethics, communication skills, and capital markets. In addition, he has experience as a Research Analyst in financial markets and has advised clients on financial structuring, regulatory compliance, investment strategies, and business growth.

Mr. Kothari's broad professional experience, strong financial acumen, and in-depth knowledge of corporate governance, capital markets, taxation, and regulatory frameworks will significantly contribute to the strategic growth and governance of the Company.

In terms of the provisions of the Companies Act, and the Articles of Association of the Company, the Nomination and Remuneration Committee of the Board held on 23rd July, 2026 and the Board of Directors have at their meeting held on 23rd July, 2026 recommended his appointment as Whole Time Director and Chairman of the Company for a period of five years with effect from 23rd July, 2026.

He was also Director in the following companies:

1. VALUECORE ADVISORY PRIVATE LIMITED
2. ANSU TRADE & FISCALS PVT LTD

The following additional information as required by Schedule V to the Companies Act, 2013 is given below:

I. General Information:

(i) Nature of Industry: The Company operates in the financial services sector and is engaged in leasing, asset financing, investment and related financial activities.

(ii) Date or expected date of commencement of commercial production:

The Company was incorporated on 01/02/1994 and commenced business thereafter.

(iii) Financial performance based on given indicators – as per audited financial results for the year ended 31st March, 2026.

Particulars	**Rs. In lakhs**
Gross Turnover & Other Income	8.17
Net Profit	(56.13)
Net Worth	(99.26)

II. Information about the appointee:

i) Background details: Refer as stated below.

ii) Past remuneration during the financial year ended 31st March, 2026: NA

iii) Job Profile and his suitability:

He is proposed to be appointed as an Additional Director of the Company and is further proposed to be regularised as an Executive Director for his appointment as Whole-time Director of the Company. However, considering the nature and scope of the functions proposed to be entrusted to him, which involve overlapping responsibilities, the Company proposes to appoint him as the Whole Time Director and Chairman of the Company.

Taking into consideration his qualifications, experience, expertise and the nature of responsibilities proposed to be entrusted to him, the designation and position of Managing Director is considered to be most appropriate and best suited to effectively discharge the responsibilities currently assigned to him and to contribute to the overall development and growth of the Company.

Following are the details of the annual salary & remuneration (payable monthly) proposed to be paid to Mr. Jitesh Kothari (DIN: 07522761), Managing Director as required by Schedule V to the Companies Act, 2013 is given below: -

III. Salary, Perquisites, Allowances & Remuneration per annum

a) Tenure of Appointment: 5 Years

b) Remuneration: Upto 25,000 month

d) Perquisites & Allowance:.

The said perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of Income Tax Act, 1961 or any rules there under or any statutory modification) or re-enactment thereof in the absence of any such rules perquisites and allowances shall be evaluated at actual cost.

The Company's contribution to provident fund, superannuation or annuity fund to the extent these singly or together are not taxable under the Income Tax law, gratuity payable and encashment of leave as per the rules of the Company and to the extent not taxable under the Income Tax law, shall not be included for the purpose of computation of the overall ceiling of remuneration

Any increment in salary and perquisites and remuneration by way of incentive bonus/ performance linked incentive payable to Mr. Jitesh Kothari (DIN: 07522761) as may be determined by the Board and/or the Nomination and Remuneration Committee of the Board, shall not be included for the purpose of computation of the aforesaid ceiling of remuneration referred to in the resolution at item No. 6 of the Notice.

e) Reimbursement of Expenses:

Expenses incurred for travelling board and lodging including for their respective spouses and attendant(s) during business trips, any medical assistance including for their respective family members and provision of cars for use one the Company's business and telephone expenses at residence shall be reimbursed actual and not considered as perquisites

f) Minimum remuneration

In the event of loss or inadequacy of profits in any financial year during the tenure of the appointment of MD shall be paid remuneration by way of salary and perquisites as set out above, as minimum remuneration, subject to restrictions, if any, set out in Schedule V to the Act, from time to time.

g) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:

Taking in to consideration the size of the Company, level headedness of Mr. Jitesh Kothari and the industry benchmarks, the remuneration position and person proposed to be paid is commensurate with remuneration packages paid to similar senior level incumbents, in other operating companies.

h) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any: Mr. Jitesh Kothari does not have any relationship directly or indirectly with the company, or relationship with the managerial personnel.

i) General:

Mr. Jitesh Kothari (DIN: 07522761), satisfies all the conditions set out in Part- I of Schedule to the Act as also conditions set out under sub-section (3) of Section 196 of the Act being eligible for their Appointment. He is not disqualified from being appointed as Directors in terms of Section 164 of the Act. Mr. Jitesh Kothari is not debarred from holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India (SEBI) or any other authority.

Brief resume of Mr. Jitesh Kothari nature of their expertise in specific functional areas, names of companies in which he holds directorships and membership chairmanships of Board Committees shareholding and relationship amongst directors inter se as stipulated under SEBI (LODR), 2015, are provided in the Annexure A forming part of the Notice.

The required disclosure to the shareholders of the Company about remuneration package of the managerial personnel and elements of remuneration package etc. of all the directors has been made in the Notice of Annual General Meeting.

None of the other Directors, Key Managerial Personnel (KMP) of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 5 of the Notice.

The Board of Directors of the Company recommends the resolution set forth at Item no. 5 of the accompanying Notice, for the approval of the members as a Special Resolution.

ITEM NO. 6: TO APPROVE APPOINTMENT OF MR. ANSHUL SHARMA (DIN:11870835), AS DIRECTOR OF THE COMPANY

The Board of Directors of the Company, at its meeting held on 13th August, 2026, based on the recommendation of the Nomination and Remuneration Committee, appointed Mr. Anshul Sharma (DIN: 11870835) as an Executive Director, Liable to retire by rotation of the Company with effect from 13th August, 2026, subject to the approval of the Members of the Company.

Mr. Anshul Sharma possesses the requisite qualifications, knowledge, experience and expertise in the areas relevant to the business and affairs of the Company. Considering his experience and contribution, the Board is of the view that his appointment would be beneficial to the Company.

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Anshul Sharma, being eligible for appointment as Director. Accordingly, the approval of the Members is sought for his appointment as Director of the Company.

Brief Profile of Mr. Anshul Sharma and Additional Information, required under Regulation 26 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Secretarial Standard on General Meetings, issued by the Institute of Company Secretaries of India, is given in Annexure to this Notice.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives, to whom the resolution relates, is concerned or interested in the Resolution 6 mentioned.

The Board of Directors of the Company recommends the resolution set forth at Item no. 6 of the accompanying Notice, for the approval of the members as an Ordinary Resolution.

BRIEF PROFILE OF MR. ANSHUL SHARMA (DIN:11870835):

Mr. Anshul Sharma is a qualified Chartered Accountant (CA) and a Commerce Graduate with over six years of post-qualification experience in corporate finance, financial reporting, controllership, strategic planning, treasury, taxation, governance and regulatory compliance. He has worked with reputed organizations including Aditya Birla Capital Limited, Geddit Convenience Seller Private Limited (Zepto Group), Deloitte USI, Grant Thornton Bharat LLP and T.R. Chadha & Co. LLP.

He possesses extensive expertise in financial planning and analysis, budgeting, cash flow management, Ind AS financial reporting, statutory audits, internal financial controls, ERP implementation, treasury operations, taxation, and compliance with the Companies Act, 2013 and SEBI Regulations. He has significant experience in board reporting, financial governance, business finance, enterprise risk management and strategic financial decision-making.

Mr. Sharma's rich professional experience, sound financial acumen and comprehensive understanding of corporate finance, accounting standards, regulatory compliance and governance will be a valuable asset to the Company in strengthening its financial management and long-term strategic growth.

He possesses extensive expertise in financial planning and analysis, budgeting, cash flow

Mr. Anshul Sharma (DIN: 11870835), Executive Director, proposed as an Executive Director of our company. He is expected to substantially contribute towards the growth of the Company by his active participation and personal involvement. He has also served on the Board of various Private Limited Companies.

The Board of Directors has decided to take approval of the members for his appointment as Executive Director in accordance with the provisions of Companies Act, 2013. With consideration of his contribution in various aspects relating to the Company's affairs and long business experience, the Board of directors is of the consideration and opinion that, the services of Mr. Anshul Sharma should continue to be available to the Company as the designation of Executive Director of the Company for a period of five years with effect from 13th August, 2026, subject to members' approval.

In terms of the provisions of the Companies Act, and the Articles of Association of the Company, the Nomination and Remuneration Committee of the Board held on 13th August, 2026 and the

REPLY TO,
PLOT NO. 123, STREET NO. 17
M.I.D.C. (MAROL),
ANDHERI (E), MUMBAI – 400 093
INDIA
CIN: L65910MH1984PLC031957

TEL:(91-22) 6693 6311-3
2821 7222-5
FAX: (91-22) 2836 1760
E-mail: arcoleasingltd@gmail.com

Board of Directors have at their meeting held on 13th August, 2026 recommended his appointment as Executive Director of the Company for a period of five years with effect from 13th August, 2026, Since the Company has no profit or inadequate profit then no remuneration shall be paid to him in accordance with the provisions of the Companies Act. 2013 read with Schedule V of the Act.

ITEM NO. 7: TO APPROVE APPOINTMENT OF MR. ATUL RAMSHANKAR JAISWAL (DIN: 11615262), AS DIRECTOR OF THE COMPANY

The Board of Directors of the Company, at its meeting held on 23rd July, 2026, based on the recommendation of the Nomination and Remuneration Committee, appointed Mr. Atul Ramshankar Jaiswal (DIN: 11615262) as an Additional Director of the Company with effect from 23rd July, 2026, subject to the approval of the Members of the Company.

Mr. Atul Ramshankar Jaiswal possesses the requisite qualifications, knowledge, experience and expertise in the areas relevant to the business and affairs of the Company. Considering his experience and contribution, the Board is of the view that his appointment would be beneficial to the Company.

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Atul Ramshankar Jaiswal, being eligible for appointment as Director. Accordingly, the approval of the Members is sought for his appointment as Director of the Company.

Brief Profile of Mr. Atul Ramshankar Jaiswal and Additional Information, required under Regulation 26 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Secretarial Standard on General Meetings, issued by the Institute of Company Secretaries of India, is given in Annexure to this Notice.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives, to whom the resolution relates, is concerned or interested in the Resolution No. 7 mentioned.

Item No. 8: CHANGE IN DESIGNATION OF MR. ATUL RAMSHANKAR JAISWAL (DIN: 11615262) FROM WHOLE TIME DIRECTOR TO MANAGING DIRECTOR OF THE COMPANY.

The Board of Directors, at its meeting held on July 23, 2026, had appointed Mr. Atul Ramshankar Jaiswal as a Whole-time Director of the Company.

Subsequently, based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors, at its meeting held on 13th August 2026, approved the change in designation of Mr. Atul Ramshankar Jaiswal (DIN: 11615262) from Whole-time Director to Managing Director of the Company, for a period of five (5) years with effect from 13th August, 2026, subject to the approval of the Members, on the terms and conditions, including remuneration, as set out below, pursuant to the provisions of Sections 196, 197, 203 and Schedule V, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

Mr. Atul Jaiswal possesses considerable expertise and experience in the areas of Business Management and Business Development, and the Board is of the view that his continued association with the Company in the capacity of Managing Director would be in the best interests of the Company.

BRIEF PROFILE OF MR. ATUL RAMSHANKAR JAISWAL (DIN: 11615262):

Mr. Atul Ramshankar Jaiswal (DIN: 11615262), Managing Director, Age 34 Years, proposed as a Managing Director of our company. He is expected to substantially contribute towards the growth of the Company by his active participation and personal involvement. He has also served on the Board of various Private Limited Companies.

Brief Profile of Mr. Atul Ramshankar Jaiswal (DIN: 11615262)

Mr. Atul Ramshankar Jaiswal is a qualified Chartered Accountant and a Commerce graduate from the University of Mumbai, having over eight years of professional experience in financial reporting, taxation, auditing, regulatory compliance, and business advisory services. He was a practicing Chartered Accountant from September 2017 to January 2026 and is presently working as an Independent Consultant.

He possesses extensive expertise in direct and indirect taxation, statutory and internal audits, financial advisory, corporate compliance under the Companies Act, GST, ROC matters, financial planning, due diligence, and business structuring. He has advised a diverse range of clients across various industries on taxation, regulatory compliance, financial management, and operational efficiency.

Mr. Jaiswal's rich professional experience and comprehensive understanding of finance, taxation, corporate laws, and governance will be a valuable asset to the Company and its Board.

The Board of Directors has decided to take approval of the members for his change in designation from Whole-Time Director to Managing Director in accordance with the provisions of Companies Act, 2013. With consideration of his contribution in various aspects relating to the Company's affairs and long business experience, the Board of directors is of the consideration and opinion that, the services of Mr. Atul Ramshankar Jaiswal should continue to be available to the Company as the designation of Managing Director of the Company for a period of five years with effect from 13th August, 2026, subject to members' approval.

In terms of the provisions of the Companies Act, and the Articles of Association of the Company, the Nomination and Remuneration Committee of the Board held on 13th August, 2026 and the Board of Directors have at their meeting held on 13th August, 2026 recommended his Change in designation to Managing Director of the Company for a period of five years with effect from 13th August, 2026, Since the Company has no profit or inadequate profit then no remuneration shall be paid to him in accordance with the provisions of the Companies Act. 2013 read with Schedule V of the Act.

He was also Director in the following companies:

1. ANSU TRADE & FISCALS PVT LTD

The following additional information as required by Schedule V to the Companies Act, 2013 is given below:

I. General Information:

(i) Nature of Industry: The Company operates in the financial services sector and is engaged in leasing, asset financing, investment and related financial activities.

(ii) Date or expected date of commencement of commercial production:

The Company was incorporated on 01/02/1994 and commenced business thereafter.

(iii) Financial performance based on given indicators – as per audited financial results for the year ended 31st March, 2026.

Particulars	**Rs. In lakhs**
Gross Turnover & Other Income	8.17
Net Profit	(56.13)
Net Worth	(99.26)

II. Information about the appointee:

i) Background details: Refer as stated below.

ii) Past remuneration during the financial year ended 31st March, 2026: NA

iii) Job Profile and his suitability:

He is presently appointed as the Whole-time Director of the Company. However, considering the nature and scope of the functions and responsibilities entrusted to him, and taking into consideration the overlapping and executive nature of such functions, the Company proposes to appoint him as the Managing Director of the Company in place of his appointment as Whole-time Director.

Taking into consideration his qualifications, experience, expertise and contribution to the affairs of the Company, the Board is of the view that his appointment as Managing Director is appropriate and best suited to the responsibilities entrusted to him and would be in the best interests of the Company. Following are the details of the annual salary & remuneration (payable monthly) proposed to be paid to Mr. Atul Ramshankar Jaiswal (DIN: 11615262), Managing Director as required by Schedule V to the Companies Act, 2013 is given below: -

III. Salary, Perquisites, Allowances & Remuneration per annum

a) Tenure of Appointment: 5 Years

b) Remuneration: Upto 25,000 per month

d) Perquisites & Allowance:.

The said perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of Income Tax Act, 1961 or any rules there under or any statutory modification) or re-enactment thereof in the absence of any such rules perquisites and allowances shall be evaluated at actual cost.

The Company's contribution to provident fund, superannuation or annuity fund to the extent these singly or together are not taxable under the Income Tax law, gratuity payable and encashment of leave as per the rules of the Company and to the extent not taxable under the Income Tax law, shall not be included for the purpose of computation of the overall ceiling of remuneration

Any increment in salary and perquisites and remuneration by way of incentive bonus/ performance linked incentive payable to Mr. Atul Ramshankar Jaiswal (DIN: 11615262) as may be determined by the Board and/or the Nomination and Remuneration Committee of the Board, shall not be included for the purpose of computation of the aforesaid ceiling of remuneration referred to in the resolution at item No. 5 of the Notice.

e) Reimbursement of Expenses:

Expenses incurred for travelling board and lodging including for their respective spouses and attendant(s) during business trips, any medical assistance including for their respective family members and provision of cars for use one the Company's business and telephone expenses at residence shall be reimbursed actual and not considered as perquisites

f) Minimum remuneration

In the event of loss or inadequacy of profits in any financial year during the tenure of the appointment of MD shall be paid remuneration by way of salary and perquisites as set out above, as minimum remuneration, subject to restrictions, if any, set out in Schedule V to the Act, from time to time.

g) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:

Taking in to consideration the size of the Company, level headedness of Mr. Atul Ramshankar Jaiswal and the industry benchmarks, the remuneration position and person proposed to be paid is commensurate with remuneration packages paid to similar senior level incumbents, in other operating companies.

h) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any: Mr. Atul Ramshankar Jaiswal does not have any relationship directly or indirectly with the company, or relationship with the managerial personnel.

i) General:

Mr. Atul Ramshankar Jaiswal (DIN: 11615262), satisfies all the conditions set out in Part- I of Schedule to the Act as also conditions set out under sub-section (3) of Section 196 of the Act being eligible for their Appointment. He is not disqualified from being appointed as Directors in terms of Section 164 of the Act. Mr. Atul Ramshankar Jaiswal (DIN: 11615262) is not debarred from holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India (SEBI) or any other authority.

Brief resume of Mr. Atul Ramshankar Jaiswal nature of their expertise in specific functional areas, names of companies in which he holds directorships and membership chairmanships of Board Committees shareholding and relationship amongst directors inter se as stipulated under SEBI (LODR), 2015, are provided in the "**Annexure A**" forming part of the Notice.

The required disclosure to the shareholders of the Company about remuneration package of the managerial personnel and elements of remuneration package etc. of all the directors has been made in the Notice.

None of the other Directors, Key Managerial Personnel (KMP) of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 8 of the Notice.

The Board of Directors of the Company recommends the resolution set forth at Item no. 8 of the accompanying Notice, for the approval of the members as a Special Resolution.

ITEM NO. 9: TO REGULARIZE MR. UTSAV JASAPARA (DIN: 09711346) AS NON-EXECUTIVE INDEPENDENT DIRECTOR OF THE COMPANY.

As per Section 149 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and other applicable rules regulations every Listed Company shall have requisite number of directors as Independent Directors on the board.

In order to comply with the provisions of Section 149(4) of Companies Act 2013 it is proposed to regularise appointment of Mr. Utsav Jasapara (DIN: 09711346) from Additional Independent Director to Independent Director of the Company.

The Company has received from Mr. Utsav jasapara (DIN: 09711346):

(i) Consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014

(ii) intimation in Form DIR-8 in terms of Rule 14 of the said Rules to the effect that he is not disqualified under subsection (2) of Section 164 of the Companies Act, 2013 confirming his eligibility for such appointment and

(iii) a declaration to the effect that he meets the criteria of Independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 any person appointed as an additional director can hold office upto the date of ensuing Annual General Meeting.

Since Mr. Utsav Jasapara (DIN: 09711346) was appointed as an Additional Director on the board on August 13, 2026 and his term of office will expire on the day of AGM. However, he can be regularized as a Director with the approval of members of the Company at any general meeting. He is qualified the Independent Director's Examination and fulfils the conditions for their appointment as Independent Director as specified in the Act and Listing Regulations.

The Nomination and Remuneration Committee has recommended the appointment of Mr. Utsav Jasapara (DIN: 09711346) as an Independent Director for a period of Five years. He is not liable to retire by rotation.

In the opinion of the Board Mr. Utsav Jasapara (DIN: 09711346) fulfils the conditions as specified in the Act and the Rules framed thereunder for appointment as Independent Director and he is independent from the management.

In compliance with the provisions of section 149 read with Schedule IV of the Act the appointment of Mr. Utsav Jasapara (DIN: 09711346) as an Independent non-executive Director is now being placed before the Members for their approval.

Copy of the letter of appointment issued to Mr. Utsav Jasapara (DIN: 09711346) setting out the terms and conditions of appointment is available for inspection by the members electronically. Members seeking to inspect the same can send an email to arcoleasingltd@gmail.com

Mr. Utsav Jasapara (DIN: 09711346) being appointee is interested in his appointment. Besides this none of the other Directors and Key Managerial Personnel and their relatives are in any way concerned or interested financially or otherwise in the said resolutions.

The Board of Directors commends the Special Resolution set out at Item No. 9 of this Notice for approval by the members.

Details of Mr. Utsav Jasapara (DIN: 09711346) along with brief profile pursuant to the provisions of (i) Listing Regulations; and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India, are provided in the "**Annexure A**" to this Notice.

ITEM NO 10. TO MAKE LOANS OR INVESTMENT(S) OR PROVIDE SECURITY AND GUARANTEE IN EXCESS OF THE PRESCRIBED LIMITS UNDER SECTION 186 OF THE COMPANIES ACT, 2013.

Pursuant to the provisions of Section 186 of the Companies Act, 2013, the Board of Directors of the Company can make investments in any other body corporate, give loans, guarantees and security to any person, in aggregate not exceeding sixty percent of the aggregate of the paid-up capital, free reserve and securities premium account of the Company or one hundred percent of free reserves and securities premium account of the Company, whichever is higher. Investments, loans, guarantees and securities in excess of the said limits require prior approval of members by way of a Special Resolution.

The Board is desirous of increasing these limits to Rs. 1000 Crores (Rupees One Thousand Crores Only). Accordingly, present resolution is proposed for approval of the members to authorize the board of directors of the Company to:

a) give loan to any person or body corporate or give guarantee or provide security in connection with a loan to any other person or body corporate provided that the aggregate amount of such loan investment and guarantee outstanding at any time shall not exceed Rs. 1000 Crore (Rupees One Thousand Crores Only);

b) Make investment and acquire by way of subscription, purchase or otherwise securities of any other body corporate by cash or swap of shares or other mode or any combination hereof provided that the total amount of such investments outstanding at any time shall not exceed Rs. 1000 Crore (Rupees One Thousand Crores Only); and which exceeds the prescribed ceiling under Section 186 of the Companies Act 2013.

The Board of Directors recommends the resolution as set out at Item No. 10 for approval of the members as Special resolution.

None of the Directors and Key Managerial Personnel and their relatives is any way concerned or interested financially or otherwise in the resolution.

REPLY TO,
PLOT NO. 123, STREET NO. 17
M.I.D.C. (MAROL),
ANDHERI (E), MUMBAI – 400 093
INDIA
CIN: L65910MH1984PLC031957

TEL:(91-22) 6693 6311-3
2821 7222-5
FAX: (91-22) 2836 1760
E-mail: arcoleasingltd@gmail.com

By Order of the Board
Arco Leasing Limited

Mr. Jitesh Kothari
Whole Time Director
(DIN: 07522761)

Place: Mumbai
Date: 07.09.2026

REPLY TO,
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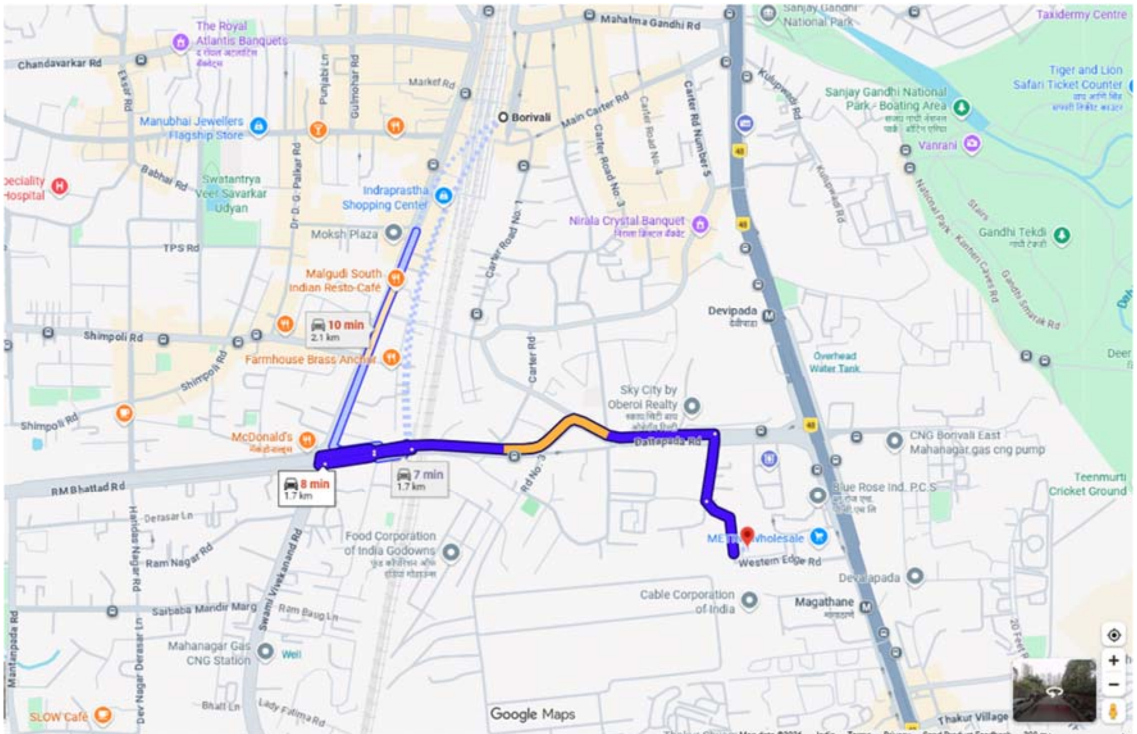
ROUTE MAP

Map to the Venue of 42nd Annual General Meeting of ARCO LEASING LIMITED on Wednesday, September 30, 2026 at 05.00 p.m. (IST).



Note: Map given above is indicative and distance is approximate.

Venue: **B-09, Western Edge II, Western Express Highway, Magathane, Food Corporation of India Warehouse, Borivali East, Mumbai, Maharashtra 400066**

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ATTENDANCE SLIP

Regd. Folio/DP ID and Client ID	
Number of Shares held	
Name and Address of the Member	
Name and Address of the Proxy holder	

I hereby record my presence at the 42nd Annual General Meeting of Arco Leasing Limited to be held on Wednesday, September 30th, 2026 at 05.00 p.m. (IST) at B-09, Western Edge II, Western Express Highway, Magathane, Food Corporation of India Warehouse, Borivali East, Mumbai, Maharashtra 400066

Signature of the Member/Proxy Present:

Note:

1. Member/Proxy holder who wish to attend the Meeting must bring the duly signed Attendance Slip to the Meeting and handover at the entrance of the Meeting Hall.
2. Please read the instructions printed under the Note No. **i.** to the Notice of the 42nd Annual General Meeting. The e-voting period starts from Sunday, September 27, 2026 at 9.00 a.m. (IST) and ends on Tuesday, September 29, 2026 at 5.00 p.m. (IST). The voting module shall be disabled by Bigshare Services Private Limited for voting thereafter.

PROXY FORM

FORM MGT-11

42nd ANNUAL GENERAL MEETING – Wednesday, September 30, 2026

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s)	
Registered Address	
Email ID	
Folio No/ DP ID and Client ID	

I/We, being the member(s) of Arco Leasing Limited holding ……………….. shares, hereby appoint

Name	
Address	
Email id	
Signature	

or failing him/her

Name	
Address	
Email id	
Signature	

or failing him/her

Name	
Address	
Email id	
Signature	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 42nd Annual General Meeting of the Company, to be held on the Wednesday, September 30, 2026 at 05.00 p.m. at B-09, Western Edge II, Western Express Highway, Magathane, Food Corporation of India Warehouse, Borivali East, Mumbai, Maharashtra 400066,
Maharashtra and at any adjournment thereof in respect of such resolutions as are indicated below:

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Resolution Number	Resolution
1	ADOPTION OF ACCOUNTS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2026.
2	APPOINTMENT OF M/S. D M K H & CO., CHARTERED ACCOUNTANTS (FIRM REGISTRATION NO. 116886W) AS THE STATUTORY AUDITORS OF THE COMPANY TO FILL THE CASUAL VACANCY
3	APPOINTMENT OF M/S. D M K H & CO., CHARTERED ACCOUNTANTS (FIRM REGISTRATION NO. 116886W) AS THE STATUTORY AUDITORS OF THE COMPANY
4	TO APPROVE APPOINTMENT OF MR. JITESH KOTHARI (DIN: 07522761) AS DIRECTOR OF THE COMPANY
5	TO APPROVE APPOINTMENT OF MR. JITESH KOTHARI (DIN: 07522761) AS WHOLE TIME DIRECTOR OF THE COMPANY AND FIXING HIS REMUNERATION THEREOF.
6	TO APPROVE APPOINTMENT OF MR. ANSHUL SHARMA (DIN:11870835), AS DIRECTOR OF THE COMPANY
7	TO APPROVE APPOINTMENT OF MR. ATUL RAMSHANKAR JAISWAL (DIN: 11615262) AS DIRECTOR OF THE COMPANY
9	TO APPROVE APPOINTMENT OF MR. ATUL RAMSHANKAR JAISWAL (DIN: 11615262) AS MANAGING DIRECTOR OF THE COMPANY
9	TO REGULARIZE MR. UTSAV JASAPARA (DIN: 09711346) AS AN INDEPENDENT DIRECTOR OF THE COMPANY
10	TO MAKE LOANS OR INVESTMENT(S) OR PROVIDE SECURITY AND GUARANTEE IN EXCESS OF THE PRESCRIBED LIMITS UNDER SECTION 186 OF THE COMPANIES ACT, 2013.

Signed this__________________day of **Affix Revenue Stamp** ______________________, 2026.

Signature of the Shareholder

Signature of Proxy Holder(s)

Note:

This form of proxy in order to be effective, should be duly stamped, completed and signed and must be deposited at the Office of the Company, not less than 48 hours before the commencement of the Annual General Meeting.

Annexure A

DETAILS OF DIRECTORS SEEKING APPOINTMENT AS REQUIRED UNDER REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, AND SECRETARIAL STANDARD ON GENERAL MEETINGS:

Particulars	**MR. JITESH KOTHARI (DIN: 07522761)**	**MR. ANSHUL SHARMA (DIN:11870835)**	**MR. ATUL RAMSHANKAR JAISWAL (DIN: 11615262)**	**MR. UTSAV JASAPARA (DIN: 09711346)**
Date of Appointment	23rd July 2026	13th August 2026	13th August 2026	13th August 2026
Age in years	33 Years	33 Years	34 Years	31 Years
Qualification	C.A, B.com	C.A, B.com	C.A, B.com	C.A, C.S, CCA, Qualified Independent Director, B.com
Expertise in specific functional area	Mr. Jitesh Kothari is a qualified Chartered Accountant and a Commerce graduate from the University of Mumbai with over nine years of diversified professional experience in audit and assurance, taxation, financial reporting, corporate compliance, capital markets, fund raising, and business advisory services. He was a practicing Chartered Accountant from February 2016 to July 2024 and is presently working as an Independent Consultant. He has extensive expertise in statutory and	Mr. Anshul Sharma is a finance professional with extensive experience in corporate finance, financial management, controllership, audit and assurance. He has expertise in financial reporting, regulatory compliance, taxation, treasury, budgeting, internal financial controls, Ind AS accounting and strategic financial planning. He has handled senior finance responsibilities, including corporate finance and controllership functions, and has also managed statutory audit and advisory engagements across	Mr. Atul Ramshankar Jaiswal is a qualified Chartered Accountant and a Commerce graduate from the University of Mumbai, having over eight years of professional experience in financial reporting, taxation, auditing, regulatory compliance, and business advisory services. He was a practicing Chartered Accountant from September 2017 to January 2026 and is presently working as an Independent Consultant. He possesses extensive expertise in direct and	Mr. Utsav Jasapara is a Fellow Chartered Accountant and a Company Secretary (Professional) with over 10 years of professional experience in venture building, corporate finance, fundraising, capital markets, transaction advisory and cross-border investment structuring. He is also a Certified Concurrent Auditor and a Qualified Independent Director. He has extensive experience in providing strategic CFO and financial advisory services, including financial planning, financial governance, management reporting, capital structuring and fundraising advisory. His professional

	internal audits, direct and indirect taxation, corporate law compliances, financial advisory, due diligence, IPO advisory, fund raising, and Alternative Investment Funds (AIFs). He has also served as a Faculty for ICAI Orientation Programmes, mentoring aspiring Chartered Accountants in professional ethics, communication skills, and capital markets. In addition, he has experience as a Research Analyst in financial markets and has advised clients on financial structuring, regulatory compliance, investment strategies, and business growth. Mr. Kothari's broad professional experience, strong financial acumen, and in-depth knowledge of corporate governance, capital markets, taxation, and regulatory frameworks will significantly contribute to the strategic	the BFSI and manufacturing sectors. His experience includes working with leading organisations such as Aditya Birla Capital Limited, Geddit Convenience Seller Private Limited (Zepto Group), Deloitte USI, Grant Thornton Bharat LLP and T.R. Chadha & Co. LLP.	indirect taxation, statutory and internal audits, financial advisory, corporate compliance under the Companies Act, GST, ROC matters, financial planning, due diligence, and business structuring. He has advised a diverse range of clients across various industries on taxation, regulatory compliance, financial management, and operational efficiency. Mr. Jaiswal's rich professional experience and comprehensive understanding of finance, taxation, corporate laws, and governance will be a valuable asset to the Company and its Board.	experience covers end-to-end transaction advisory, including deal structuring, financial and tax due diligence, valuation, transaction documentation and execution of domestic and cross-border transactions. He also possesses significant expertise in capital markets and listed company advisory, including IPO and pre-IPO advisory, post-listing governance, SEBI LODR compliance, continuous disclosures, investor communication and board-level financial oversight. He has served as an Independent Director and Chairman of the Audit Committee of a BSE SME listed company, where he was involved in matters relating to financial reporting, statutory audits, related party transactions, regulatory compliance and listed-entity governance. His areas of expertise further include international taxation, FEMA compliance, cross-border structuring, AIF and fund-related advisory, structured finance, valuation and strategic

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	growth and governance of the Company.			business advisory. With his diverse experience in finance, governance, capital markets and transaction advisory, he brings substantial expertise relevant to the management and strategic development of the Company.
Relationship with other Directors, Managers and other Key Managerial Personnel(s) of the Company	Not related	Not related	Not related	Not related
Number of Meetings of the Board attended during the year	N.A.	N.A.	N.A.	N.A.
Directorships held in other Public Limited in India	1. Valuecore advisory private limited 2. Ansu Trades & fiscals Pvt ltd	1. Ansu Trade & Fiscals Pvt Ltd	1. Ansu Trade & Fiscals Pvt Ltd	N.A.
***Chairmanships / Membership of Committees in other public limited companies in India**	N.A.	N.A.	N.A.	N.A.

ARCO LEASING LIMITED

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DIRECTORS' REPORT

To,
Dear Members,

Your Directors' are pleased to present the 42nd Annual Report and Audited Financial Statements (Standalone & Consolidated) of **ARCO LEASING LIMITED**, for the financial year ended March 31, 2026.

FINANCIAL RESULTS

The Company's financial performance for the year ended 31st March 2026 is summarized below:

(Rs. In Lakhs)

Particulars	31st March, 2026		31st March, 2025	
	Standalone	Consolidated	Standalone	Consolidated
Revenue from Operations	7.00	23.60	-	17.41
Other Income	1.17	1.17	1.14	1.41
Total Revenue	**8.17**	**24.77**	**1.14**	**18.82**
Total Expenses	64.30	65.09	12.65	13.15
Profit/(Loss) Before Tax	**(56.13)**	**(40.32)**	**(11.24)**	**5.67**
Tax Expense (Net)	**-**	(2.7)	-	4.26
Profit /(Loss) After Tax	(56.13)	(37.62)	(11.24)	1.41
Earnings Per Share (Rs.)	**(23.38)**	**(15.67)**	**(4.68)**	**0.59**

PERFORMANCE OF THE COMPANY

- The Company generated revenue of Rs. 7.00 Lakhs from its operations during the year under review. Further, the Company earned other income of Rs. 1.17 Lakhs during the year. Accordingly, the total revenue of the Company for the year under review stood at Rs. 8.17 Lakhs, as compared to Rs. 1.14 Lakhs in the previous year.

- Total expenditure of the Company during the financial year 2025-26 is Rs. 64.30 Lakhs as compared to Rs.12.65 Lakhs in the previous year. It has resulted in the losses of Rs. 56.13 Lakhs to the Company during the financial year of 2025-26.

- Similarly, on Consolidated basis, total revenue of the Company for the financial year under review is enhanced to Rs. 24.77 Lakhs as compared to Rs.18.82 Lakhs of previous year. Total expenditure of the Company for F.Y. 2025-26 on consolidated basis is Rs.65.09 Lakhs which has increased as compared to Rs.13.15 Lakhs of the previous year. It has resulted in the losses of Rs.37.62 Lakhs to the Company during the financial year of 2025-26.

- There were no material changes and commitments affecting the financial position of the Company, between the end of the financial year and the date of the report.

DIVIDEND

In order to conserve resources of the Company your Board has not recommended any dividend for the year under review

TRANSFER TO RESERVES

The Directors do not propose to transfer any amount to Reserve.

MAJOR EVENTS OCCURRED DURING THE YEAR

MATERIAL CHANGES FROM END OF FINANCIAL YEAR TILL DATE OF REPORT

There are no material changes and commitments affecting the financial position of the Company which have occurred between the ends of the financial year i.e. 31st March, 2026 and as on the date of this report.

CHANGE IN NATURE OF BUSINESS:

The Company has not undergone any change in the nature of business during the year.

SHARE CAPITAL

The Authorized Share Capital of the Company is ₹6,00,00,000/- (Rupees Six Crores only) comprising 20,00,000 (Twenty Lakhs) Equity Shares of ₹10/- (Rupees Ten) each and 4,00,000 (Four Lakhs) Cumulative Redeemable Preference Shares of ₹100/- (Rupees One Hundred) each.

As on March 31, 2025, the Paid-up Equity Share Capital of the Company was ₹24,00,700/- (Rupees Twenty-Four Lakhs Seven Hundred only) divided into 2,40,070 (Two Lakh Forty Thousand and Seventy) Equity Shares of ₹10/- each, fully paid-up, and the Paid-up Preference Share Capital was ₹2,50,00,000/- (Rupees Two Crores Fifty Lakhs only).

Close to the year under review, the Company allotted 10,613,500 (One Crore Six Lakh Thirteen Thousand Five Hundred) Equity Shares of face value of ₹10/- each, fully paid-up, at an issue price of ₹10/- per Equity Share as on August 13th,2026.

Pursuant to the aforesaid allotment, the Paid-up Equity Share Capital of the Company increased from ₹24,00,700/- to ₹10,85,35,700/-, comprising 1,08,53,570 (One Crore Eight Lakh Fifty-Three Thousand Five Hundred and Seventy) Equity Shares of ₹10/- each, fully paid-up.

Except for the aforesaid allotment, during the year under review, the Company has not issued any shares or convertible securities, shares with differential voting rights, nor granted any stock options, sweat equity shares or warrants.

LISTING FEES

Listing and Revocation of Suspension of Trading:

The Equity Shares of the Company are listed on BSE Limited. The trading in the Equity Shares of the Company was earlier suspended by BSE Limited. During the year under review, the Company completed the necessary compliances and formalities for revocation of suspension of trading in its Equity Shares.

Accordingly, BSE Limited revoked the suspension of trading in the Equity Shares of the Company, and trading in the Equity Shares of the Company has resumed and is currently traded on BSE Limited.

DEPOSITS

The Company has not accepted any deposits from public under Chapter V of the Companies Act, 2013, during the financial year under review.

MANAGEMENT DISCUSSION AND ANALYSIS:

The Management Discussion and Analysis as required under the Listing Regulations forms an integral part of this report and is presented separately. It gives details of the overall industry structure, economic developments, performance and state of affairs of your Company's, and their adequacy, risk management systems and other material developments during the Financial Year 2025-26.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

- **BOARD OF DIRECTORS**

As on March 31, 2026, the Board of Directors of the Company comprised a combination of Executive Directors and Non-Executive Independent Directors.

The Board is well diversified and includes one Woman Independent Director (Non-Executive). The composition of the Board is in compliance with the applicable provisions of Section 149 of the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and comprises an appropriate mix of Executive and Non-Executive Directors, including Independent Directors.

- **APPOINTMENT, RE-APPOINTMENT AND RESIGNATION OF DIRECTORS**

During the year under review, the following changes took place in the composition of the Board of Directors of the Company:

Changes in the Board of Directors and Key Managerial Personnel

During the financial year under review and subsequent to the close of the financial year, there were several changes in the composition of the Board of Directors and Key Managerial Personnel of the Company, as detailed below:

Cessation of Mrs. Aarushi Jain (DIN: 10936056):
Mrs. Aarushi Jain (DIN: 10936056) ceased to be an Independent Director of the Company upon completion of her term with effect from May 12, 2025. The Board took note of her cessation and placed on record its sincere appreciation for the valuable guidance, support and contribution rendered by her during her tenure as an Independent Director of the Company.

Appointment of Mrs. Khadija Taher Raniwala and Mrs. Usha Ghelani:

On August 13, 2025, Mrs. Khadija Taher Raniwala (DIN: 11237433) and Mrs. Usha Ghelani (DIN: 10414386) were appointed as Non-Executive Independent Directors of the Company. The Board is of the opinion that they possess the requisite integrity, expertise, experience and proficiency to effectively discharge their duties and responsibilities and that their appointments would strengthen and further diversify the composition of the Board.

Appointment of Mrs. Jeny Gowadia and Mr. Keyur Shah:

On March 09, 2026, Mrs. Jeny Gowadia (DIN: 03014009) and Mr. Keyur Shah (DIN: 09420459) were appointed as Non-Executive Independent Directors of the Company. The Board is of the opinion that they possess the requisite integrity, expertise, experience and proficiency to effectively discharge their duties and responsibilities and that their appointments would strengthen the overall composition of the Board.

Appointment of Mr. Akash Dubey as Managing Director and Chief Financial Officer:

On March 09, 2026, the Board approved the appointment of Mr. Akash Dubey (DIN: 08731219) as the Managing Director and Chief Financial Officer (CFO) of the Company.

Appointment of Mr. Atul Ramshankar Jaiswal and Mr. Jitesh Kothari as Additional Directors:

On July 23, 2026, the Board approved the appointment of Mr. Atul Ramshankar Jaiswal (DIN: 11615262) and Mr. Jitesh Kothari (DIN: 07522761) as Additional Directors of the Company with effect from July 23, 2026.

Appointment of Mr. Atul Ramshankar Jaiswal and Mr. Jitesh Kothari as Whole-Time Directors:

The Board approved the appointment of Mr. Atul Ramshankar Jaiswal (DIN: 11615262) and Mr. Jitesh Kothari (DIN: 07522761) as Whole-Time Directors of the Company for a period of five (5) years with effect from July 23, 2026, subject to the approval of the shareholders of the Company.

Resignation of Mr. Akash Dubey from the office of Managing Director and Chief Financial Officer:
Mr. Akash Dubey (DIN: 08731219) tendered his resignation from the office of Managing Director and Chief Financial Officer (CFO) of the Company with effect from the close of business hours on August 13, 2026. The Board accepted his resignation and placed on record its sincere appreciation for the valuable services, guidance and contribution rendered by him during his tenure with the Company.

Change in Designation of Mr. Atul Ramshankar Jaiswal from Whole-Time Director to Managing Director:

The Board approved the change in designation of Mr. Atul Ramshankar Jaiswal (DIN: 11615262) from Whole-Time Director to Managing Director of the Company for a period of five (5) years with effect from August 13, 2026, subject to the approval of the shareholders of the Company.

Appointment of Mr. Anshul Sharma as Executive Director and Chief Financial Officer:

On August 13, 2026, the Board approved the appointment of Mr. Anshul Sharma (DIN: 11870835) as an Executive Director of the Company for a period of five (5) years with effect from August 13, 2026, subject to the approval of the shareholders of the Company. The Board also appointed Mr. Anshul Sharma as the Chief Financial Officer (CFO) and Key Managerial Personnel of the Company with effect from August 13, 2026, pursuant to Section 203 and other applicable provisions of the Companies Act, 2013.

Appointment of Mr. Utsav Jasapara as Additional Director (Non-Executive, Independent Director):
On August 13, 2026, Mr. Utsav Jasapara (DIN: 09711346) was appointed as an Additional Director in the capacity of Non-Executive Independent Director of the Company for a first term of five (5) consecutive years, subject to the approval of the shareholders of the Company.

Resignation of Mr. Rajendra Mahavirprasad Ruia from the office of Whole-Time Director:
Mr. Rajendra Mahavirprasad Ruia (DIN: 01300823) tendered his resignation from the office of Whole-Time Director of the Company with effect from the close of business hours on August 18, 2026. The Board accepted his resignation and placed on record its sincere appreciation for his valuable services, guidance and contribution during his tenure with the Company.

Resignation of Mr. Narendra Mahavirprasad Ruia from the office of Director:

Mr. Narendra Mahavirprasad Ruia (DIN: 01228312) tendered his resignation from the office of Director of the Company with effect from the close of business hours on August 18, 2026. The Board accepted his resignation and placed on record its sincere appreciation for his valuable services, guidance and contribution during his tenure with the Company.

Resignation of Independent Directors:

Pursuant to the sale of stake in the Company and the consequent change in the management and control of the Company, the following Independent Directors tendered their resignations from the Board with effect from August 31, 2026:

Mr. Srikar Gopalrao (DIN: 02116323) – Independent Director;
Mrs. Usha Manish Ghelani (DIN: 10414386) – Independent Director; and
Mrs. Khadija Taher Raniwala (DIN: 11237433) – Independent Director.

The Board accepted their resignations and placed on record its sincere appreciation for the valuable guidance, support and contribution rendered by them during their respective tenures as Independent Directors of the Company.

- **APPOINTMENT AND RESIGNATION OF KEY MANAGERIAL PERSONNEL**

During the year under review and subsequent to the close of the financial year, there were changes in the Key Managerial Personnel ("KMP") of the Company, as detailed below:

Resignation of Ms. Reshma Deshmukh:

Ms. Reshma Deshmukh (Membership No. A68764) tendered her resignation from the position of Company Secretary and Compliance Officer of the Company with effect from February 10, 2026, in order to pursue career opportunities outside the Company. The Board accepted her resignation and placed on record its sincere appreciation for the valuable contributions and services rendered by her during her tenure with the Company.

Appointment of Mrs. Nidhi Sheth:
The Board, at its meeting held on March 09, 2026, approved the appointment of Mrs. Nidhi Sheth as the Company Secretary and Compliance Officer of the Company with effect from March 09, 2026.

Appointment of Mr. Akash Dubey as Chief Financial Officer:
On March 09, 2026, the Board approved the appointment of Mr. Akash Dubey (DIN: 08731219) as the Chief Financial Officer (CFO) and Key Managerial Personnel of the Company.

Resignation of Mr. Narendra Mahavirprasad Ruia as Chief Financial Officer:
Mr. Narendra Mahavirprasad Ruia (DIN: 01228312), Chief Financial Officer and Key Managerial Personnel of the Company, tendered his resignation from the position of Chief Financial Officer due to other professional commitments. The Board accepted his resignation, and he was relieved from his services with effect from the close of business hours on March 27, 2026.

Appointment of Mr. Akash Dubey as Managing Director and Chief Financial Officer:
On March 09, 2026, the Board approved the appointment of Mr. Akash Dubey (DIN: 08731219) as the Managing Director and Chief Financial Officer (CFO) of the Company.

Resignation of Mr. Akash Dubey as Managing Director and Chief Financial Officer:
Mr. Akash Dubey (DIN: 08731219) tendered his resignation from the office of Managing Director and Chief Financial Officer (CFO) of the Company with effect from the close of business hours on August 13, 2026. The Board accepted his resignation and placed on record its sincere appreciation for the valuable services, guidance and contribution rendered by him during his tenure with the Company.

Appointment of Mr. Atul Ramshankar Jaiswal as Managing Director:
The Board approved the change in designation of Mr. Atul Ramshankar Jaiswal (DIN: 11615262) from Whole-Time Director to Managing Director of the Company for a period of five (5) years with effect from August 13, 2026, subject to the approval of the shareholders of the Company.

Appointment of Mr. Anshul Sharma as Chief Financial Officer:
On August 13, 2026, the Board approved the appointment of Mr. Anshul Sharma (DIN: 11870835) as an Executive Director of the Company for a period of five (5) years with effect from August 13, 2026, subject to the approval of the shareholders of the Company. The Board also appointed Mr. Anshul Sharma as the Chief Financial Officer (CFO) and Key Managerial Personnel of the Company with effect from August 13, 2026, pursuant to Section 203 and other applicable provisions of the Companies Act, 2013.

- **REMUNERATION / SITTING FEES TO NON-EXECUTIVE DIRECTORS**

During the year under review, the Non-Executive Directors of the Company had no transactions with the Company, including payment of sitting fees, commission or reimbursement of expenses incurred by them for attending meetings of the Board of Directors and/or Committees of the Company.
Except for the changes specifically stated above, there were no other changes in the composition of the Board of Directors or Key Managerial Personnel of the Company during the year under review.

- **DECLARATION BY INDEPENDENT DIRECTORS**:

All Independent Directors have submitted the declaration of independence, pursuant to the provisions of Section 149(7) of the Act and Regulation 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stating that they meet the criteria of independence as provided in Section 149(6) of the Act and Regulations 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his/her ability to discharge his/ her duties with an objective independent judgment and without any external influence.

In compliance with Rule 6 of Companies (Appointment and Qualification of Directors) Rules, 2014, all the Independent Directors ("IDD") of the Company have registered themselves with the Indian Institute of Corporate Affairs (IICA), Manesar, to include their names in the databank of Independent Directors. They have also confirmed that they will appear for the online proficiency test within a period of one year, wherever applicable. (if required/if any)
Further, there has been no change in the circumstances affecting their status as IDDs of the Company.

- **DECLARATION BY THE COMPANY:**

None of the Directors of the Company are disqualified from being appointed as Directors as specified in Section 164(2) of the Act read with Rule 14 of Companies (Appointment and Qualifications of Directors) Rules, 2014.

MANAGING DIRECTOR/DIRECTOR AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATE

In terms of the SEBI LODR Regulations, the certificate, as prescribed in Part B of Schedule II of the said Regulations, has been obtained from Managing Director & Chief Financial Officer, for the Financial Year 2025-26 with regard to the Financial Statements and other matters. The said Certificate forms part of this Report.

CONSTITUTION OF COMMITTEES:

During the year under review, the composition of different Committees of your Board of Directors is given hereunder:

AUDIT COMMITTEE

Composition:

As on March 31, 2026, the Audit Committee of the Board comprised Independent Directors, with Mr. Srikar Gopalrao Kowlikar as the Chairman and Mr. Narendra Ruia, Ms. Aarushi Jain, Mrs. Khadija Taher Raniwala, Mrs. Usha Ghelani, Mrs. Jeny Gowadia, Mr. Keyur Shah and Mr. Utsav Jaspara as members.

Ms. Aarushi Jain, an Independent Director of the Company, ceased to be a member of the Board upon completion of her tenure on May 12, 2025. Subsequently, Mrs. Khadija Taher Raniwala (DIN: 11237433) and Mrs. Usha Ghelani (DIN: 10414386) were appointed as Non-Executive Independent Directors of the Company with effect from August 13, 2025.

Further, during the year under review, Mrs. Jeny Gowadia (DIN: 03014009) and Mr. Keyur Shah (DIN: 09420459) were appointed as Non-Executive Independent Directors of the Company with effect from February 02, 2026.

On August 13, 2026, Mr. Utsav Jasapara (DIN: 09711346) was appointed as an Additional Director in the capacity of Non-Executive Independent Director of the Company for a first term of five (5) consecutive years, subject to the approval of the shareholders of the Company. Accordingly, the Audit Committee was reconstituted with effect from August 13, 2026.

The members of the Audit Committee possess requisite knowledge and expertise in areas including corporate and project finance, accounts, financial management and the Companies Act, 2013.

The composition, constitution and functioning of the Audit Committee are in compliance with the applicable provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Objective:

The Audit Committee assists the Board in its responsibility for overseeing the quality and integrity of the accounting, auditing and reporting practices of the Company and compliance with the legal and regulatory requirements. The Committee oversees the accounting and financial reporting process of the Company, the audits of the Company's financial statements, the appointment, independence, performance and remuneration of the Statutory Auditors, the performance of internal auditors and the Company's risk management policies.

The Role of Audit Committee includes:

- To investigate any activity within its terms of reference
- To seek information from any employee
- To obtain outside legal or other professional advice
- To secure attendance of outsiders with relevant expertise, if it considers necessary
- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible
- Recommending to the Board the appointment, remuneration and terms of appointment of Auditors of the Company
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors
- Reviewing / Examination, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
- Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
- Changes, if any, in accounting policies and practices and reasons for the same;
- Major accounting entries involving estimates based on the exercise of judgment by management;
- Significant adjustments made in the financial statements arising out of audit findings;
- Compliance with listing and other legal requirements relating to financial statements;
- Disclosure of related party transactions;
- Modified opinion in the draft audit report, if any;

- Reviewing / Examination, with the management, the quarterly financial statements before submission to the Board for approval;
- 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 utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;

- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
- 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;
- Discussion with internal auditors of any significant findings and follow up there on;
- 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;
- 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;
- To look into the reasons for substantial defaults in the payment to the shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the Whistle Blower mechanism;
- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate;
- Carrying out other functions as may be specifically referred to the Committee by the Board of Directors
- To review 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
- To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

To review the following:

- Management discussion and analysis of financial condition and results of operations
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management
- 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 auditors shall be subject to review by the audit committee
- Statement of Deviations;
- Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange (s) in terms of Regulation 32 (1) of SEBI (Listing Obligations and disclosure requirements), Regulations, 2015
- Annual Statement of funds utilized for purpose other than those stated in the offer document/ prospectus/notice in terms of regulation 32 (7) of SEBI (Listing Obligations and disclosure requirements), Regulations, 2015

Meetings:
Four meetings of Audit Committee were held during the year ended March 31, 2026:

- 12th May, 2025
- 13th August, 2025
- 25th August, 2025
- 13th November, 2025
- 02nd February, 2026

Attendance details of the members:

Name of the Committee Member	Designation	No. of Meetings	
		Held	Attended
Mr. Srikar Gopalrao Kowlikar	Chairman and Member	5	5
Ms. Aarushi Jain*	Member	5	5
Mr. Narendra Ruia	Member	5	5
Mrs. Khadija Taher Raniwala**	Member	--	--
Mrs. Usha Ghelani**	Member	--	--
Mrs. Jeny Gowadia#	Member	--	--
Mr. Keyur Shah#	Member	--	--
Mr. Utsav Jaspara^	Member	--	--

*Mrs. Aarushi Jain (DIN:10936056) has stepped down from the position of Independent Director due to expiry of his term on May 12, 2025.
** On August 13, 2025, Mrs. Khadija Taher Raniwala, (DIN: 11237433) and Mrs. Usha Ghelani, (DIN:10414386) are appointed as Non-Executive Independent Director(s) of the Company.
#On March 09, 2026, Mrs. Jeny Gowadia, (DIN: 03014009) and Mr. Keyur Shah, (DIN: 09420459) are appointed as Non-Executive Independent Director(s) of the Company.
^ On August 13, 2026, Mr. Utsav Jasapara (DIN: 09711346) was appointed as an Additional Director in the capacity of Non-Executive Independent Director of the Company
***On August 31,2026, Mr. Srikar Gopalrao, Mrs. Usha Manish Ghelani, and Mrs. Khadija Taher Raniwala has resigned from the Board of the Company and has ceased to become member of the committee.

Executives of accounts department, finance department, secretarial department and representatives of the Statutory Auditors attended the Audit Committee Meetings.

NOMINATION AND REMUNERATION COMMITTEE

Composition:

As on March 31, 2026, the Nomination and Remuneration Committee of the Board comprised Independent Directors, with Mr. Srikar Gopalrao Kowlikar as the Chairman and Mr. Rajendra Ruia, Ms. Aarushi Jain, Mrs. Khadija Taher Raniwala, Mrs. Usha Ghelani, Mrs. Jeny Gowadia, Mr. Keyur Shah and Mr. Utsav Jaspara as members.

Ms. Aarushi Jain, an Independent Director of the Company, ceased to be a member of the Board upon completion of her tenure on May 12, 2025. Subsequently, Mrs. Khadija Taher Raniwala

(DIN: 11237433) and Mrs. Usha Ghelani (DIN: 10414386) were appointed as Non-Executive Independent Directors of the Company with effect from August 13, 2025.

Further, during the year under review, Mrs. Jeny Gowadia (DIN: 03014009) and Mr. Keyur Shah (DIN: 09420459) were appointed as Non-Executive Independent Directors of the Company with effect from March 09, 2026.

On August 13, 2026, Mr. Utsav Jasapara (DIN: 09711346) was appointed as an Additional Director in the capacity of Non-Executive Independent Director of the Company for a first term of five (5) consecutive years, subject to the approval of the shareholders of the Company. Accordingly, the Nomination and Remuneration Committee was reconstituted with effect from August 13, 2026.

The members of the Nomination and Remuneration Committee possess requisite knowledge and expertise in areas including corporate governance, human resources, remuneration matters and the Companies Act, 2013.

The composition, constitution and functioning of the Nomination and Remuneration Committee are in compliance with the applicable provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Terms of reference of the Committee includes:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the Directors, key managerial personnel and other employees;
- Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- Formulation of criteria for evaluation of Independent Directors, the Board and every Director's performance;
- Devising a policy on Board diversity;
- Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of independent Directors.
- Recommend to the board, all remuneration, in whatever form, payable to senior management.

Meetings:

The meeting of the Committee was held during the year on 13th August, 2025 , 25th August, 2025 and 09th March 2026

Name of the Committee Member	No. of meetings	
	Held	Attended
Mr. Srikar Gopalrao Kowlikar	1	1
Mr. Mr. Rajendra Ruia	1	1
Ms. Aarushi Jain*	1	1

Mrs. Khadija Taher Raniwala**	--	--
Mrs. Usha Ghelani**	--	--
Mrs. Jeny Gowadia***	--	--
Mr. Keyur Shah***	--	--
Mr. Utsav Jaspara^	--	--

*Mrs. Aarushi Jain (DIN:10936056) has stepped down from the position of Independent Director due to expiry of his term on May 12, 2025.
** On August 13, 2025, Mrs. Khadija Taher Raniwala, (DIN: 11237433) and Mrs. Usha Ghelani, (DIN:10414386) are appointed as Non-Executive Independent Director(s) of the Company.
*** On March 09, 2026, Mrs. Jeny Gowadia, (DIN: 03014009) and Mr. Keyur Shah, (DIN: 09420459) are appointed as Non-Executive Independent Director(s) of the Company.
^ On August 13, 2026, Mr. Utsav Jasapara (DIN: 09711346) was appointed as an Additional Director in the capacity of Non-Executive Independent Director of the Company.
***On August 31,2026, Mr. Srikar Gopalrao, Mrs. Usha Manish Ghelani, and Mrs. Khadija Taher Raniwala has resigned from the Board of the Company and has ceased to become member of the committee.

STAKEHOLDER RELATIONSHIP COMMITTEE:

The Stakeholders Relationship Committee is not constituted by the Company as there are less than One Thousand stakeholders of the Company and the provisions of section 178 of the Act and SEBI (Listing Obligations and Disclosure) Regulations, 2015 are not applicable to the Company.

The Company has duly appointed Share Transfer Agent (R&T Agent) for servicing the shareholders holding shares in physical or dematerialized form. All requests for dematerialization of shares are likewise processed and confirmations thereof are communicated to the investors within the prescribed time. During the year of review, no Investor complaints were received.

PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND DIRECTORS

The Board has established a comprehensive process to evaluate the performance of the Board, its committees and of individual directors. The performance evaluation matrix defining the criteria of evaluation for each of the above has been put in place. The performance evaluation of the Independent Directors was carried out by the other members of the Board (excluding the Director being evaluated).

A meeting of the Independent Directors was held on February 2, 2026 to review the performance of Non-Independent Directors and the Board as a whole. The Chairman of the Nomination & Remuneration Committee had updated the other members of the Board about the outcome of the evaluation process.

DIRECTOR'S RESPONSIBILITY STATEMENT

As required under clause (c) of sub-section (3) of Section 134 of Companies Act, 2013, Directors, to the best of their knowledge and belief, state that –

(i) in the preparation of the annual accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
(ii) the directors have 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 loss of the Company for the year ended on that period;
(iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
(iv) the directors had prepared the annual accounts on a going concern basis;
(v) 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; and
(vi) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

REPORTING OF FRAUDS

There was no instance of fraud during the year under review, which required the statutory auditors to report to the Audit Committee and/or Board under section 143(12) of the Act and rules framed thereunder.

SUBSIDUARY

Ansu Trade & Fiscals Private Limited continue to be the wholly owned subsidiary of Arco Leasing Limited.

ACCOUNTING STANDARDS

The Company has prepared the Financial Statements for the year ended 31st March, 2026 as per Section 133 of the Companies Act, 2013, read with rule 7 of Companies (Accounts) Rules, 2014.

FAMILIARIZTION/ ORIENTATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Independent Directors attend a Familiarization / Orientation Program as being inducted by the Board.

The Company had devised the detailed framework for the Familiarization Program and also approved the format of the formal letter of appointment as required to be given to the Independent Directors, outlining their role, function, duties and responsibilities.

REMUNERATION POLICY

The Board has on the recommendation of the Nomination and Remuneration Committee framed a policy for selection, appointment and remuneration of Directors and KMPs.

Policy for Remuneration to Directors/Key Managerial Personnel

i. Remuneration to Managing Director/Whole-time Directors:

(a) The Remuneration/Commission etc. to be paid to Managing Director/Wholetime Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.

(b) The Nomination & Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director/Whole-time Directors.

ii. Remuneration to Non-Executive/Independent Directors:

(a) The Non-Executive/Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of the Companies Act, 2013.

(b) All remuneration of the Non-Executive/Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197(5) of the Companies Act, 2013) shall be subject to ceiling/limits as provided under the Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.

(c) An Independent Director shall not be eligible to get Stock Options and shall also not be eligible to participate in any share based payment schemes of the Company.

(d) Any remuneration paid to Non-Executive/ Independent Directors for services rendered which are of professional nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied

- The Services are rendered by such Director in his capacity as the professional; and
- In the opinion of the Committee, the Director possesses the requisite qualification for the practice of that profession.

REPLY TO,
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ANDHERI (E), MUMBAI – 400 093
INDIA
CIN: L65910MH1984PLC031957

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2821 7222-5
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E-mail: arcoleasingltd@gmail.com

iii. Remuneration to Key Managerial Personnel:

(a) The remuneration to Key Managerial Personnel shall consist of fixed pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
(b) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from time to time in accordance with the Company's Policy.

Remuneration paid to Non-Executive Directors and Executive Directors:

No sitting fees were paid to non-executive non-independent Directors or independent Directors as they have waived their entitlement for the same.

Non-executive Directors of a company's Board of Directors add substantial value to the Company through their contribution to the Management of the Company. In addition, they also play an appropriate control role. Even considering the valuable role of the Independent Directors of the Company, your company is in the process to finalize the sitting fees structure and shall update the members at large subject to regulatory approval and compliance(s) if any.

NUMBER OF MEETINGS OF THE BOARD

There were 7 (Seven) meetings of the Board held during the year, specifically on May 12, 2025, August 13, 2025, August 25, 2025, November 13, 2025, February 2, 2026, March 09, 2026, and March 13, 2026 The maximum time gap between any two meetings did not exceed prescribed period of one hundred twenty days.

The particulars of directors present at Board meetings are given below –

Name of the Director	**Attendance**			
	No. of Board Meeting held	**Board Meeting attended**	**Last AGMs**	**EGM**
Mr. Rajendra Mahavirprasad Ruia	7	7	Yes	Yes
Mr. Narendra Mahavir Ruia	7	7	Yes	Yes
Mr. Srikar Gopalrao Kowlikar	7	7	Yes	Yes
Mrs. Khadija Taher Raniwala	1	1	Yes	Yes
Mrs. Usha Ghelani	1	1	Yes	Yes
Mr. Akash Dubey	1	1	Yes	Yes

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COMPLIANCE WITH SECRETARIAL STANDARD 1 AND SECRETARIAL STANDARD 2

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and such systems are adequate and operating effectively.

During the year under review, the Company was in compliance with the Secretarial Standards (SS) i.e., SS-1 and SS- 2, relating to “Meetings of the Board of Directors” and “General Meetings”, respectively.

AUDIT COMMITTEE RECOMMENDATIONS

All the recommendations made by the Audit Committee were accepted by the Board.

CORPORATE GOVERNANCE

Corporate Governance stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is not applicable to the Company as Paid-Up Equity Share Capital of the Company is not exceeding Rupees Ten Crores and Net Worth of the Company is not exceeding Rupees Twenty-Five Crores, as on the last date of the previous financial year and the specific certificate to this effect has been obtained by the Company & kept on its records.

STATUTORY AUDITORS

During the year under review, M/s. M. C. Jain & Co LLP, Chartered Accountants (Firm Registration No. 304012E), resigned as the Statutory Auditors of the Company as on August 14th, 2026, resulting in a casual vacancy in the office of Statutory Auditors.

The Board of Directors, at its meeting held on August 25, 2026, approved the appointment of M/s. D M K H & CO, Chartered Accountants (Firm Registration No. 116886W) as the Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. M. C. Jain & Co LLP, Chartered Accountants, and to hold office from August 25, 2026 until the conclusion of the ensuing 42nd Annual General Meeting (“AGM”) of the Company.

Further, the Board of Directors, based on the recommendation of the Audit Committee, recommended to the Members of the Company for their approval, the appointment of M/s. D M K H & CO, Chartered Accountants (Firm Registration No. 116886W) as the Statutory Auditors of the Company for a term of five (5) consecutive years, to hold office from the conclusion of the ensuing 42nd AGM until the conclusion of the 47th AGM, to be held in the year 2031, subject to the approval of the Members at the ensuing AGM.

The Company has received the necessary consent and eligibility certificate from M/s. D M K H & CO confirming that their appointment, if made, shall be in accordance with the applicable provisions of the Companies Act, 2013 and the rules made thereunder.

INTERNAL AUDITOR

Internal Audit for the year ended March 31, 2026 was carried out and Internal Audit report at periodic intervals as statutorily required were placed before the Audit Committee.

COST RECORDS AND COST AUDIT

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

SECRETARIAL AUDITOR & COMPLIANCE REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Rules made thereunder the Company has appointed Ms. Priyanka Oka, of M/s. PRIYANKA OKA & ASSOCIATES, Practicing Company Secretaries bearing CP No. 22164 as secretarial auditor for the Company. The secretarial audit report in the prescribed form i.e. MR-3 for the Financial Year ended 31st March, 2026 is annexed to the Board Report.

There were no qualifications, reservation or adverse remarks or observations made in the secretarial audit report except following –

Hence, the compliance with respect to Regulation 24A, i.e., Secretarial Compliance Report is not applicable to the Company for the financial year under review.

PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:

The Company is an equal opportunity employer and consciously strives to build a work culture that promotes dignity of all employees. As required under the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, and Rules framed there under, the Company has implemented a policy on prevention, prohibition and Redressal of Sexual harassment of Women at workplace. All employees (permanent, contractual, temporary, trainees) are covered under this policy. Accordingly, an Internal Complaint Committee has been formed and the policy on 'Anti-Sexual Harassment' is posted on the website of the Company at www.arcoleasing.com

Matters handled by Internal Complaint Committee during the year 2025-2026, are as follows: -

- Number of complaints on sexual harassment received during the year: NIL
- Number of complaints disposed of during the year: N.A.
- Number of cases pending for more than 90 days: N.A.
- Nature of action taken by the Employer: N.A.
- Number of Workshops: NIL

RISK MANAGEMENT POLICY:

Business Risk Evaluation and Management is an ongoing process within the Organization. Your Company has implemented mechanism to identify, assess, monitor and mitigate various risks and has formulated a Risk Management Policy. The Audit Committee and the Board of Directors are informed of the Risk assessment and minimization procedures.

During the year under review, no major risks were noticed, which may threaten the existence of the Company.

CORPORATE SOCIAL RESPONSIBILITY:

The Company does not meet the criteria of Section 135 of Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. But your Company has approved the CSR policy of the Company along with the amendments thereon to provide a guideline for CSR activities of the Company.

Your Company was in the process of identifying worthwhile avenues for CSR expenditure during the year and the Company continues to remain committed towards undertaking CSR activities for the welfare of the society.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

There is no information regarding loans and guarantees as required under the provisions of Section 186 of the Companies Act, 2013 as the Company has not given any loans or provided any guarantees or securities during the year under review.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH THE RELATED PARTIES:

There is no transaction with Related Party within the meaning of provisions of section 188 of the Companies Act, 2013, which requires disclosure under Section 134(3) (h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014. Related Party Disclosures under Accounting Standards mentioned in Note-21 to the Financial Statements. Hence, AOC -2 is not required to be attached to the said report.

CODE OF CONDUCT:

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and specified employees in the course of day to day business operations of the Company. The Company believes in "Zero Tolerance" against bribery, corruption and unethical dealings / behavior in any form and the Board has laid down certain directives to counter such acts. Such code of conduct has also been placed on the Company's website. The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. The Code gives guidance through examples on the expected behavior from an employee in a given situation and the reporting structure.

All the Board Members and the Senior Management personnel have confirmed compliance with the Code. A declaration to this effect signed by the Whole Time Director of the Company appears elsewhere in this annual report.

Code of Conduct for Prevention of Insider Trading as per Regulation 8(2) policy is available on the website of the Company.

PARTICULARS OF EMPLOYEES

The Company does not have any employee except KMPs. Therefore, the information required pursuant to Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, is not furnished.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has established a Vigil Mechanism Policy/ Whistle Blower Policy to deal with instances of fraud and mismanagement, if any which provides formal mechanism to the directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. Staying true to our core values of Strength, Performance and Passion and in line with our vision of being one of the most respected companies in India, the Company is committed to the high standards of Corporate Governance and Stakeholder Responsibility. The said Policy ensures that strict confidentiality is maintained in respect of whistle blowers whilst dealing with concerns and also specified that no discrimination will be meted out to any person for a genuinely raised concern. The Policy on Vigil Mechanism/Whistle Blower Mechanism may be accessed through website of the Company viz. www.arcoleasing.com

PERFORMANCE OF JOINT VENTURE/CONSORTIUM

There are no Companies/LLPs which are Associates/Consortium of the Company.

STATUTORY DISCLOSURES

There are no associate companies but there is subsidiary company as of March 31, 2026, hence the prescribed Form AOC-1 is required to be attached to this Report. A Cash Flow Statement for the Financial Year 2025-26 is also attached to the Balance Sheet.

Pursuant to Sections 134(3)(a) and 92(3) of the Act, read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return in e-form MGT-7 may be accessed on the Company's website at the web link www.arcoleasing.com

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company has not involved in any industrial or manufacturing activities, the Company has no particulars to report regarding conservation of energy and technology absorption as required under Section 134 of the Companies Act, 2013 and Rules made thereunder.

During the year under review, the Company did not have any foreign exchange earnings, or the foreign exchange outgo towards Business promotion, Advertisement expenses, Legal consultancy and Professional fees.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

Your Company has an effective internal financial control and risk-mitigation system, which are constantly assessed and strengthened with new/revised standard operating procedures which also covers adherence to the Company's Policies for safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of accounting records and timely preparation of reliable financial disclosures.

The Company's internal financial control system is commensurate with its size, scale and complexities of its operations.

PREVENTION OF INSIDER TRADING

The Company has also adopted a code of conduct for prevention of insider trading. All the Directors, Senior Management employees and other employees who have access to the unpublished price sensitive information of the Company are governed by this code.

During the year under report, there has been due compliance with the said code of conduct for prevention of insider trading based on the SEBI (Prohibition of Insider Trading) Regulations 2015.

SIGNIFICANT AND MATERIAL ORDER PASSED BY REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND OPERATIONS OF THE COMPANY

During the year under review there are no significant or material orders passed by any Regulator, Court or Tribunal against the Company, which could impact its going concern status or operations.

DETAILS OF AN APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR.

The Company has not made any application during the year or no application has been filed against the company or there are no proceedings pending against or for the Company under the Insolvency and Bankruptcy Code 2016.

DETAILS OF THE DIFFERENCE BETWEEN THE AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE-TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING A LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF.

There is no one-time settlement made during the financial year.

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CORPORATE INSOLVENCY RESOLUTION PROCESS INITIATED UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (IBC)

No such process initiated during the period under review under the Insolvency and Bankruptcy Code, 2016 (IBC)

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, including amendment thereunder, the Business Responsibility and Sustainability Report (BRSR) for Financial Year 2025-26 is not applicable to the Company.

CAUTIONARY STATEMENT

Statements in this Directors' Report and Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations.

Actual results could differ materially from those expressed or implied. Important factors that could make difference to the Company's operations include changes in the government regulations, developments in the infrastructure segment, tax regimes and economic developments within India or abroad.

ACKNOWLEDGEMENT & APPRECIATION

The Board sincerely thanks the Ministry of Corporate Affairs, BSE Limited, Securities and Exchange Board of India, and various government agencies for their continued support, cooperation and advice. The Board expresses sincere thanks to all its consultants, bankers, vendors, auditors, lawyers for their continued partnership and confidence in the Company.

The Board of Directors also places on record its sincere appreciation for the commitment and hard work put in by the Management and the employees of the Company, its subsidiaries and associates and thanks them for yet an excellent year of performance.

BY AND ON BEHALF OF THE BOARD OF DIRECTORS
FOR ARCO LEASING LIMITED

JITESH KOTHARI	**ATUL RAMSHANKAR JAISWAL**
WHOLE TIME DIRECTOR	**MANAGING DIRECTOR**
DIN: 07522761	**DIN: 11615262**

Place: Mumbai
Date: September 07, 2026

ANNEXURE A

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

1. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2025-2026, the ratio of remuneration of each Director to the median remuneration of the employees of the Company, and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

   During the financial year 2025-2026, no remuneration was paid to any of the Directors of the Company. Accordingly, the percentage increase in remuneration and the ratio of remuneration of each Director to the median remuneration of the employees of the Company are Nil / Not Applicable, as the case may be.

2. Median remuneration of the Company for all its employees is Nil for the Financial Year 2025-26.

3. In the financial year 2025-2026, there was an no increase and decrease in the median remuneration of employees.

4. There were 1 permanent employees on the rolls of the Company as on 31st March, 2026.

5. The average percentage increase in the salaries of employees other than managerial personnel was Nil % and increase in managerial remuneration Nil %.

6. **Affirmation that the remuneration is as per the remuneration policy of the company:**
   It is hereby affirmed that the remuneration paid is as per the remuneration policy of the Company.

BY AND ON BEHALF OF THE BOARD OF DIRECTORS FOR
ARCO LEASING LIMITED

JITESH KOTHARI	**ATUL RAMSHANKAR JAISWAL**
WHOLE TIME DIRECTOR	**MANAGING DIRECTOR**
DIN: 07522761	**DIN: 11615262**

Place: Mumbai
Date: September 07, 2026

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ANNEXED TO THIS REPORT

ANNEXURE B

AOC-1
(Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing sailent features of the financial statement of subsidiaries/ associate companies/ joint ventures)

Part A: Subsidiaries

(Information in respect of each susbsidiary to be presented with amounts in Lakhs)

Sl. No.	Particulars	Amount in Rs.
1	Name of the Subsidiary	ANSU TRADE & FISCALS PVT LTD
2	Reporting period for the company and its subsidiary concerned.	31.03.2026
3	Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Not Applicable
4	Share capital	185.96
5	Reserves & surplus	32.52
6	Total assets	220.61
7	Total liabilities	2.13
8	Investments	211.00
9	Turnover	16.75
10	Profit before taxation	15.12
11	Provision for taxation	(2.7)
12	Profit after taxation	17.82
13	Proposed dividend	-
14	% of equity shareholding	100%

For and on behalf of the Board of Directors of Arco Leasing Limited

JITESH KOTHARI
WHOLE TIME DIRECTOR
DIN: 07522761

ATUL RAMSHANKAR JAISWAL
MANAGING DIRECTOR
DIN: 11615262

Place: Mumbai
Date: September 07, 2026

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ANNEXURE C

AOC-2

Pursuant to *clause (h) of sub-section (3) of section 134 of the Act and* Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

Details of contracts or arrangements or transactions not at arm's length basis:
<u>THERE WAS NO CONTRACTOR ARRANGEMENTS WITH THE RELATED PARTY HENCE, NOT APPLICABLE.</u>

(a) Name(s) of the related party and nature of relationship:
(b) Nature of contracts/arrangements/transactions:
(c) Duration of the contracts / arrangements/transactions:
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:
(e) Justification for entering into such contracts or arrangements or transactions
(f) Date(s) of approval by the Board:
(g) Amount paid as advances, if any:
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188:

Details of material contracts or arrangement or transactions at arm's length basis:
<u>THERE WAS NO CONTRACT OR ARRANGEMENTS WITH THE RELATED PARTY HENCE, NOT APPLICABLE.</u>

(a) Name(s) of the related party and nature of relationship:
(b) (b) Nature of contracts/arrangements/transactions:
(c) Duration of the contracts / arrangements/transactions:
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:
(e) Date(s) of approval by the Board, if any:
(f) Amount paid as advances, if any:

BY AND ON BEHALF OF THE BOARD OF DIRECTOR
FOR ARCO LEASING LIMITED.

JITESH KOTHARI	**ATUL RAMSHANKAR JAISWAL**
WHOLE TIME DIRECTOR	**MANAGING DIRECTOR**
DIN: 07522761	**DIN: 11615262**

Place: Mumbai
Date: September 07, 2026

ANNEXURE D

MANAGEMENT DISCUSSION ANALYSIS REPORT

COMPANY OVERVIEW & ECONOMY ANALYSIS

Indian Economy – Growth Outlook:

India's economy remained resilient during FY 2025–26, supported by strong domestic demand, robust services activity, favourable agricultural performance and improving investment conditions. The Economic Survey 2025–26 highlights that domestic demand continued to remain the principal driver of economic growth. Private Final Consumption Expenditure (PFCE) increased its share to approximately 61.5% of GDP in FY 2025–26, reflecting broad-based consumption supported by low inflation, improving purchasing power, stable employment conditions and strengthening rural demand.

The services sector continued to be the key anchor of the Indian economy, contributing more than half of Gross Value Added and remaining an important driver of domestic growth, exports and employment. India's services sector has demonstrated considerable resilience, with average annual growth of around 7–8% over the years. Financial, real estate and professional services also continued to make a significant contribution to economic activity.

The investment cycle also remained supportive, with gross fixed capital formation continuing to account for around 30% of GDP. The banking system remained well-capitalised and credit intermediation continued to be healthy. Strong corporate balance sheets, improving capacity utilisation and a relatively comfortable external position provide a favourable foundation for sustained investment and economic expansion.

India's medium-term economic outlook remains positive, supported by policy continuity, infrastructure development, digitalisation, production-linked incentives, improving domestic demand and opportunities arising from the diversification of global supply chains. The economy's relatively strong domestic demand base and resilient services exports provide important buffers against volatility in the global economy.

At the same time, the external environment continues to present challenges. Geopolitical tensions, trade-policy uncertainties, changes in global tariffs, commodity-price volatility and developments in major global economies could affect India's exports, capital flows and investment sentiment. Nevertheless, India's strong domestic demand, healthy banking system, adequate foreign exchange reserves and relatively comfortable external position provide resilience against external shocks.

Debt Market and Monetary Environment

FY 2025–26 witnessed continued evolution in India's debt and monetary markets. The Reserve Bank of India maintained a supportive monetary and liquidity environment, while measures aimed at improving systemic liquidity and transmission supported credit conditions. The easing of monetary conditions, together with moderation in inflationary pressures, provided support to domestic consumption and investment activity.

The government's continued commitment to fiscal consolidation and prudent debt management remained positive from the perspective of the debt market. A relatively stable macroeconomic environment, improving financial-sector balance sheets and adequate liquidity conditions are expected to support the development of India's debt markets.

Going forward, the debt market outlook will remain influenced by domestic inflation, monetary policy, government borrowing requirements, global interest rates, foreign portfolio flows and geopolitical developments. India's strong domestic investor base and improving financialisation of household savings are expected to provide structural support to the market.

Non-Banking Financial Companies (NBFCs)

Non-Banking Financial Companies (NBFCs) continue to play a pivotal role in India's financial ecosystem by providing credit to a wide spectrum of borrowers, including MSMEs, retail customers, micro-entrepreneurs and financially underserved sections of society. The sector remains an important complement to the banking system and contributes significantly to financial inclusion, employment generation and credit availability across urban and rural markets.

During FY 2025–26, the NBFC sector demonstrated resilience, supported by strong capital buffers, improving funding conditions, stable profitability and improving asset quality. Credit demand remained healthy, particularly across retail and secured lending segments. The sector also benefited from increasing digitalisation, greater formalisation of the economy and continued financial inclusion initiatives.

The NBFC sector continued to undergo a process of recalibration, with lenders maintaining a greater focus on underwriting standards, asset quality and sustainable growth. Regulatory measures introduced in recent years have encouraged NBFCs to strengthen risk management practices, capital adequacy, governance standards and customer-protection mechanisms.

The outlook for the NBFC sector remains positive. According to industry estimates, NBFC AUM is expected to grow at approximately 18–19% in FY 2026–27 and is projected to cross ₹50 lakh crore by March 2027. Retail NBFCs are expected to remain an important growth driver, with the retail segment projected to grow at approximately 16–18% during FY 2026–27.

Growth is expected to be supported by sustained retail consumption, increasing financialisation, digital lending, improving access to formal credit and favourable macroeconomic conditions. Secured lending segments are expected to remain relatively resilient, while lenders are likely to continue adopting a calibrated approach towards unsecured and higher-risk segments.

The sector is also expected to benefit from improved funding conditions and continued technological transformation. Digital underwriting, data analytics, automated credit assessment and wider adoption of digital financial services are expected to improve operational efficiency and expand the reach of formal credit.

However, the NBFC sector will continue to face challenges arising from regulatory changes, asset-quality risks in certain borrower segments, competition from banks and fintech platforms, funding costs, cyber-security risks and global economic uncertainties. Smaller NBFCs may face relatively greater pressure on margins and access to capital, making prudent liquidity and risk management increasingly important.

Overall, the NBFC sector remains well positioned to support India's economic expansion and financial inclusion objectives. The combination of strong capitalisation, improving asset quality, technological innovation, rising formal credit penetration and sustained demand for retail and MSME credit provides a favourable foundation for continued growth.

Financial Services Sector Outlook

With continued regulatory support, increasing digitalisation and initiatives aimed at promoting financial inclusion and financial literacy, India's financial services sector remained resilient during FY 2025–26. The sector benefited from the strengthening of banking and financial-sector balance sheets, increasing formalisation of financial activity and greater adoption of digital financial services.

Going forward, the financial services sector is expected to remain an important pillar of India's economic growth. Increasing household financialisation, expansion of digital payments, wider access to formal credit, growth in insurance and investment products, and continued technological innovation are expected to create significant opportunities for financial-sector participants.

The medium-term outlook for the sector remains favourable, although growth will continue to be shaped by regulatory developments, interest-rate movements, asset-quality trends, cybersecurity considerations and the broader global economic environment.

- The Company generated revenue of Rs. 7.00 Lakhs from its operations during the year under review. Further, the Company earned other income of Rs. 1.17 Lakhs during the year. Accordingly, the total revenue of the Company for the year under review stood at Rs. 8.17 Lakhs, as compared to Rs. 1.14 Lakhs in the previous year.
- Total expenditure of the Company during the financial year 2025-26 is Rs.64.30 Lakhs as compared to Rs.12.65 Lakhs in the previous year. It has resulted in the losses of Rs.56.13 Lakhs to the Company during the financial year of 2025-26.

There were no material changes and commitments affecting the financial position of the Company, between the end of the financial year and the date of this Report.

INDUSTRY:

The NBFC sector remained resilient during FY 2025–26, supported by healthy credit demand, strong capitalisation, improving funding conditions and sustained domestic consumption. The sector continued to witness growth across retail and secured lending segments, while lenders maintained a calibrated approach towards unsecured and higher-risk portfolios. Overall asset quality remained broadly stable, although certain segments continued to warrant close monitoring.

Going forward, the NBFC sector is expected to maintain a healthy growth trajectory, with AUM growth estimated at around 18–19% in FY 2026–27, supported by sustained retail credit demand, favourable macroeconomic conditions and increasing financial inclusion. Growth is

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expected to be driven by vehicle finance, housing, gold loans and other retail segments. At the same time, prudent underwriting, effective risk management, diversified funding and regulatory compliance will remain key priorities for sustainable growth.

RISK MANAGEMENT AND INTERNAL CONTROL POLICY:

The company has established Risk Management (IRM) policy, endorsed by the Board and subject to regular review, to oversee and manage the spectrum of risks inherent in our operations.

Financial Ratio Comparison

Ratio	Formula	FY 2025-26	FY 2024-25
Current Ratio	Current Assets ÷ Current Liabilities	0.11 : 1	0.08 : 1
Debt Equity Ratio	Total Debt ÷ Shareholders' Equity	Not Meaningful	Not Meaningful
Interest Coverage Ratio	EBIT ÷ Finance Cost	(24.99) Times	Not Calculable
Operating Profit Margin	Operating Profit ÷ Revenue from Operations × 100	(787.71%)	Not Calculable
Net Profit Margin	PAT ÷ Revenue from Operations × 100	(801.86%)	Not Calculable
Inventory Turnover Ratio	COGS ÷ Average Inventory	Not Applicable	Not Applicable
Debtor Turnover Ratio	Net Credit Sales ÷ Average Trade Receivables	Not Calculable	Not Calculable

OUTLOOK:

Your Company is taking continuous efforts to generate the growth drivers, considering the strategic priorities and keeping a track on information technology developments and compliances thereon.

CAUTIONARY STATEMENT:

Sstatement in the Management Discussion and Analysis, describing our Company’s objectives, outlook, opportunities, and expectations may constitute “Forward Looking Statements” within the meaning of applicable laws and regulations. Actual results may differ from those expressed or implied expectations or projections, among others. Several factors make a significant difference to our company’s operations including the government regulations, taxation and economic scenario affecting demand and supply, natural calamity and other such factors over which our Company does not have any direct control.

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TEL:(91-22) 6693 6311-3
2821 7222-5
FAX: (91-22) 2836 1760
E-mail: arcoleasingltd@gmail.com

ANNEXURE E

CEO / CFO Certification

Pursuant to Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

We the undersigned, in our respective capacities as Director and Chief Financial Officer of ARCO LEASING LIMITED ("the Company") to the best of our knowledge and belief certify that:

A. We have reviewed financial statements for the year ended March 31, 2026 and that to the best of our knowledge and belief, we state that:

(1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(2) 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. We further state that to the best of our knowledge and belief, no transactions are entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.

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

D. We have indicated to the Auditors and the Audit Committee:

(1) significant changes, if any, in internal control over financial reporting during the year;
(2) significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
(3) 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 ARCO LEASING LIMITED

JITESH KOTHARI	**ATUL RAMSHANKAR JAISWAL**
WHOLE TIME DIRECTOR	**MANAGING DIRECTOR**
DIN: 07522761	**DIN: 11615262**

Place: Mumbai
Date: September 07, 2026

REPLY TO,
PLOT NO. 123, STREET NO. 17
M.I.D.C. (MAROL),
ANDHERI (E), MUMBAI – 400 093
INDIA
CIN: L65910MH1984PLC031957

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ANNEXURE F

CERTIFICATE

To
The Board of Directors
ARCO LEASING LIMITED
Mumbai

Pursuant to Regulation 33 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to certify that the Financial Results for the Year ended 31st March, 2026, do not contain any false or misleading statement or figures and do not omit any material fact which may make the statements or figures contained therein misleading.

For ARCO LEASING LIMITED

JITESH KOTHARI	**ATUL RAMSHANKAR JAISWAL**
WHOLE TIME DIRECTOR	**MANAGING DIRECTOR**
DIN: 07522761	**DIN: 11615262**

Place: Mumbai
Date: September 07, 2026

ANNEXURE G

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE OF CONDUCT

To,
The Members of
ARCO LEASING LIMITED
Mumbai

The Board has formulated the Code of Conduct for Business Ethics for all Directors and Senior Managers of the Company which has been posted on the website of the Company. It is hereby affirmed that all Directors and KMPs/Senior Managers have complied with the Code of Conduct for Business Ethics framed by the Company and a confirmation to this effect for the year 2025-26 has been obtained from all Directors and KMPs/Senior Managers.

BY ORDER OF THE BOARD OF DIRECTORS
For ARCO LEASING LIMITED

JITESH KOTHARI	**ATUL RAMSHANKAR JAISWAL**
WHOLE TIME DIRECTOR	**MANAGING DIRECTOR**
DIN: 07522761	**DIN: 11615262**

Place: Mumbai
Date: September 07, 2026

REPLY TO,
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ANNEXURE H

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 obtained from all the Members of the Board and Senior Management Personnel affirmation that they have complied with the Code of Conduct for Directors and Senior Management Personnel as required under Regulation 26(3) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the F.Y. 2025- 26.

For ARCO LEASING LIMITED

JITESH KOTHARI	**ATUL RAMSHANKAR JAISWAL**
WHOLE TIME DIRECTOR	**MANAGING DIRECTOR**
DIN: 07522761	**DIN: 11615262**

Place: Mumbai
Date: September 07, 2026

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026

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

To,
The Members,
Arco Leasing Limited (CIN L65910MH1984PLC031957)
Plot No. 123, Street No. 17,
MIDC, Marol, Andheri (E),
Mumbai – 400 093

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Arco Leasing Limited** (hereinafter referred to as "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our Opinion thereon.

Based on my 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 authorized 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 31st March, 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 31st March, 2026 according to the provisions of:

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

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

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

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **[Not Applicable as there was no transaction happened during the period under review]**

(v) 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, 1992;

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

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **[Not applicable as the Company has not offered any Employee Stock Purchase Scheme during the period under review]**

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **[Not applicable as the Company has not issued any debt securities during the period under review]**

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993**; [There were no events occurred during the period which attracts provisions of these regulations, hence not applicable];**

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **[Not applicable as there was no reportable event during the period under review]**

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **[Not applicable as there was no reportable event during the period under review]**

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.
(ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

During the period under review and as per the explanations and representations made by the management and subject to clarification given to us, the company has generally complied with the provisions of Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except following observations:

1. During the year under review, the Company has filed certain e-Forms with Ministry of Corporate affairs ("MCA") beyond the prescribed time limit specified under the Companies Act, 2013 read with Rules made thereunder.

2. Ms. Aarushi Jain (DIN 10936056) is appointed as Non-Executive Independent Woman Director on the Board of the Company w.e.f. February 3, 2025. Ms. Jain has tendered resignation with effect from May 12, 2025 as Non-Executive Independent Woman Director.

   In August, 2025, Mrs. Usha Manish Ghelani (DIN 10414386) and Mrs. Khadija Taher Raniwala (DIN 11237433) are appointed as Additional Non-Executive Independent Directors of the Company.

3. Ms. Reshma Vishal Deshmukh (A68764) is appointed as Company Secretary and Compliance Officer (KMP) of the Company w.e.f. February 3, 2025. Ms. Deshmukh has resigned from the position of Company Secretary, Compliance Officer and KMP of the Company from February 10, 2026.

   Ms. Nidhi Sheth (A27041) appointed as Company Secretary of the Company w.e.f. March 9, 2026.

4. The Company has appointed Mr. Akash Dubey (DIN 08731219) as new Chief Financial Officer (CFO) and Managing Director of the Company w.e.f. March 9, 2026. The Company has also appointed Mrs. Jeny Gowadia (DIN 03014009) and Mr. Keyur Shah (DIN: 09420459) as Additional Non-Executive Independent Directors of the Company.

   It is observed that Mr. Narendra Mahavirprasad Ruia was appointed as CFO of the Company w.e.f. February 11, 2022. Mr. Ruia continues his position as CFO of the Company till March 27, 2026. Mr. Ruia has resigned from the position of CFO w.e.f. March 27, 2026.

5. The Company has received an ISIN activation Letter on August 20, 2025 from CDSL for the allotment of 2,50,000 cumulative redeemable preference shares of Rs.100/-.

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. There were changes in the composition of the Board of Directors during the period under review in accordance with the applicable provisions of Companies Act, 2013 and other applicable legislation(s).

Adequate 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, 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 decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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 audit period, the Company does not have any events having a major bearing on its affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

Signature:
Name of Company Secretary in practice / Firm: **PRIYANKA OKA & ASSOCIATES**

Date: August 13, 2026
Place: Thane

UDIN: F010084H001105871
Membership Number: F10084
Certificate of Practice Number: 22164
Peer Review Certificate Number: 1921/2022 dt. April 18, 2022

To,
The Members,
Arco Leasing Limited (CIN L65910MH1984PLC031957)
Plot No. 123, Street No. 17,
MIDC, Marol, Andheri (E),
Mumbai – 400 093

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

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

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

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

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

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

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

Signature:
Name of Company Secretary in practice / Firm: **PRIYANKA OKA & ASSOCIATES**

Date: August 13, 2026
Place: Thane

Membership Number: F10084
Certificate of Practice Number: 22164
Peer Review Certificate Number: 1921/2022 dt. April 18, 2022

INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Standalone Annual Financial Statements

To,
The Board of Directors of Arco Leasing Limited

Opinion

We have audited the accompanying standalone annual financial results of Arco Leasing Limited (hereinafter referred to as "the Company") for the year ended March 31, 2026, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone annual financial results:

a. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and

b. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India, of the net profit/(loss), other comprehensive income and other financial information of the Company for the year ended March 31, 2026.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the "Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results" 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 (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the standalone annual financial results.

Management's and Board of Directors' Responsibilities for the Standalone Annual Financial Results

The standalone annual financial results have been prepared on the basis of the standalone annual financial statements. The Company's Management and the Board of Directors are responsible for the preparation and presentation of the standalone annual financial results that give a true and fair view of the net profit/(loss) and other comprehensive income of the

Company and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the standalone annual financial results 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 the standalone annual financial results.

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

- Identify and assess the risks of material misstatement of the standalone annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i)

of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone annual financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management's and Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone annual financial results, including the disclosures, and whether the standalone annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance of the Company 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.

We also performed procedures in accordance with SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

Other Matter

The standalone annual financial results include the results for the quarter ended March 31, 2026, being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2026 and the published unaudited year-to-date figures up to the end of the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

For M.C.Jain & Co. LLP
Chartered Accountants

(C.A.Vatsal Gohil)
Partner

Membership no. 146059
Firm Registration no. 304012E
Mumbai, May 30, 2026
UDIN : 26146059UDQJYD1274

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of ARCO LEASING LIMITED on the Standalone Financial Statements for the year ended March 31, 2026)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

(i) Property, Plant and Equipment and Intangible Assets

(a) The Company does not hold any Property, Plant and Equipment or intangible assets as at the balance sheet date. Accordingly, the requirement to report on maintenance of proper records of Property, Plant and Equipment [clause 3(i)(a)(A)] and of intangible assets [clause 3(i)(a)(B)] is not applicable.

(b) As the Company does not hold any Property, Plant and Equipment, the requirement to report on their physical verification is not applicable.

(c) The Company does not hold any immovable property. Accordingly, the requirement to report on whether title deeds are held in the name of the Company is not applicable.

(d) The Company has not revalued its Property, Plant and Equipment (including Right-of-Use assets) or intangible assets during the year. Accordingly, clause 3(i)(d) is not applicable.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2026 for holding any Benami property under the Prohibition of Benami Property Transactions Act, 1988 and the rules made thereunder. Accordingly, clause 3(i)(e) is not applicable.

(ii) Inventory and Working Capital Limits

(a) The Company is engaged in the business of investments and does not hold any inventory. Accordingly, the requirement to report on physical verification of inventory and discrepancies of 10% or more [clause 3(ii)(a)] is not applicable.

(b) The Company has not been sanctioned any working capital limits in excess of ₹5 crore, in aggregate, from banks or financial institutions on the basis of security of current assets at any point of time during the year. Accordingly, the requirement to report on filing of quarterly returns/statements with such banks or financial institutions [clause 3(ii)(b)] is not applicable.

(iii) Investments, Loans, Advances, Guarantees and Security

During the year the Company has made investments in its subsidiary and in mutual funds. The Company has not provided any guarantee or security and has not granted any loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly:

(a) the requirement to report on the aggregate amount and year-end balance of loans/advances in the nature of loans granted to subsidiaries/associates/joint ventures and to other parties is not applicable;

(b) in our opinion, the terms and conditions of the investments made during the year are, prima facie, not prejudicial to the interest of the Company;

(c) to (f) since the Company has not granted any loans or advances in the nature of loans, the requirements to report on stipulation of schedule of repayment and regularity thereof, overdue amounts exceeding 90 days, renewal/extension or fresh loans to settle overdue dues, and loans granted which are repayable on demand or without specifying terms, are not applicable.

(iv) Compliance with Sections 185 and 186

In our opinion and according to the information and explanations given to us, the Company has not granted any loans, or provided any guarantees or security, to which the provisions of section 185 of the Companies Act, 2013 apply. In respect of the investments made by the Company, the provisions of section 186 of the Companies Act, 2013 have been complied with.

(v) Deposits

The Company has not accepted any deposits or amounts which are deemed to be deposits from the public within the meaning of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder. The unsecured loan obtained by the Company during the year is from a body corporate and does not constitute a deposit. Accordingly, the requirement to report on compliance with directions of the Reserve Bank of India or any order passed by the Company Law Board / National Company Law Tribunal / Reserve Bank of India / any Court or other Tribunal is not applicable.

(vi) Cost Records

The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the activities carried on by the Company. Accordingly, clause 3(vi) is not applicable.

(vii) Statutory Dues

(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is generally regular in depositing undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess, Professional Tax and other material statutory dues, as applicable, with the appropriate authorities. There were no undisputed amounts payable in respect of the aforesaid dues in arrears as at March 31, 2026 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute.

(viii) Unrecorded Income

According to the information and explanations given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961.

(ix) Repayment of Borrowings

(a) The Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) The Company has not been declared a wilful defaulter by any bank or financial institution or other lender.

(c) The Company has not obtained any term loans during the year. Accordingly, the requirement to report on application of term loans is not applicable.

(d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been utilised for long-term purposes.

(e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary. Accordingly, clause 3(ix)(e) is not applicable.

(f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiary. Accordingly, clause 3(ix)(f) is not applicable.

(x) Money Raised by Public Offer / Preferential Allotment

(a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, clause 3(x)(a) is not applicable.

(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. Accordingly, clause 3(x)(b) is not applicable.

(xi) Fraud

(a) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, 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, 2013 has been filed by us in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year and up to the date of this report.

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

(xii) Nidhi Company

The Company is not a Nidhi Company. Accordingly, clauses 3(xii)(a), 3(xii)(b) and 3(xii)(c) are not applicable.

(xiii) Related Party Transactions

In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of such transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards (Ind AS 24, Related Party Disclosures).

(xiv) Internal Audit System

(a) In our opinion and according to the information and explanations given to us, the Company did not have an internal audit system during the year commensurate with the size and nature of its business. We further report that, the Company being a listed company, an internal audit is required to be conducted under section 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014, and the Company has not complied with the said requirement during the year.

(b) As the Company did not have an internal audit system and there were no internal audit reports for the year under audit, the requirement to report on consideration of such reports by us [clause 3(xiv)(b)] is not applicable.

(xv) Non-Cash Transactions with Directors

According to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. Accordingly, the provisions of section 192 of the Companies Act, 2013 are not applicable and clause 3(xv) is not applicable.

(xvi) Registration under Section 45-IA of the Reserve Bank of India Act, 1934

(a) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934, as it does not fulfil the principal business criteria (the '50-50 test') prescribed by the Reserve Bank of India for classification as a Non-Banking Financial Company. Accordingly, the Company has not obtained, and is not required to obtain, a Certificate of Registration (CoR) from the Reserve Bank of India.

(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities during the year requiring a valid Certificate of Registration from the Reserve Bank of India.

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

(d) According to the information and explanations given to us, the Group does not have any Core Investment Company. Accordingly, clause 3(xvi)(d) is not applicable.

(xvii) Cash Losses

The Company has incurred cash losses of ₹56.13 lakhs during the financial year covered by our audit and ₹11.24 lakhs in the immediately preceding financial year. (Cash loss is computed as the loss after tax; the Company has no depreciation, amortisation or impairment charges to be adjusted.)

(xviii) Resignation of Statutory Auditors

There has been no resignation of the statutory auditors of the Company during the year. Accordingly, the requirement to report on consideration of issues, objections or concerns raised by the outgoing auditors is not applicable.

(xix) Material Uncertainty on Meeting Liabilities

On the basis of the financial ratios, the ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the plans of the Board of Directors and Management and based on our examination of the evidence supporting the assumptions, we report that the Company has a negative net worth of ₹99.26 lakhs as at March 31, 2026 and its current liabilities exceed its current assets by ₹316.45 lakhs. We draw attention to Note 2.2 (Going Concern) to the standalone financial statements. The Company's ability to meet its liabilities existing as at the date of the balance sheet as and when they fall due within a period of one year from the balance sheet date is dependent upon the continued financial support confirmed by the promoters / promoter group. Subject to the aforesaid material uncertainty, and having regard to such support, nothing else has come to our attention that causes us to believe that the Company is not capable of meeting such liabilities as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company; our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date shall get discharged by the Company as and when they fall due.

(xx) Corporate Social Responsibility

In our opinion and according to the information and explanations given to us, the provisions of section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility are not applicable to the Company for the year, as the Company does not meet the thresholds prescribed thereunder. Accordingly, clauses 3(xx)(a) and 3(xx)(b) are not applicable.

(xxi) Qualifications / Adverse Remarks in CARO Reports of Group Companies

The reporting under clause 3(xxi) is applicable only in respect of the Auditor's Report on the Consolidated Financial Statements. There are no qualifications or adverse remarks given by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports, hence this clause is not applicable to the company.

For M.C.Jain & Co. LLP
Chartered Accountants

(C.A.Vatsal Gohil)
Partner
Membership no. 146059
Firm Registration no. 304012E
Mumbai, May 30, 2026
UDIN : 26146059UDQJYD1274

Independent Auditor’s Report

Report on the Audit of Consolidated Annual Financial Statements

To
The Board of Directors of Arco Leasing Limited

Opinion

We have audited the accompanying consolidated annual financial results of Arco Leasing Limited (hereinafter referred to as the "Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), for the year ended March 31, 2026, attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated annual financial results:

a. include the annual financial results of the following entities:

Holding Company: Arco Leasing Limited

Subsidiary: Ansu Trade and Fiscals Private Limited

b. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and

c. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India, of consolidated net profit/(loss) and other comprehensive income and other financial information of the Group for the year ended March 31, 2026.

Basis for Opinion

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

Management's and Board of Directors' Responsibilities for the Consolidated Annual Financial Results

These consolidated annual financial results have been prepared on the basis of the consolidated annual financial statements. The Holding Company's Management and the Board of Directors are responsible for the preparation and presentation of these consolidated annual financial results that give a true and fair view of the consolidated net profit/(loss) and other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated annual financial results by the Management and the Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated annual financial results, the respective Management and the Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the respective entity or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of each company.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the consolidated annual financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management's and Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated annual financial results, including the disclosures, and whether the consolidated annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/information of the entities within the Group to express an opinion on the consolidated annual financial results. We are responsible for the direction, supervision and performance of the audit of financial information of all entities included in the consolidated annual financial results.

We communicate with those charged with governance of the Holding Company 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.

We also performed procedures in accordance with SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

Other Matter

The consolidated annual financial results include the results for the quarter ended March 31, 2026, being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2026 and the published unaudited year-to-date figures up to the end of the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

For M.C. Jain & Co. LLP
Chartered Accountants

(C.A.Vatsal Gohil)
Partner
Membership no. 146059
Firm Registration no. 304012E
Mumbai, May 30, 2026
UDIN : 26146059BWKRNS1853

ARCO LEASING LIMITED

BALANCE SHEET AS AT MARCH 31, 2026

	Note No.	As at March 31, 2026	As at March 31, 2025
		` in lakhs	` in lakhs
ASSETS			
Non Current Assets			
Financial Assets			
Investments	2	217.19	217.19
Other Non Current Assets	3	-	-
		217.19	**217.19**
Current Assets			
Financial Assets			
Investments	4	21.32	20.15
Trade Receivables	5	-	-
Cash and Cash Equivalents	6a	8.65	0.68
Bank Balances Other Than Above	6b	-	-
Other Financial Assets	7	9.03	1.85
		39.00	**22.68**
TOTAL ASSETS		**256.19**	**239.87**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	8	24.01	24.01
Other Equity	9	(123.27)	(67.14)
		(99.26)	**(43.13)**
Liabilities			
Current Liabilities			
Financial liabilities			
Trade Payables	10		
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		-	21.07
Other Financial Liabilities	11	351.94	250.00
Other Current Liabilities	12	2.99	11.42
Current Tax Liabilities (Net)	13	0.52	0.52
		355.46	**283.00**
TOTAL EQUITY AND LIABILITIES		**256.19**	**239.87**

Significant Accounting Policies 1
(Notes forms integral part of Accounts)

As per our report of even date

For M.C.Jain & CO
Chartered Accountants
Firm Registration No. : 304012E

For and on behalf of the Board of Directors
For Arco Leasing Ltd

CA Vatsal Gohil
Partner
Membership No.: 146059
Place: Mumbai
Date: 30-May-2026

Narendra Ruia
Director
DIN:01228312
Place: Mumbai
Date: 30-May-2026

Akash Dubey
Director & CFO
DIN:08731219

Nidhi Pradeep Kini
Company Secretary

ARCO LEASING LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2026

	Note No.	For the year ended March 31, 2026	For the year ended March 31, 2025
		` in lakhs	` in lakhs
Revenue			
Revenue from Operations		7.00	-
Other Income	14	1.17	1.41
Total Income		**8.17**	**1.41**
Expenses			
Employee Cost		1.65	-
Other Expenses	15	60.49	12.65
Finance Cost		2.16	-
Total Expenses		**64.30**	**12.65**
Profit/(Loss) from ordinary activities before tax		**(56.13)**	**(11.24)**
Tax expense			
a) Current Tax		-	-
b) Tax for earlier year		-	-
Profit/(Loss) after tax		**(56.13)**	**(11.24)**
Other Comprehensive Income		-	-
Total Comprehensive Income (comprising loss and other comprehensive income)		**(56.13)**	**(11.24)**
Basic & Diluted Earnings per Share of ` 10 each	16	(23.38)	(4.68)

Significant Accounting Policies 1
(Notes forms integral part of Accounts)

As per our report of even date

For M.C.Jain & CO
Chartered Accountants
Firm Registration No. : 304012E

For and on behalf of the Board of Directors
For Arco Leasing Ltd

CA Vatsal Gohil
Partner
Membership No.: 146059
Place: Mumbai
Date: 30-May-2026

Narendra Ruia
Director
DIN:01228312
Place: Mumbai
Date: 30-May-2026

Akash Dubey
Director & CFO
DIN:08731219

Nidhi Pradeep Kini
Company Secretary

ARCO LEASING LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2026

A. EQUITY SHARE CAPITAL

	(` in lakhs)
Balance as at March 31, 2024	**24.01**
Changes in share capital during the year	**-**
Balance as at March 31, 2025	**24.01**
Changes in share capital during the year	**-**
Balance as at March 31, 2026	**24.01**

B. OTHER EQUITY

	(` in lakhs)
As at March 31, 2024	**(43.58)**
Profit/(loss) for the year	(12.33)
Other Comprehensive Income	-
As at March 31, 2025	**(55.91)**
Profit/(loss) for the year	**(11.24)**
Other Comprehensive Income	**-**
As at March 31, 2026	**(67.14)**
Profit/(loss) for the year	**(56.13)**
Other Comprehensive Income	**-**
Total	**(123.27)**

As per our report of even date

For M.C.Jain & CO
Chartered Accountants
Firm Registration No. : 304012E

For and on behalf of the Board of Directors
For Arco Leasing Ltd

CA Vatsal Gohil
Partner
Membership No.: 146059
Place: Mumbai
Date: 30-May-2026

Narendra Ruia
Director
DIN:01228312
Place: Mumbai
Date: 30-May-2026

Akash Dubey
Director & CFO
DIN:08731219

Nidhi Pradeep Kini
Company Secretary

ARCO LEASING LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2026

	Year ended March 31, 2026	Year ended March 31, 2025
	-	-
Cash Flow From Operating Activities		
Profit before taxation	(56.13)	(11.24)
Adjustment for:		
Net Loss / (Gain) on sale of Investment	-	-
Fair Value changes in Non Current Investments	(1.17)	(1.41)
Interest income	-	-
Operating Profit / (Loss) before working capital changes	**(57.30)**	**(12.65)**
Adjustment for:		
(Increase)/Decrease in Receivables	-	-
(Increase)/Decrease in Current Assets and Financial assets	(7.18)	-
Increase / (Decrease) in Payables and Financial liabilities	(29.49)	12.79
Cash used in operations	**(93.97)**	**0.14**
Less: Taxes on Income Paid	-	-
Net Cash generated from / (used in) Operating Activities	**(93.97)**	**0.14**
Cash Flow From Investing Activities		
Purchase of Investments (including advances)	-	-
Interest received	-	-
Proceeds from Sale of Investments	-	-
Net Cash used in Investing Activities	**-**	**-**
Cash Flow From Financing Activities		
Redemption of preference shares	-	-
Loans taken during the year	101.94	-
Net Cash generated from Financing Activities	**101.94**	**-**
Net increase / (decrease) in cash and cash equivalents	**7.97**	**0.14**
Cash and cash equivalents at the beginning of the year	**0.68**	**0.54**
Cash and cash equivalents at the end of the year	**8.65**	**0.68**

Note: The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7 on Cash Flow Statement.

As per our report of even date

For M.C.Jain & CO
Chartered Accountants
Firm Registration No. : 304012E

For and on behalf of the Board of Directors
For Arco Leasing Ltd

CA Vatsal Gohil
Partner
Membership No.: 146059
Place: Mumbai
Date: 30-May-2026

Narendra Ruia
Director
DIN:01228312
Place: Mumbai
Date: 30-May-2026

Akash Dubey
Director & CFO
DIN:08731219

Nidhi Pradeep Kini
Company Secretary

1 CORPORATE INFORMATION

Arco Leasing Limited ("the Company") is a listed public limited company incorporated on February 1, 1984.

2 SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provision of the Act.

2.2 Significant accounting judgements, estimates and assumptions

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The Company prepared its financial statements based on assumptions and estimates on parameters available at that time. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Fair value measurement of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

2.3 Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charges is calculated on the basis of the tax laws enacted at the end of the reporting period in India. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

2.4 Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a present legal or constructive obligation, as a result of past events, and it is probable that an outflow of resources, that can reliably be estimated, will be required to settle such an obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the statement of profit and loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

Contingent liabilities are not recognised but disclosed where the existence of an obligation will only be confirmed by future events or where the amount of the obligation cannot be measured reliably. Contingent assets are not recognised, but are disclosed where an inflow of economic benefits is probable.

2.5 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial assets

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit and loss.

Subsequent measurement of debt instruments depends on the Company's business model for managing the assets and the cash flow characteristics of the assets. There are three measurement categories into which the Company classifies its debt instruments;

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payment of principal and interest (SPPI) are measured at amortised cost. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the assets, where the assets' cash flows represent solely payment of principal and interest (SPPI), are measured at fair value through other comprehensive income. Fair value movements are recognised in the other comprehensive income, except for the recognition of impairment gains or losses, interest income and foreign exchange gain and losses which are recognised in profit and loss. When the financial assets is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss. Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit and loss (FVPL): Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. Debt instruments included within the FVPL category are measured at fair value with all changes recognized in the statement in profit and loss. Interest income from these financial assets is included in other income using the effective interest rate method.

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVPL. For all other equity instruments, the Company may classify the same either as at FVTOCI or FVPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Equity instruments which are classified as FVOCI, all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVPL category are measured at fair value with all changes recognised in the profit or loss.

Impairment of financial assets
The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The Company applies the ‘simplified approach’ for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognise impairment loss allowance based on lifetime Expected Credit Losses" (ECL) at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events on a financial instrument that are possible within 12 months after the reporting date. ECL is the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:
- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit or loss. This amount is reflected in a separate line in the profit or loss as an impairment gain or loss.

(ii) Financial liabilities
All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and trade and payables, net of directly attributable transaction costs. The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss:
Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss. For liabilities designated as FVPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to profit or loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

Financial liabilities at amortized cost
Financial liabilities classified and measured at amortised such as loans and borrowings, trade and other payable are initially recognized at fair value, net of transaction cost incurred. After initial recognition, financial liabilities are subsequently measured at amortised cost using the Effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

De-recognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

2.6 Property, Plant and Equipment
Tangible assets are stated at cost of acquisition less accumulated depreciation and impairment loss, if any. Cost include acquisition cost which is directly attributable to bring the assets to its working condition.

The company has not charged any depreciation for the current year the balance in the fixed asset represent the scrap value of the asset at the time of sale as per the provisions contained in companies act, 2013.

2.7 Cash and cash equivalents
Cash and cash equivalents comprise cash at bank and in hand, short-term deposits with banks with original maturity of less than three months and short-term highly liquid investments, that are readily convertible into cash and which are subject to insignificant risk of changes in the principal amount. Bank overdrafts, which are repayable on demand and form an integral part of the operations are included in cash and cash equivalents.

2.8 Segment Reporting
The accounting policies adopted for segment reporting are in conformity with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on a reasonable basis have been included under 'unallocated revenue / expenses / assets / liabilities'.

2.9 Earnings per share
Basic earnings per share are computed by dividing the profit / (loss) by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share are the profit / (loss) for the year after deducting preference dividends and attributable taxes attributable to equity shareholders. The weighted average number of equity shares outstanding during the year and for all years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the profit / (loss) for the year are adjusted for the effects of changes in income, expenses, tax and dividends that would have occurred had the dilutive potential equity shares been converted into equity shares. Such adjustments after taking account of tax include preference dividends or other items related to convertible preference shares, interest on convertible debt and any other changes in income or expense that would result from the conversion of dilutive potential ordinary shares. The weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

2 Investments Non-Current

	As at March 31, 2026	As at March 31, 2025
	` in lakhs	` in lakhs
Long term unquoted non-trade fully paid up		
Investments in Subsidiary		
1,859,630 (P.Y.1,859,630) Investment in Ansu Trade & Fiscals Pvt Ltd of ` 10 each	217.19	217.19
	217.19	**217.19**

3 Other Non Current Assets

	As at March 31, 2026	As at March 31, 2025
	` in lakhs	` in lakhs
Advance Income Tax (Net)	-	-
Total	**-**	**-**

4 Investments - Current

	As at March 31, 2026	As at March 31, 2025
	` in lakhs	` in lakhs
Current Investments		
Investments in Mutual Funds		
12,788.892 units (P.Y. 12,788.892) UTI Dynamic Bond Fund - Regular Growth Plan	21.32	20.15
Total	**21.32**	**20.15**

5 Trade Receivables

	As at March 31, 2026	As at March 31, 2025
	` in lakhs	` in lakhs
Unsecured, considered good	-	-
Total	**-**	**-**

6 a) Cash and Cash Equivalents

	As at March 31, 2026	As at March 31, 2025
	` in lakhs	` in lakhs
Cash in hand	0.05	0.05
Balance with Bank in Current Accounts	8.60	0.63
Total	**8.65**	**0.68**

b) Bank Balances Other Than Above

	As at March 31, 2026	As at March 31, 2025
	` in lakhs	` in lakhs
Fixed Deposit with Bank with maturity period exceeding three months but not exceeding twelve months	-	-
Total	**-**	**-**

7 Other Financial Assets

	As at March 31, 2026	As at March 31, 2025
	` in lakhs	` in lakhs
Other Receivables	8.33	1.85
TDS Receivable	0.70	-
Total	**9.03**	**1.85**

ARCO LEASING LIMITED
SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED MARCH 31, 202(

8 Equity Share Capital

	As at March 31, 2026	As at March 31, 2025
	` in lakhs	` in lakhs
Authorized Capital*		
3,000,000 (P.Y. 3,000,000) Equity Shares of ` 10 each	300.00	300.00
	300.00	**300.00**
Issued , Subscribed & Fully Paid up Capital		
240,070 (P.Y. 240,070) Equity Shares of ` 10 each	24.01	24.01
Total	**24.01**	**24.01**

* Total authorised capital including Cumulative Redeemable Preference Shares -` 600 Lakhs (P.Y. ` 600 Lakhs).

Notes:

a. Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

	March 31, 2026		March 31, 2025	
	Numbers	` in lakhs	Numbers	` in lakhs
Equity Shares				
Balance at the beginning of the year	2,40,070	24.01	2,40,070	24.01
Issued during the year	-	-	-	-
Balance at the end of the year	2,40,070	24.01	2,40,070	24.01

b. Details of shareholders holding more than 5% shares in the company :

	March 31, 2026		March 31, 2025	
	Numbers	%	Numbers	%
Shri Narendra Ruia	40,195	16.74%	40195	16.74%
Smt. Sarita Ruia	39,410	16.42%	39410	16.42%
Shri Rajendra Ruia	16,085	6.70%	16085	6.70%

c. Rights, preferences and restrictions attached to shares: The company has one class of equity shares of face value of ` 10 each. Every shareholder is entitled to one vote for every shares held. In the event of liquidation the equity shareholders shall be entitled to receive remaining assets of the company after distribution of all dues in proportion of their holdings.

d. In preceding five years the company has not allotted any shares without payment being received in cash and it has not issued bonus shares or bought back any shares.

9 Other Equity

	As at March 31, 2026	As at March 31, 2025
	` in lakhs	` in lakhs
Retained Earnings		
Balance at the beginning of the year	(67.14)	(55.91)
Add: Profit/(loss) for the year	(56.13)	(11.24)
Total	**(123.27)**	**(67.14)**

10 Trade Payables

	As at March 31, 2026	As at March 31, 2025
	` in lakhs	` in lakhs
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	21.07
Total	**-**	**21.07**

11 Other Financial Liabilities

	As at March 31, 2026	As at March 31, 2025
	` in Lakhs	` in Lakhs
250,000 0.01% Cumulative Redeemable Preference	250.00	250.00
Unsecured Loans	101.94	-
Total	**351.94**	**250.00**

Notes:

a) Authorized Capital:

Particulars	March 31, 2026	March 31, 2025
300,000 (P.Y. 300,000) Cumulative Redeemable Preference Shares of ` 100 each	300	300.00

b) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

	March 31, 2026		March 31, 2025	
	Numbers	` in Lakhs	Numbers	` in Lakhs
Preference shares				
Balance at the beginning of the year	2,50,000	250.00	2,00,000.00	200.00
Issued during the year	-	-	2,50,000	250.00
Less: Redeemed during the year	-	-	(2,00,000)	(200.00)
Balance at the end of the year	**2,50,000**	**250.00**	**2,50,000**	**250.00**

c) Details of shareholders holding more than 5% shares in the company

Preference shares	March 31, 2026		March 31, 2025	
	Numbers	` in Lakhs	Numbers	` in Lakhs
Essar Steel Metal Trading Ltd (earlier Edwell Infrastructure Hazira Ltd now amalgamated)	2,50,000	250.00	2,50,000	250.00

d) The preference shares are redeemable at par on demand at the option of the holder and accordingly, disclosed under other financial liabilities.

ARCO LEASING LIMITED
SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED MARCH 31, 202(

12 Other Current Liabilities

	As at March 31, 2026	As at March 31, 2025
	` in Lakhs	` in Lakhs
Statutory Liabilities	0.99	0.27
Advance from others	-	11.15
Provisions	2.00	-
Total	**2.99**	**11.42**

13 Current Tax Liabilities (Net)

	As at March 31, 2026	As at March 31, 2025
	` in Lakhs	` in Lakhs
Current Income Tax Liability (Net)	0.52	0.52
Total	**0.52**	**0.52**

14 Other Income

	For the year ended March 31, 2026	For the year ended March 31, 2025
	` in lakhs	` in lakhs
Interest on deposits with bank	-	-
Balance Write off	-	-
Fair value Changes in Investments	1.17	1.41
Total	**1.17**	**1.41**

15 Other Expenses

	For the year ended March 31, 2026	For the year ended March 31, 2025
	` in lakhs	` in lakhs
Audit fees	0.50	-
Advertisement Expenses	0.46	0.49
Legal & Professional Fees	58.67	12.14
Miscellaneous Expenses	0.04	-
Professional Tax	0.03	0.03
Filing Fees, Rates & Taxes	0.02	-
Balance Write off	0.78	-
Total	**60.49**	**12.65**

16 Earnings Per Share

There are no potential equity shares and hence the basic and diluted earnings per share are same. The calculation of the basic and diluted earnings per share is based on following data.

	March 31, 2026	March 31, 2025
Earnings [Profit/(Loss) after tax]	(56.13)	(11.24)
Weighted average number of equity shares for the purpose of calculating earnings per share	2,40,070	2,40,070
Basic & Diluted Earnings per share of face value of ` 10 each (`)	(23.38)	(4.68)

17 The company does not have any commitment and contingent liabilities.

18 The company has single business segment of Investments.

19 Financial instruments :

1 Capital management
The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Company consists of net debt and total equity of the Company.

The Company is not subject to any externally imposed capital requirements. The Company's board of directors reviews the capital structure on an annual basis. The financial tie up for the company are long term in nature as it is in infrastructure business. Therefore all new capital requirements are duly discussed by the board of directors. The Company monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes borrowings less cash and cash equivalents and other bank balances.

2 Categories of financial instruments

Particulars	As at March 31, 2026		As at March 31, 2025	
	Carrying amount	Fair values	Carrying amount	Fair values
	(` in lakhs)			
Financial assets				
Measured at amortised cost				
Investments in subsidiary non-current	217.19	217.19	217.19	217.19
Trade Receivables	0	0	-	-
Cash and Cash Equivalents	8.65	8.65	0.68	0.68
Bank Balances Other Than (iii) Above	-	-	-	-
Other Financial Assets	9.03	9.03	1.85	1.85
Total financial assets carried at amortised cost	**234.87**	**234.87**	**219.72**	**219.72**
Fair Value through profit and loss account				
Investment in Mutual Funds	21.32	21.32	20.15	20.15
	21.32	**21.32**	**20.15**	**20.15**
Financial liabilities				
Measured at amortised cost				
Trade Payables	-	-	21.07	21.07
Other Financial Liabilities	351.94	351.94	250.00	250.00
Financial liabilities measured at amortised cost	**351.94**	**351.94**	**271.07**	**271.07**

Fair value hierarchy
Level 1 inputs are quoted prices (unadjusted) in active markets

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at fair value on recurring basis.

Particulars	As at March 31, 2026	As at March 31, 2025
	Fair value measurement using	
	Quoted prices in active markets (Level 1)	Quoted prices in active markets (Level 1)
	(` in lakhs)	
FVTPL financial assets designated at fair value		
Investment in Mutual Funds (quoted)	21.32	20.15

3 Financial risk management objectives
The Company's Corporate finance department monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyse the exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

4 Credit risk management
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

Trade receivables
Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of trade receivable and, where appropriate, credit guarantee insurance cover is purchased. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue trade receivables.

Cash and bank balances
The credit risk on liquid funds and other bank deposits is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

5 Liquidity risk management

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. Ultimate responsibility for liquidity risk management rests with the board of directors. The Company manages liquidity risk by maintaining reserves and banking facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Company's remaining contractual maturity for its financial liabilities with agreed repayment periods and its financial assets. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

(` in lakhs)

Particulars	As at March 31, 2026				As at March 31, 2025			
	< 1year	1-5 years	> 5 years	Total	< 1year	1-5 years	> 5 years	Total
Financial assets								
Investments	237.34	-	-	237.34	232.81	-	-	232.81
Trade Receivables	-	-	-	-	-	-	-	-
Cash and Cash Equivalents	0.68	-	-	0.68	0.55	-	-	0.55
Bank Balances Other Than (iii) Above	-	-	-	-	-	-	-	-
Other Financial Assets	1.85	-	-	1.85	0.94	-	-	0.94
Total financial assets	**239.87**	**-**	**-**	**239.87**	**234.30**	**-**	**-**	**234.30**
Financial liabilities								
Trade Payables	21.07	-	-	21.07	8.61	-	-	8.61
Other Financial Liabilities	250.00	-	-	250.00	200.00	-	-	200.00
Total financial liabilities	**271.07**	**-**	**-**	**271.07**	**208.61**	**-**	**-**	**208.61**

20 Previous year figures have been rearranged / regrouped wherever necessary.

ARCO LEASING LIMITED

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2026

21 Related Party disclosure:

1 Related Party Transactions

As per Accounting Standard 18 (AS-18) 'Related Party Transaction', issued by ICAI, the disclosure of transactions with the related parties as defined in

A). List of Related parties and relationships:

a) Subsidiary Company:

1 Ansu Trade & Fiscals Private Limited

b) Key management Personnel

1 Narendra Mahavir Ruia
2 Rajendra Mahavirprasad Ruia
3 Aarushi Jain
4 Srikar Gopalrao
5 Reshma Vishal Deshmukh

B) **Transactions during the Year with Related Parties:** **(Rs. In Lacs)**

Particulars	Subsidiary Company		Key Management Personnel		Total	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
Expenses Incurred on behalf of Subsidiary	-	47,200	-	-	-	47,200

22 Trade receivables Ageing Schedule

As at 31 March 2025 (Rs. In Lacs)

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good							-
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-
Total (A)	-	-	-	-	-	-	-
Allowance for expected credit loss							-
Total (A)-(B)	-	-	-	-	-	-	-

23 Ratio	Numerator	Denominator	31 March 2025	31 March 2024	% change	Reason for variance
Current ratio	Current Assets	Current Liabilities	10.97%	8.01%	-37%	No significant change
Debt- Equity Ratio	Total Debt	Shareholder's Equity	-	-	0%	-
Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	-	-	0%	-
Return on Equity ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	-234%	-47%	-400%	No income in C.Y and P.Y
Inventory Turnover ratio	Cost of goods sold	Average Inventory	-	-	-	-
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	NA	NA	-	-
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	NA	NA	-	-
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	- 0.02	-	-	-
Net Profit ratio	Net Profit	Net sales = Total sales - sales return	-	-	-	-
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	-22%	-5%	-309%	No significant change
Return on Investment	Interest (Finance Income)	Investment	NA	NA	-	-

24 **Compliance with approved Scheme(s) of Arrangements**
The company did not have any such arrangements in the current year.

25 **Disclosure of Transactions with Struck off companies**
The Company did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year.

26 **No transactions to report against the following disclosure requirements as notified by MCA pursuant to amended Schedule III:**
(a) Crypto Currency or Virtual Currency
(b) Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder
(c) Registration of charges or satisfaction with Registrar of Companies
(d) Relating to borrowed funds:
i. Wilful defaulter
ii. Utilisation of borrowed funds & share premium
iii. Borrowings obtained on the basis of security of current assets
iv. Discrepancy in utilization of borrowings
v. Current maturity of long term borrowings

As per our report of even date

For and on behalf of the Board of Directors

For M.C.Jain & CO
Chartered Accountants
Firm Registration No. : 304012E

CA Vatsal Gohil
Partner
Membership No.: 146059
Place: Mumbai
Date: 30-May-2026

Narendra Ruia	**Akash Dubey**	
Director	Director & CFO	**Nidhi Pradeep Kini**
DIN:01228312	DIN:08731219	**Company Secretary**
Place: Mumbai		
Date: 30-May-2026		

ARCO LEASING LIMITED

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2026

	Note No.	As at March 31, 2026	As at March 31, 2025
		` in lakhs	` in lakhs
ASSETS			
Non Current Assets			
Property, Plant and Equipment	2	2.73	2.73
Non Current assets		-	-
		2.73	**2.73**
Current Assets			
Financial Assets			
Current Tax Assets	3	5.71	1.73
Investments	4	21.32	20.15
Cash and Cash Equivalents	5	13.25	2.83
Loans & Advances	6	211.00	236.00
Other Financial Assets	7	8.33	32.66
		259.61	**293.37**
TOTAL ASSETS		**262.34**	**296.10**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	8	24.01	24.01
Other Equity	9	(119.26)	(81.65)
		(95.25)	**(57.63)**
Liabilities			
Current Liabilities			
Financial liabilities			
Trade Payables	10		
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		0.70	21.27
Other Financial Liabilities	11	351.94	311.00
Other Current Liabilities	12	0.99	15.83
Current Tax Liabilities (Net)	13	1.95	4.78
Provisions	14	2.00	0.86
		357.59	**353.73**
TOTAL EQUITY AND LIABILITIES		**262.34**	**296.10**

Significant Accounting Policies 1
(Notes forms integral part of Accounts)

As per our report of even date

For M.C.JAIN & CO.
Chartered Accountants
Firm Registration No. : 304012E

For and on behalf of the Board of Directors
For Arco Leasing Ltd

Vatsal Gohil
Partner
Membership No.: 146059
Place: Mumbai
Date: 30-May-2026

Narendra Ruia
Director
DIN:01228312
Place: Mumbai
Date: 30-May-2026

Akash Dubey
Director & CFO
DIN:08731219

Nidhi Pradeep Kini
Company Secretary

ARCO LEASING LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2026

	Note No.	For the year ended March 31, 2026	For the year ended March 31, 2025
		` in lakhs	` in lakhs
Revenue			
Revenue from Operations	15	23.60	17.41
Other Income	16	1.17	1.41
Total Income		**24.77**	**18.82**
Expenses			
Employee Cost		1.65	-
Other Expenses	17	61.28	13.15
Finance Cost		2.16	-
Total Expenses		**65.09**	**13.15**
Profit/(Loss) from ordinary activities before tax		**(40.32)**	**5.67**
Tax expense			
Current tax		1.43	4.26
Tax for earlier year		(4.13)	-
Profit/(Loss) after tax		**(37.62)**	**1.41**
Other Comprehensive Income		-	-
Total Comprehensive Income (comprising loss and other comprehensive income)		**(37.62)**	**1.41**
Basic & Diluted Earnings per Share of ` 10 each	18	(15.67)	0.59

Significant Accounting Policies 1
(Notes forms integral part of Accounts)

As per our report of even date

For M.C.JAIN & CO.
Chartered Accountants
Firm Registration No. : 304012E

For and on behalf of the Board of Directors
For Arco Leasing Ltd

Vatsal Gohil
Partner
Membership No.: 146059
Place: Mumbai
Date: 30-May-2026

Narendra Ruia
Director
DIN:01228312
Place: Mumbai
Date: 30-May-2026

Akash Dubey
Director & CFO
DIN:08731219

Nidhi Pradeep Kini
Company Secretary

ARCO LEASING LIMITED
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2026

	Year ended March 31, 2026	Year ended March 31, 2025
	` in lakhs	` in lakhs
Cash Flow From Operating Activities		
Profit before taxation	(40.32)	5.67
Adjustment for:		
Net Loss / (Gain) on sale of Investment	-	-
Fair Value changes in Non Current Investments (1.23)	(1.17)	(1.41)
Interest income	(16.60)	(17.41)
Balance Written off	(0.06)	-
Operating Cash Flow before working capital changes	**(58.15)**	**(13.15)**
Adjustment for:		
(Increase)/Decrease in Receivables	-	-
(Increase)/Decrease in Current Assets and Financial assets	49.33	(77.41)
Increase / (Decrease) in Payables and Financial liabilities	6.68	17.56
Cash generated from operations	**(2.13)**	**(73.00)**
Less: Taxes on Income (Paid)/Refund (Net)	(4.06)	(4.26)
Net Cash generated from / (used in) Operating Activities	**(6.19)**	**(77.25)**
Cash Flow From Investing Activities		
Purchase of Investments (including advances)	-	-
Interest Income	16.60	17.41
Loans given during the year	-	-
Proceeds from Sale of Investments	-	-
Net Cash used from Investing Activities	**16.60**	**17.41**
Cash Flow From Financing Activities		
Redemption of preference shares	-	-
Proceeds from issue of shares	-	-
Net Cash generated from Financing Activities	**-**	**-**
Net increase / (decrease) in cash and cash equivalents	**10.41**	**(59.84)**
Cash and cash equivalents at the beginning of the year	**2.83**	**62.68**
Cash and cash equivalents at the beginning on consolidation	**NA**	**NA**
Cash and cash equivalents at the end of the year	**13.24**	**2.83**

Note: The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7 on Cash Flow Statement.

As per our report of even date

For M.C.JAIN & CO.
Chartered Accountants
Firm Registration No. : 304012E

For and on behalf of the Board of Directors
For Arco Leasing Ltd

Vatsal Gohil
Partner
Membership No.: 146059
Place: Mumbai
Date: 30-May-2026

Narendra Ruia
Director
DIN:01228312
Place: Mumbai
Date: 30-May-2026

Akash Dubey
Director & CFO
DIN:08731219

Nidhi Pradeep Kini
Company Secretary

ARCO LEASING LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2026

A. EQUITY SHARE CAPITAL

	(` in lakhs)
Balance at the beginning of the year	**24.01**
Changes in share capital during the year	**-**
Balance as at March 31, 2026	**24.01**

B. OTHER EQUITY

	(` in lakhs)
As at March 31, 2025	**(83.06)**
Profit/(loss) for the year	1.41
Other Comprehensive Income	-
As at March 31, 2026	**(81.65)**
Profit/(loss) for the year	(37.62)
Other Comprehensive Income	-
Total	**(119.26)**

As per our report of even date

For M.C.JAIN & CO.
Chartered Accountants
Firm Registration No. : 304012E

For and on behalf of the Board of Directors
For Arco Leasing Ltd

Vatsal Gohil
Partner
Membership No.: 146059
Place: Mumbai
Date: 30-May-2026

Narendra Ruia
Director
DIN:01228312
Place: Mumbai
Date: 30-May-2026

Akash Dubey
Director & CFO
DIN:08731219

Nidhi Pradeep Kini
Company Secretary

1 SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provision of the Act. A summary of the important accounting policies which have been applied consistently is set out below:

(i). Basis of Accounting / Consolidation:

a) The financial statements of the Company are prepared under the historical cost convention on an accrual basis of accounting in accordance with the generally accepted accounting principles, and applicable Accounting Standards on consistent basis.

b) The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries on line by line basis by adding together like items of assets, liabilities, Income and expenses by using uniform accounting policies. The difference between the cost of investment and the Company's portion of equity in subsidiaries, at the date of Investment, is treated as goodwill or capital reserve as a case may be. The interest of minority shareholders is stated at the minority's proportion of the assets and liabilities recognised.

c) All significant transactions and balances between the company and subsidiaries are eliminated on consolidation.

2.2 Significant accounting judgements, estimates and assumptions

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The Company prepared its financial statements based on assumptions and estimates on parameters available at that time. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Fair value measurement of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

2.3 Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charges is calculated on the basis of the tax laws enacted at the end of the reporting period in India. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

2.4 Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a present legal or constructive obligation, as a result of past events, and it is probable that an outflow of resources, that can reliably be estimated, will be required to settle such an obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the statement of profit and loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

Contingent liabilities are not recognised but disclosed where the existence of an obligation will only be confirmed by future events or where the amount of the obligation cannot be measured reliably. Contingent assets are not recognised, but are disclosed where an inflow of economic benefits is probable.

2.5 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial assets

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit and loss.
Subsequent measurement of debt instruments depends on the Company's business model for managing the assets and the cash flow characteristics of the assets. There are three measurement categories into which the Company classifies its debt instruments;

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payment of principal and interest (SPPI) are measured at amortised cost. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the assets, where the assets' cash flows represent solely payment of principal and interest (SPPI), are measured at fair value through other comprehensive income. Fair value movements are recognised in the other comprehensive income, except for the recognition of impairment gains or losses, interest income and foreign exchange gain and losses which are recognised in profit and loss. When the financial assets is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss. Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit and loss (FVPL): Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. Debt instruments included within the FVPL category are measured at fair value with all changes recognized in the statement in profit and loss. Interest income from these financial assets is included in other income using the effective interest rate method.

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVPL. For all other equity instruments, the Company may classify the same either as at FVTOCI or FVPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Equity instruments which are classified as FVOCI, all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVPL category are measured at fair value with all changes recognised in the profit or loss.

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The Company applies the 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognise impairment loss allowance based on lifetime Expected Credit Losses" (ECL) at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events on a financial instrument that are possible within 12 months after the reporting date. ECL is the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit or loss. This amount is reflected in a separate line in the profit or loss as an impairment gain or loss.

(ii) Financial liabilities

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and trade and payables, net of directly attributable transaction costs. The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss:
Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss. For liabilities designated as FVPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to profit or loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

Financial liabilities at amortized cost
Financial liabilities classified and measured at amortised such as loans and borrowings, trade and other payable are initially recognized at fair value, net of transaction cost incurred. After initial recognition, financial liabilities are subsequently measured at amortised cost using the Effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

De-recognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

The company has not charged any depreciation for the current year the balance in the fixed asset represent the scrap value of the asset at the time of sale as per the provisions contained in companies act, 2013.

2.7 Cash and cash equivalents
Cash and cash equivalents comprise cash at bank and in hand, short-term deposits with banks with original maturity of less than three months and short-term highly liquid investments, that are readily convertible into cash and which are subject to insignificant risk of changes in the principal amount. Bank overdrafts, which are repayable on demand and form an integral part of the operations are included in cash and cash equivalents.

2.9 Earnings per share
Basic earnings per share are computed by dividing the profit / (loss) by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share are the profit / (loss) for the year after deducting preference dividends and attributable taxes attributable to equity shareholders. The weighted average number of equity shares outstanding during the year and for all years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the profit / (loss) for the year are adjusted for the effects of changes in income, expenses, tax and dividends that would have occurred had the dilutive potential equity shares been converted into equity shares. Such adjustments after taking account of tax include preference dividends or other items related to convertible preference shares, interest on convertible debt and any other changes in income or expense that would result from the conversion of dilutive potential ordinary shares. The weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

ARCO LEASING LIMITED

Significant Acccounting policies and Notes forming part of the consolidated financial statements for the year ended March 31, 2026

2 Property, Plant and Equipment

	As at March 31, 2026 ` in lakhs	As at March 31, 2025 ` in lakhs
Goodwill on Consolidation	2.73	2.73
	2.73	**2.73**

0 Current tax assets (Net)

	As at March 31, 2026 ` in lakhs	As at March 31, 2025 ` in lakhs
Income Tax	5.71	1.70
Mat Credit Entitlement	-	0.03
TOTAL	**5.71**	**1.73**

4 Investments - Current

	As at March 31, 2026 ` in lakhs	As at March 31, 2025 ` in lakhs
Current Investments		
Investments in Mutual Funds		
12,788.892 units UTI Dynamic Bond Fund - Regular Growth Plan	21.32	20.15
Total	**21.32**	**20.15**

5 Cash and Cash Equivalents

	As at March 31, 2026 ` in lakhs	As at March 31, 2025 ` in lakhs
Cash in hand	0.10	0.09
Balance with Bank in Current Accounts	13.15	2.74
Total	**13.25**	**2.83**

6 Loans

	As at March 31, 2026 ` in lakhs	As at March 31, 2025 ` in lakhs
Loan to Others	211.00	236.00
Total	**211.00**	**236.00**

7 Other Financial Assets

	As at March 31, 2026 ` in lakhs	As at March 31, 2025 ` in lakhs
Interest Receivable	-	32.66
GST Receivable	8.33	-
Total	**8.33**	**32.66**

ARCO LEASING LIMITED

Significant Acccounting policies and Notes forming part of the consolidated financial statements for the year ended March 31, 2026

8 Equity Share Capital

	As at March 31, 2026	As at March 31, 2025
	` in lakhs	` in lakhs
Authorized Capital*		
3,000,000 Equity Shares of ` 10 each	300.00	300.00
	300.00	**300.00**
Issued , Subscribed & Fully Paid up Capital		
240,070 Equity Shares of ` 10 each	24.01	24.01
Total	**24.01**	**24.01**

* Total authorised capital including Cumulative Redeemable Preference Shares -` 600 Lakhs

Notes:

a. Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

	March 31, 2026		March 31, 2025	
	Numbers	` in lakhs	Numbers	` in lakhs
Equity Shares				
Balance at the beginning of the year	2,40,070	24.01	2,40,070	24.01
Issued during the year	-		-	-
Balance at the end of the year	2,40,070	24.01	2,40,070	24.01

b. Details of shareholders holding more than 5% shares in the company :

	March 31, 2026		March 31, 2025	
	Numbers	%	Numbers	%
Shri Narendra Ruia	40,195	16.74%	40195	16.74%
Smt. Sarita Ruia	39,410	16.42%	39410	16.42%
Shri Rajendra Ruia	16,085	6.70%	16085	6.70%

c. Rights, preferences and restrictions attached to shares: The company has one class of equity shares of face value of` 10 each. Every shareholder is entitled to one vote for every shares held. In the event of liquidation the equity shareholders shall be entitled to receive remaining assets of the company after distribution of all dues in proportion of their holdings.

d. In preceding five years the company has not allotted any shares without payment being received in cash and it has not issued bonus shares or bought back any shares.

9 Other Equity

	As at March 31, 2026	As at March 31, 2025
	` in lakhs	` in lakhs
Retained Earnings		
Balance at the beginning of the year	(81.65)	(83.06)
Add: Profit/(loss) for the year	(37.62)	1.41
Balance at the end of the year	(119.26)	(81.65)
Total	**(119.26)**	**(81.65)**

10 Trade Payables

	As at March 31, 2026	As at March 31, 2025
	` in lakhs	` in lakhs
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	0.70	21.27
Total	**0.70**	**21.27**

ARCO LEASING LIMITED

Significant Acccounting policies and Notes forming part of the consolidated financial statements for the year ended March 31, 2026

11 Other Financial Liabilities

	As at March 31, 2026 ` in Lakhs	As at March 31, 2025 ` in Lakhs
250,000 0.01% Cumulative Redeemable Preference Shares of` 100 each	250.00	250.00
Loan taken from others	101.94	61.00
Total	**351.94**	**311.00**

Notes:

a) Authorized Capital:

Particulars
300,000 (P.Y. Nil) Cumulative Redeemable Preference Shares of ` 100 each

b) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

	March 31, 2026		March 31, 2025	
	Numbers	` in Lakhs	Numbers	` in Lakhs
Preference shares				
Balance at the beginning of the year	2,00,000	200.00	2,00,000	200.00
Issued during the year	-	-	2,50,000	250.00
Less: Redeemed during the year	-	-	(2,00,000)	(200.00)
Balance at the end of the year	2,00,000	200.00	2,00,000	200.00

c) Details of shareholders holding more than 5% shares in the company

Preference shares	March 31, 2026		March 31, 2025	
	Numbers	` in Lakhs	Numbers	` in Lakhs
Essar Steel Metal Trading Ltd (earlier Edwell Infrastructure Hazira Ltd now amalgamated)	2,50,000	250.00	2,50,000	250.00

d) The preference shares are redeemable at par on demand at the option of the holder and accordingly, disclosed under other financial liabilities.

12 Other Current Liabilities

	As at March 31, 2026 ` in Lakhs	As at March 31, 2025 ` in Lakhs
Statutory Liabilities	0.99	4.00
Advance from others	-	11.83
Total	**0.99**	**15.83**

13 Current Tax Liabilities (Net)

	As at March 31, 2026 ` in Lakhs	As at March 31, 2025 ` in Lakhs
Current Income Tax Liability (Net)	1.95	4.78
Total	**1.95**	**4.78**

14 Provisions

	As at March 31, 2026 ` in Lakhs	As at March 31, 2025 ` in Lakhs
Other Provisions	2.00	0.78
Contingent Provision Against Standard Assets	-	0.08
Total	**2.00**	**0.86**

ARCO LEASING LIMITED

Significant Acccounting policies and Notes forming part of the consolidated financial statements for the year ended March 31, 2026

15 Revenue from Operations

	For the year ended March 31, 2026	For the year ended March 31, 2025
	` in lakhs	` in lakhs
Service Income	7.00	-
Interest Income	16.60	17.41
Total	**23.60**	**17.41**

16 Other Income

	For the year ended March 31, 2026	For the year ended March 31, 2025
	` in lakhs	` in lakhs
Interest on deposits with bank	-	-
Profit on Sale of Investments	-	-
Fair value Changes in Investments	1.17	1.41
Total	**1.17**	**1.41**

17 Other Expenses

	For the year ended March 31, 2026	For the year ended March 31, 2025
	` in lakhs	` in lakhs
Audit fees	1.00	0.50
Advertisement Expenses	0.46	0.49
Legal & Professional Fees	59.46	12.14
Interest on TDS	0.34	-
Miscellaneous Expenses	0.04	-
Professional Tax	0.03	0.03
Filing Fees, Rates & Taxes	0.02	-
Balance Write off	- 0.06	-
Total	**61.28**	**13.15**

18 Earnings Per Share

There are no potential equity shares and hence the basic and diluted earnings per share are same. The calculation of the basic and diluted earnings per share is based on following data.

	March 31, 2026	March 31, 2025
Earnings [Profit/(Loss) after tax]	(37.62)	1.41
Weighted average number of equity shares for the purpose of calculating earnings per share	24.01	24.01
Basic & Diluted Earnings per share of face value of ` 10 each (`)	(15.67)	0.59

19 The company does not have any commitment and contingent liabilities.

20 As per Accounting Standard 18 (AS-18) 'Related Party Transaction', issued by ICAI, the disclosure of transactions with the related parties as defined in AS-18 is given below.

A). List of Related parties and relationships:

a) Subsidiary Company:

1 Ansu Trade & Fiscals Private Limited

b) Key management Personnel

1 Narendra Mahavir Ruia
2 Rajendra Mahavirprasad Ruia
3 Aarushi Jain
4 Srikar Gopalrao
5 Reshma Vishal Deshmukh

There are no transaction with related parties on a consolidated basis

21 The company has single business segment of Investments.

22 Financial instruments :

1 Capital management
The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Company consists of net debt and total equity of the Company.

The Company is not subject to any externally imposed capital requirements. The Company's board of directors reviews the capital structure on an annual basis. The financial tie up for the company are long term in nature as it is in infrastructure business. Therefore all new capital requirements are duly discussed by the board of directors. The Company monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes borrowings less cash and cash equivalents and other bank balances.

2 Categories of financial instruments

Particulars	As at March 31, 2026		As at March 31, 2025	
	Carring amount	Fair amount	Carring amount	Fair amount
	` in lakhs		` in lakhs	
Financial assets				
Measured at amortised cost				
Cash and Cash Equivalents	13.25	13.25	2.83	2.83
Other Financial Assets	8.33	8.33	32.66	32.66
Total financial assets carried at amortised cost	**21.57**	**21.57**	**35.49**	**35.49**
Fair Value through profit and loss account				
Investment in Mutual Funds	21.32	21.32	20.15	20.15
	21.32	**21.32**	**20.15**	**20.15**
Financial liabilities				
Measured at amortised cost				
Trade Payables	0.70	0.70	21.27	21.27
Other Financial Liabilities	351.94	351.94	311.00	311.00
Financial liabilities measured at amortised cost	**352.64**	**352.64**	**332.27**	**332.27**

Fair value hierarchy
Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
Level 3 inputs are unobservable inputs for the asset or liability.
The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at fair value on recurring basis.

Particulars	As at March 31, 2026	As at March 31, 2025
	Fair Value measurement using	Fair Value measurement using
	Quoted prices in active markets	Quoted prices in active markets
	` in lakhs	
FVTPL financial assets designated at fair value		
Investment in Mutual Funds (quoted)	21.32	20.15

3 Financial risk management objectives
The Company's Corporate finance department monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyse the exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

4 Credit risk management
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

Trade receivables
Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of trade receivable and, where appropriate, credit guarantee insurance cover is purchased. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue trade receivables.

Cash and bank balances
The credit risk on liquid funds and other bank deposits is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

5 Liquidity risk management
Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. Ultimate responsibility for liquidity risk management rests with the board of directors. The Company manages liquidity risk by maintaining reserves and banking facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Company's remaining contractual maturity for its financial liabilities with agreed repayment periods and its financial assets. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

(` in lakhs)

Particulars	As at March 31, 2026				As at March 31, 2025			
	< 1year	1-5 years	> 5 years	Total	< 1year	1-5 years	> 5 years	Total
Financial assets								
Investments	21.32	-	-	21.32	20.15	-	-	20.15
Cash and Cash Equivalents	13.25	-	-	13.25	2.83	-	-	2.83
Other Financial Assets	8.33	-	-	8.33	32.66	-	-	32.66
Total financial assets	**42.89**	**-**	**-**	**42.89**	**55.64**	**-**	**-**	**55.64**
Financial liabilities								
Trade Payables	0.70	-	-	0.70	21.27	-	-	21.27
Other Financial Liabilities	351.94	-	-	351.94	311.00	-	-	311.00
Total financial liabilities	**352.64**	**-**	**-**	**352.64**	**332.27**	**-**	**-**	**332.27**

22 These consolidated financial statements include financials of 100% subsidiary companies viz. Ansu Trade & Fiscals Pvt Ltd whose financial year ended on March 31, 2026

23 Additional information as required under Schedule III to The Companies Act, 2013:

Name of the entity	Net Assets		Share in Profit / (Loss)		Net Assets		Share in Profit / (Loss)	
	March 31, 2025		March 31, 2025		March 31, 2026		March 31, 2026	
	as % of Consolidated Net Assets	Amount (`)	as % of Consolidated Profit / (Loss)	Amount (`)	as % of Consolidated Net Assets	Amount (`)	as % of Consolidated Profit / (Loss)	Amount (`)
Parent								
Arco Leasing Ltd.	110.14%	(22.05)	31.59%	(12.33)	125.49%	(72.32)	133.63%	(50.27)
Subsidiaries - Indian								
Ansu Trade & Fiscals Pvt Ltd..	-10.14%	2.03	68.41%	(26.70)	-25.49%	14.69	-33.63%	12.65

As per our report of even date

For M.C.JAIN & CO.
Chartered Accountants
Firm Registration No. : 304012E

For and on behalf of the Board of Directors

Vatsal Gohil
Partner
Membership No.: 146059
Place: Mumbai
Date: 30-May-2026

Narendra Ruia
Director
DIN:01228312
Place: Mumbai
Date: 30-May-2026

Akash Dubey
Director & CFO
DIN:08731219

Nidhi Pradeep Kini
Company Secretary