AR

Asset Reconstruction Company (India) Limited

Other · Mainboard

Rs. 132 - 139

9 Sep 2026 - 11 Sep 2026

Issue size	Where the money goes	Earnings per share
Rs. 733 cr	**All offer for sale** the document states no fresh issue - computed from the share count at the band cap - p.1	**Rs. 10.82** issuer disclosed

WHAT THE COMPANY DOES

Asset Reconstruction Company (India) Limited (Arcil) is an asset reconstruction company operating across India. The company is engaged in the business of acquiring stressed assets from banks and financial institutions and implementing resolution strategies through restructuring, enforcement of rights on underlying securities, and settlement to maximize recovery and optimize asset values.

Arcil operates across the country through a network of 13 offices across 12 states (including Delhi) and employs 206 personnel, as of March 31, 2026.

WHERE THE MONEY GOES

PROMOTER HOLDING

89.7% before > **—** after

AGAINST LISTED PEERS

Company	P/E	Revenue	Source
Edelweiss Asset Reconstruction Company Limited	—	Rs. 13,958 cr	p.166
Phoenix ARC Private Limited	—	Rs. 5,432 cr	p.166
JM Financial Asset Reconstruction Company Limited	—	Rs. 3,305 cr	p.166

Figures as printed in the offer document. This page does not say whether that is expensive or cheap. That judgement is yours.

FINANCIALS, RS. CRORE

	FY24	FY25	FY26	2Y CAGR
Revenue	606	582	722	+9.1%
EBITDA	444	446	533	—
Profit after tax	330	330	352	+3.2%
Net worth	2,427	2,663	2,955	—
Total debt	150	306	1,205	—

DOES THE PROFIT TURN INTO CASH

	FY24	FY25	FY26
Operating cash flow	551	283	194
Capital expenditure	4	2	2
Financing	-55	94	766

Operating cash flow is 55% of profit after tax. The rest is sitting in receivables or inventory.

WHEN LOCKED SHARES CAN BE SOLD

Each date releases shares that could not previously be traded.

+1 months	+3 months	+6 months	+18 months
Anchor, first half	**Anchor, remainder**	**Promoter**	**Promoter**
50.0%	50.0%	69.7%	20.0%

THE DOCUMENT'S OWN CASE, FOR AND AGAINST

STRENGTHS IT CLAIMS

1. We were the first ARC to be incorporated in India having obtained our certificate of registration to commence our operations on August 29, 2003. (p.179)
2. We were the second largest ARC in India in terms of AUM, as of March 31, 2024, with an AUM of [1] 168,525.70 million, as of March 31, 2025. (p.179)
3. We were the second most profitable private ARC in India during Fiscal 2025 with a profit after tax of [1] 3,553.19 million on a standalone basis. (p.179)
4. We had recorded the lowest expenses on a standalone basis in Fiscal 2025 as a percentage of average total AUM as of March 31, 2025 among the top 7 ARCs in India. (p.179)
5. We have the lowest debt to equity ratio on a standalone basis

RISKS IT DISCLOSES

1. Our revenue and profits are largely dependent on the value and composition of our AUM and any adverse change in our AUM may impact our revenue and profit. (p.26)
2. Non-compliance with RBI's observations made during any inspection could expose us to penalties and restrictions. (p.26)
3. We bid for stressed assets through a competitive bidding process including the Swiss challenge and anchor process. If we are unable to source and acquire sufficient stressed assets, our growth may be affected. (p.26)
4. Our inability to recover outstanding amounts from the stressed assets we acquire and manage in a timely manner, or at all, could adversely affect our business. (p.26)
5. A significant portion of our stressed assets are under our corporate

Both columns are the offer document's own words, not this page's assessment.

THE INDUSTRY, AS THE DOCUMENT DESCRIBES IT

Market size Rs. 1,34,161 cr in March 31, 2025, a 12.5% CAGR, company's stated share 12.6%.

Drivers it names: Rising digital adoption continues to be a key enabler of digital lending in India.; Potential to increase acquisition of Special Mention Accounts from Private Sector Banks and NBFCs..

Constraints it names: Likely emergence of a new alternative in stressed assets market through the securitization of stressed assets framework (SSAF).; Reduction in supply from traditional sources of stressed assets..

> These industry figures come from a CRISIL Report report commissioned and paid for by the issuer. It is not neutral research.
