



ARCO LEASING LIMITED

August 17, 2023

To,

Corporate Relationship Department
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400001
Fax No. 022-22723121/3027/2039/2061
Security Code: 511038, Security ID : ZARCOLEA

Dear Sir/Madam,

Re: ISIN – INE955S01019

Sub: Notice of the 39th Annual General Meeting and Annual Report for FY 2022-23 of Arco Leasing Limited ('the Company')

This is with reference to the provisions of Regulation 30 and 34 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and our letter dated August 14, 2023 informing about the 39th Annual General Meeting ('AGM') of the Company scheduled to be held on Monday, September 11, 2023 at 11.00 a.m. (IST), in accordance, with the relevant circulars issued by Ministry of Corporate Affairs and SEBI. In this regard, we wish to inform the following:

Pursuant to the said circulars, AGM Notice and Annual Report for the financial year 2022-23 are being sent through electronic mode to those Members whose email ids are registered with the Company/Registrar and Transfer Agent ('RTA')/Depository Participant ('DP'). These documents are also available on the Company's website at www.arcoleasing.com.

The Company has provided the facility to its members to cast their vote electronically, through the remote e-Voting facility (before the AGM), on all the resolutions set out in the AGM Notice to the Members, who are holding shares on the Cut-off date i.e. September 5, 2023. The remote e-voting will commence at Friday, September 8, 2023 (09.00 a.m. IST) and end on Sunday, September 10, 2023 (05.00 p.m. IST). Detailed instructions for registering email address(s) and e-voting/attendance at the AGM are given in the AGM Notice.

The AGM Notice and Annual Report for the financial year 2022-23 are enclosed herewith.

This is for your information and records.

Thanking you,
Yours faithfully,

For **ARCO LEASING LIMITED**

NARENDRA
MAHAVIRPRASAD
SAD RUIA

Digitally signed by
NARENDRA
MAHAVIRPRASAD RUIA
Date: 2023.08.17
17:36:47 +05'30'

NARENDRA MAHAVIR RUIA
DIRECTOR
DIN: 01228312

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

ARCO LEASING LIMITED

39TH ANNUAL REPORT 2022-23

ARCO LEASING LIMITED

Annual Report 2022-23

CORPORATE INFORMATION

BOARD OF DIRECTORS	Mr. Rajendra Mahavirprasad Ruia (DIN 01300823), Wholetime Director Mr. Narendra Mahavir Ruia (DIN 01228312), Director and CFO Mrs. Meenakshi Narendra Ruia (DIN 01331083) (till February 13, 2023) Mrs. Richa Goyal (DIN 00159889) (w.e.f. May 25, 2023) Mr. Kaushik Kantilal Shah (DIN 01396342), Independent Director Mr. Srikar Gopalrao (DIN 02116323), Independent Director
COMPANY SECRETARY AND COMPLIANCE OFFICER	Ms. Renu Vyas (w.e.f. May 25, 2023)
AUDITOR	M/s. M. C. Jain & Co. Chartered Accountants, Mumbai
BANKERS	IDBI Bank, Mumbai
REGISTERED OFFICE	Plot No. 123, Street No. 17, MIDC, Marol, Andheri (E), Mumbai – 400 093, Maharashtra Tel: 022 28217222 Fax: 022 – 28361760 Email id: arcoleasingltd@gmail.com Website: www.arcoleasing.com
REGISTRAR & SHARE TRANSFER AGENT	Bigshare Services Private Limited Office No S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai – 400093 Tel: 022- 6263 8222 Fax: 022 – 6263 8299 Email: investor@bigshareonline.com Website: www.bigshareonline.com
CORPORATE IDENTITY NUMBER (CIN)	L65910MH1984PLC031957
Audit Committee	Mr. Srikar Gopalrao – Chairman and Member Mr. Narendra Ruia - Member Mr. Kaushik Shah - Member
Nomination & Remuneration Committee	Mr. Srikar Gopalrao – Chairman and Member Mr. Rajendra Ruia – Member Mr. Kaushik Shah - Member

ARCO LEASING LIMITED

Regd. Office: Plot No. 123, Street No 17, MIDC Marol, Andheri (E), Mumbai - 400093.

Tel: 022 28217222, **Fax:** 022-28361760, **Email id:** arcoleasingltd@gmail.com

CIN:- L65910MH1984PLC031957, **Website:** www.arcoleasing.com

NOTICE

NOTICE is hereby given that the 39th Annual General Meeting of the members of **ARCO LEASING LIMITED** ("the Company") will be held on Monday, September 11, 2023 at **11.00 a.m.** (IST) at the Registered Office of the Company at Plot No. 123, Street No. 17, MIDC Marol, Andheri (E), Mumbai - 400 093, Maharashtra, to transact the following businesses:

ORDINARY BUSINESS:

1. Adoption of Accounts for the year ended 31st March, 2023.

To receive, consider and adopt the standalone and consolidated Audited Financial Statements of the Company for the Financial Year ended March 31, 2023, 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, 2023 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 THAT the audited consolidated financial statement of the Company for the financial year ended March 31, 2023 and the report of Auditors thereon, as circulated to the Members, be and are hereby considered and adopted."

2. Re-appointment of Director, retiring by rotation, Mr. Narendra Mahavir Ruia (DIN 01228312)

To appoint a Director in place of **Mr. Narendra Mahavir Ruia (DIN 01228312)** who retires by rotation and being eligible offers himself for reappointment and, in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, **Mr. Narendra Mahavir Ruia (DIN 01228312)**, who retires by rotation at this meeting, be and is hereby appointed as a Director of the Company."

SPECIAL BUSINESS:

3. RE-CLASSIFICATION OF AUTHORISED SHARE CAPITAL AND CONSEQUENT ALTERATION IN THE CAPITAL CLAUSE OF MEMORANDUM OF ASSOCIATION OF THE COMPANY

To consider and to give assent/dissent for passing the following resolution as a **Special Resolution**:

“RESOLVED THAT in accordance with the provisions of Sections 13, 61, 64 and all other applicable provisions of the Companies Act, 2013 (the “**Act**”), if any, read with the Companies (Incorporation) Rules, 2014 and other applicable Rules made thereunder (including any statutory amendments thereto or re-enactment thereof for the time being in force, to the extent notified and in effect), enabling provisions of the Articles of Association of the Company and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”), or any other applicable laws for the time being in force and subject to all other necessary approvals, permissions, consents and sanctions, if required, of concerned statutory, regulatory and other appropriate authorities, if any, the consent of the Members of the Company be and is hereby accorded for the re-classification of the existing Authorised Share Capital of the Company from Rs.6,00,00,000/- (Rupees Six Crores only) divided into 30,00,000 (Thirty Lakh) Equity Shares of Rs.10/- (Rupees Ten) each and 3,00,000 Redeemable Preference Shares of Rs.100/- each **to:**

- i. 20,00,000 (Twenty Lakhs) Equity Shares of Rs.10/- (Rupees Ten) each aggregating to Rs.2,00,00,000/- (Rupees Two Crores only) and
- ii. 4,00,000 (Four Lakh) Cumulative Redeemable Preference Shares of Rs.100/- (Rupees One Hundred) each aggregating to Rs.4,00,00,000/- (Rupees Four Crores only),

total aggregating to Rs.6,00,00,000/- (Rupees Six Crores only).

RESOLVED FURTHER THAT pursuant to provisions of Sections 13, 61, 64 and other applicable provisions, if any of the Companies Act, 2013 (the “**Act**”), read with the Companies (Incorporation) Rules, 2014 and other applicable Rules made thereunder (including any statutory amendments thereto or re-enactment thereof for the time being in force, to the extent notified and in effect), the existing Clause V of the Memorandum of Association of the Company be and is hereby repealed and replaced with the following Clause 5:

5. *The Authorised Share Capital of the Company is Rs.6,00,00,000/- (Rupees Six Crores only) divided into 20,00,000 (Twenty Lakhs) Equity Shares of Rs.10/- (Rupees Ten) each aggregating to Rs.2,00,00,000/- (Rupees Two Crores only) and 4,00,000 (Four Lakh) Preference Shares of Rs.100/- (Rupees One Hundred) each aggregating to Rs.4,00,00,000/- (Rupees Four Crores only).*

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company (hereinafter referred to as the “**Board**”, which term shall unless repugnant to the context or meaning thereof, be deemed to include a duly constituted committee thereof and any person authorized by the Board in this behalf), be and are hereby severally authorized to do all such acts, deeds, matters and things as may be necessary for obtaining such approvals, in relation to the above and to execute all such documents, instruments and writings as may be required in this connection and to delegate all or any of its powers herein conferred to any of the Director(s), Company Secretary or any other Officer(s).”

4. ISSUE OF CUMULATIVE REDEEMABLE PREFERENCE SHARES ON PRIVATE PLACEMENT BASIS

To consider and to give assent / dissent for passing the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 42, 55 and 62 and all other applicable provisions, if any, of the Companies Act, 2013, (including any amendment thereto or re-enactment thereof), read with the Companies (Share Capital and Debentures) Rules, 2014, and other laws, rules and regulations applicable to the Company, if any and subject to the enabling provisions of the Memorandum and Articles of Association of the Company, and further subject to such approvals, consent, sanctions and permissions of appropriate authorities, departments and bodies as may be required and subject to such terms and conditions, alterations and modifications as may be considered appropriate and agreed to by the Board of Directors of the Company (herein after referred to as the Board which term shall also include a Committee of Directors exercising the powers conferred by the Board), the consent of the members be and is hereby accorded to offer, issue and allot on private placement basis, upto 2,50,000 0.01% Non – Convertible Cumulative Redeemable Preference Shares of Rs. 100/-, each, in one or more tranches, either fully paid up or partly paid up, on such terms and conditions, with such rights and privileges and at such times, at par or at such premium, as may be decided by the Board/Committee of Directors, to such person(s), including one or more company(ies), bodies corporate, statutory corporations, commercial banks, lending agencies, financial institutions, insurance companies, mutual funds, pension/provident funds and individuals, as the case may be or such other person(s) as the Board/Committee of Directors may decide subject to the following rights:

- a) The said preference shares shall rank for dividend in priority to the equity shares for the time being of the Company.
- b) The said preference shares shall be non-participating in the surplus fund.
- c) The said preference shares shall carry a preferential right vis-à-vis equity shares of the Company with respect to payment of dividend and repayment in case of a winding up or repayment of capital;
- d) The said preference shares shall carry a fixed cumulative preferential dividend.
- e) The said preference shares are non-convertible.
- f) The voting rights of the persons holding the said shares shall be in accordance with the provisions of the Companies Act, 2013.
- g) The said preference shares shall be redeemable not later than 10 years from the date of issue thereof

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board and/or its duly constituted Committee be and are hereby authorised to do, sign, execute and/or ratify all such acts, deeds, matters and things, as they may in their absolute discretion deem necessary, proper or desirable as may be required in connection with the creation, offer, issue and allotment of the Non-Convertible Cumulative Redeemable

Preference shares and giving effect to this resolution including filing relevant forms with the Registrar of Companies;

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of the Board or any Director(s) or Company Secretary or Officer(s) of the Company and to generally do all such acts, deeds and things as may be required in connection with the aforesaid resolutions, including making necessary filings and applications etc., with the stock exchanges and regulatory authorities and execution of any documents on behalf of the Company and to represent the Company before any governmental and regulatory authorities and to appoint any merchant bankers or other professional advisors, consultants and legal advisors to give effect to the aforesaid resolution.”

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

RAJENDRA RUIA
WHOLE TIME DIRECTOR
DIN: 01300823

NARENDRA RUIA
DIRECTOR
DIN: 01228312

Place: Mumbai

Date: August 14, 2023

Regd. Office:

Plot No. 123, Street No. 17, MIDC, Marol,
Andheri (E), Mumbai – 400 093, Maharashtra

Tel: 022 28217222

Fax: 022 – 28361760

Email id: arcoleasingltd@gmail.com

Website: www.arcoleasing.com

NOTES:

1. The Relevant details of the Director seeking re-appointment, pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and as required under Secretarial Standards - 2 on General Meetings issued by The Institute of Company Secretaries of India, is provided in Annexure I.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies in order to be effective, must be received by the Company not less than 48 hours before the meeting. Proxies submitted on behalf of companies, societies, partnership firms, etc. must be supported by appropriate resolution/ authority, as applicable, issued on behalf of the nominating organization. In case of joint holders attending the Meeting, only such joint

holder who is higher in order of names will be entitled to vote. A Proxy Form is enclosed herewith.

3. A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING 50 AND HOLDING IN THE AGGREGATE NOT MORE THAN 10 PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. HOWEVER, A MEMBER HOLDING MORE THAN 10%, 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 PERSON OR MEMBER.
4. The Register of Members of the Company and Transfer Books thereof will be closed from September 5, 2023 to September 11, 2023 (both days inclusive).
5. E-voting facility to all members has been provided through the e-voting platform of Central Depository Services (India) Limited (CDSL) and the Company has appointed CS Priyanka Oka, Practicing Company Secretary, as Scrutinizer for the e-voting process. Instructions and manner of the process have been detailed in the para 7 below. The Scrutinizer will make a report to the Chairman of the Company, of the votes cast in favour and against and the results on the resolutions alongwith the scrutinizer's report will be available on the website of the Company within two working days of the same being passed.
6. The shareholders whose names appear in the Register of Members after giving effect to all valid share transfers lodged with the Company on or before September 4, 2023 shall be entitled to participate in e-voting/ballot at the AGM. Members and all other concerned are requested to lodge transfer deeds, change of address communication, mandates (if any) with the Company's Share Transfer Agents viz. **Bigshare Services Pvt. Ltd.**, E-3 Ansa Industrial Estate, Saki Vihar Road Sakinaka, Mumbai 400072, Maharashtra.
7. In compliance with the MCA Circulars and the Securities and Exchange Board of India ("SEBI") Circular dated January 5, 2023, Notice of the AGM along with the Annual Report 2022-23 is being sent only through electronic mode to those Members whose email address is registered with the Company / Registrar and Transfer Agent / Depository Participants / Depositories. Members may note that the Notice and Annual Report 2022-23 will also be available on the Company's website www.arcoleasing.com and website of the Stock Exchange, i.e., BSE Limited at www.bseindia.com and on the website of CDSL. Company's web-link on the above will also be provided in advertisement being published in newspaper having wide circulation in India (English Language) and local newspaper (Marathi Language).
8. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM/EGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of

casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

9. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.arcoleasing.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
10. **Members who have not registered their e-mail addresses so far, are requested to register their email address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.**

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

- Step 1** : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.
- Step 2** : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.
- (i) The voting period begins on Friday, September 8, 2023 at 9.00 a.m. IST and ends on Sunday, September 10, 2023 at 5.00 p.m. IST. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. September 5, 2023 may cast their vote electronically. The e-voting module shall be disabled by CDSL 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 shareholders/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.

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (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.

Pursuant to abovesaid 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 Depository	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 are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi Tab. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will

	authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL Depository	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 and you will be re-directed to e-Voting service provider 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 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
Individual Shareholders (holding securities in	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,

demat mode) login through their Depository Participants (DP)	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.
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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.co.in or call at : 022 – 4886 7000 and 022 – 2499 7000

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	For Physical Shareholders and other than individual shareholders holding shares in Demat
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) **Additional Facility for Non – Individual Shareholders and Custodians – For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.

- It is mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; arcoleasingltd@gmail.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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.**

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

Explanatory statement pursuant to provisions 102 of the Companies Act, 2013:

Item No. 3

The Members would be aware that the special resolutions mentioned in the Item No. 3 and 4 were approved in the 38th Annual General Meeting (AGM) of the Company by the members. However, due to the circumstances beyond the control of the Company, the Company was unable to redeem the existing Preference Shares and issue new Cumulative Redeemable Preference Shares. The said transaction could not get concluded within the stipulated time. Hence, both the special resolutions are again set forth for approval of members in the ensuing AGM.

The existing Authorised Share Capital of the Company is Rs.6,00,00,000/- (Rupees Six Crores only) divided into 30,00,000 (Thirty Lakh) Equity Shares of Rs.10/- (Rupees Ten) each and 3,00,000 Redeemable Preference Shares of Rs.100/- each.

In view of the proposal to issue 0.01% Non Convertible Cumulative Redeemable Preference Shares on private placement basis, it is proposed to reclassify the Authorized Share Capital of the Company from Rs.6,00,00,000/- (Rupees Six Crores only) divided into 30,00,000 (Thirty Lakh) Equity Shares of Rs.10/- (Rupees Ten) each and 3,00,000 Redeemable Preference Shares of Rs.100/- each to:

- i. 20,00,000 (Twenty Lakhs) Equity Shares of Rs.10/- (Rupees Ten) each aggregating to Rs.2,00,00,000/- (Rupees Two Crores only) and
- ii. 4,00,000 (Four Lakh) Preference Shares of Rs.100/- (Rupees One Hundred) each aggregating to Rs.4,00,00,000/- (Rupees Four Crores only),

The aforesaid reclassification in the Authorized Share Capital will also require consequential amendment to the Capital Clause of the Memorandum of Association of the Company. Pursuant to Section 13 and 61 of the Act, the alteration of Memorandum of Association requires approval of the Members of the Company by way of passing a special resolution to that effect. Accordingly, the approval of the Members is sought to reclassify the Authorized Share Capital as well as to consequently alter the Capital Clause of the Memorandum of Association of the Company. A draft copy of the modified Memorandum of Association is available for inspection by the Members of the Company at its Registered Office during the normal business hours on any working day of the Company.

The Board recommends the Special Resolution set forth at Item No. 3 of the Notice for approval of the Members.

None of the Directors and/or Key Managerial Personnel of the Company and/or their respective relatives are concerned or interested in the Resolution mentioned in Item No. 3 of the Notice.

Item No. 4:

The Members would be aware that the special resolutions mentioned in the Item No. 3 and 4 were approved in the 38th Annual General Meeting (AGM) of the Company by the members. However, due to the circumstances beyond the control of the Company, the Company was unable to redeem the existing Preference shares and issue of new

Cumulative Redeemable Preference Shares. The said transaction could not get concluded within the stipulated time. Hence, both the special resolutions are again set forth for approval of members in the ensuing AGM.

The Board of Directors at its meeting held on August 14, 2023, had, subject to the approval of the Shareholders by way of a Special Resolution, proposed the offer and issuance of 0.01% Non-Convertible Cumulative Redeemable Preference shares of Rs. 100/- each, aggregating upto Rs.2,50,00,000/- (Rupees Two Crores and Fifty Lakhs) at par, on private placement basis. Section 42 and 55 of the Companies Act, 2013 read with Rule 9 of the Companies (Share Capital and Debentures) Rules, 2014 ('Rules') framed there under, inter alia, requires a company to obtain the prior approval of the Shareholders, by way of a Special Resolution for issuance of preference shares.

Hence, In terms of Sections 42 and 55 of the Act, read with the Companies (Share Capital and Debentures) Rules, 2014 and the Companies (Prospectus and Allotment of Securities) Rules, 2014, a company making an allotment of preference shares on private placement basis.

As required under Rule 9(3) of the Companies (Share Capital and Debentures) Rules, 2014, the material facts relating to the aforesaid issue of Preference Shares (the "CRPS Issue") are as follows:

(a)	The size of the issue and number of preference shares to be issued and nominal value of each share	Upto 2,50,000 (Two Lakhs and Fifty Thousand) 0.01% Cumulative Redeemable Preference Shares (CRPS) of Rs.100/- (Rupees One Hundred) each aggregating to Rs.2,50,00,000/- (Rupees Two Crores and Fifty Lakhs only)
(b)	The nature of such shares i.e. cumulative or non-cumulative, participating or non-participating, convertible or non-convertible	The CRPS will be cumulative, non-participating and non-convertible.
(c)	The objectives of the issue	The proceeds of the issue will be utilized towards redemption of existing Redeemable Preference Shares and for other business operations of the Company
(d)	The manner of issue of shares	The CRPS are proposed to be issued on private placement basis to "Edwell Infrastructure Hazira Limited".
(e)	The price at which such shares are proposed to be issued	The CRPS are proposed to be issued at nominal value of Rs. 100/- each.

(f)	The basis on which the price has been arrived at	The CRPS will be issued at par. An independent valuation report has been used to arrive at the price.
(g)	The terms of issue, including terms and rate of dividend on each share, etc.	The CRPS are proposed to be issued for a period not exceeding 20 years from the date of allotment and shall be fully redeemed at par at maturity. Dividend on CRPS is 0.01% p.a.
(h)	The terms of redemption, including the tenure of redemption, redemption of shares at premium and if the preference shares are convertible, the terms of conversion	The CRPS shall be redeemable on such date as determined by the board but not later than a period exceeding twenty years from the date of allotment which is in accordance with Section 55 of the Companies Act, 2013 read with relevant rules framed there under. The CRPS are non-convertible and will be redeemed at par value.
(i)	The manner and modes of Redemption	The CRPS shall be redeemed in accordance with the provisions of the Companies Act, 2013 read with the relevant rules
(j)	The Current Shareholding Pattern of the Company	Consequent to the issue of preference shares, the control of the Company shall not change. The shareholding pattern of the Company as on June 30, 2023 is annexed to this Notice. (Annexure A)
(k)	The expected dilution in equity share capital upon conversion of preference shares	Not applicable since the CRPS are proposed to be issued on non-convertible basis.

The Board recommends the Special Resolution set forth at Item No. 4 of the Notice for approval of the Members.

None of the Directors and/or Key Managerial Personnel of the Company and/or their respective relatives are concerned or interested in the Resolution mentioned at Item No. 4 of the Notice.

Annexure A

Shareholding Pattern of Arco Leasing Limited for the quarter ended June 30, 2023 (before and after Issue of CRPS)

Sl No.	Category	Pre Issue		Post Issue	
		Number of Equity Shares held	Percentage	Number of equity Shares	Percentage
(A)	Promoter & Promoter Group	128600	53.57	128600	53.57
(B)	Public	111470	46.43	111470	46.43
(C)	Non Promoter-Non Public	Nil	Nil	Nil	Nil
(C1)	Shares underlying DRs	Nil	Nil	Nil	Nil
(C2)	Shares held by Employee Trusts	Nil	Nil	Nil	Nil
	Total	240070	100	240070	100

Annexure B

Information required as per Regulation 26 (4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of the appointment or re-appointment of Directors at the Annual General Meeting:

Name	Narendra Mahavir Ruia
DIN	01228312
Age	57 years
Date of Birth	December 25, 1966
Date of Appointment	July 25, 1989
Qualification/ Expertise in specific functional areas	B.A.(Econ), M.B.A., SMEP by IIM
Brief Resume	Mr. Narendra Ruia is the Bachelor in Arts, specialization in Economics from Mithibai College, Mumbai. He has completed Masters of Business Administration from IIM, Ahmedabad. He is Confident and Charismatic Leader having experience of 36 years in the corporate field.
Relationship with any Director(s) of the Company	Rajendra Mahavirprasad Ruia - Brother
Number of Board Meetings attended during f.y. 2022-23	5 (Five)
Names of listed entities in which the person also holds the directorship and the membership of Committees of the board	Not Applicable
Number of Shares held in the Company	40195
List of Directorships held in other companies*	Arco Electro Technologies Private Limited Ansu Trade & Fiscals Pvt. Ltd.

*Based on disclosures received from the respective Directors.

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

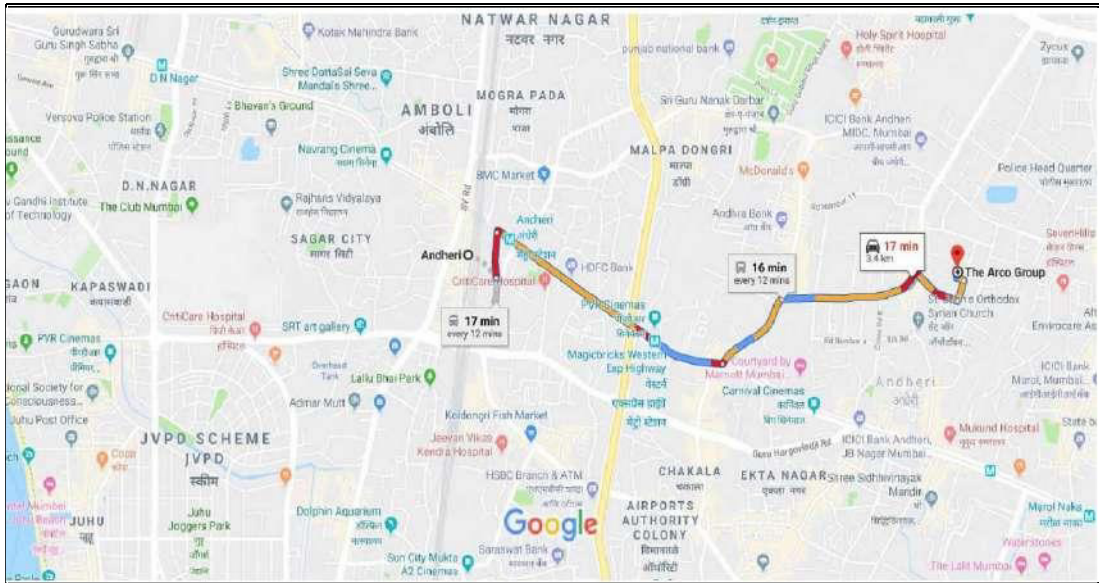
RAJENDRA RUIA
WHOLE TIME DIRECTOR
DIN: 01300823
Place: Mumbai
Date: August 14, 2023

NARENDRA RUIA
DIRECTOR
DIN: 01228312

Regd. Office:
Plot No. 123, Street No. 17, MIDC, Marol,
Andheri (E), Mumbai – 400 093, Maharashtra
Tel: 022 28217222
Fax: 022 – 28361760
Email id: arcoleasingltd@gmail.com
Website: www.arcoleasing.com

ROUTE MAP

to the Venue of 39th Annual General Meeting of ARCO LEASING LIMITED Monday, September 11, 2023.



**Venue: Plot No. 123, Street No. 17, MIDC, Marol, Andheri (E), Mumbai – 400093
(Bus No.: 434 / 545Ltd /496 Ltd)**

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

ARCO LEASING LIMITED

Regd. Office: Plot No. 123, Street No 17, MIDC Marol, Andheri (E), Mumbai - 400093.

Tel: 022 28217222, **Fax:** 022-28361760, **Email id:** arcoleasingltd@gmail.com

CIN:- L65910MH1984PLC031957, **Website:** www.arcoleasing.com

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 39th Annual General Meeting of Arco Leasing Limited to be held on Monday, September 11, 2023 at 11.00 a.m. at Plot No. 123, Street No. 17, MIDC, Marol, Andheri (E), Mumbai - 400093, Maharashtra.

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 39th Annual General Meeting. The e-voting period starts from Friday, September 8, 2023 at 9.00 a.m. IST and ends on Sunday, September 10, 2023 at 5.00 p.m. IST. The voting module shall be disabled by CDSL for voting thereafter.

ARCO LEASING LIMITED

Regd. Office: Plot No. 123, Street No 17, MIDC Marol, Andheri (E), Mumbai - 400093.

Tel: 022 28217222, **Fax:** 022-28361760, **Email id:** arcoleasingltd@gmail.com

CIN:- L65910MH1984PLC031957, **Website:** www.arcoleasing.com

PROXY FORM

FORM MGT-11

39TH ANNUAL GENERAL MEETING – MONDAY, SEPTEMBER 11, 2023

[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 39th Annual General Meeting of the Company, to be held on the Monday, September 11, 2023 at 11.00 a.m. at Plot No. 123, Street No 17, MIDC Marol, Andheri (E), Mumbai – 400093,

Maharashtra and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Number	Resolution
1.	To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2023, together with the Report(s) of the Directors and Auditors thereon.
2.	To appoint a Director in place of Mr. Narendra Mahavir Ruia (DIN 01228312) who retires by rotation and being eligible offers himself for reappointment.
3.	Re-Classification of Authorised Share Capital and consequent alteration in the capital clause of Memorandum of Association of the Company.
4.	Issue of Cumulative Redeemable Preference Shares on Private Placement Basis.

Signed this _____ day of _____, 2023.

**Affix
Revenue
Stamp**

**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 Registered Office of the Company, not less than 48 hours before the commencement of the Annual General Meeting.

DIRECTORS' REPORT

To,
Dear Members,

Your Directors' are pleased to present the 39th Annual Report on the business and operations of the Company, along with the audited Financial Statements (Standalone & Consolidated) for the financial year ended March 31, 2023.

FINANCIAL RESULTS

The Company's financial performance for the year ended 31st March 2023 is summarized below:

(Rs. In Lakhs)

Particulars	Financial Results (Standalone)		Financial Results (Consolidated)	
	For the year ended as at		For the year ended as at	
	31 st March, 2023	31 st March, 2022	31 st March, 2023	31 st March, 2022
Total Revenue	20.13	0.87	22.20	0.95
Total Expenses	11.49	13.20	12.86	14.12
Profit/(Loss) Before Tax	8.64	(12.33)	9.34	(13.16)
Tax Expense (Net)	2.10	--	2.28	--
Profit /(Loss) After Tax	6.54	(12.33)	7.06	(13.16)
Earnings Per Share (Rs.)	2.72	(5.14)	2.94	(5.48)

PERFORMANCE OF THE COMPANY

During the year under review, the Company has generated revenue of Rs.19.00 lakhs as compared to Nil in the previous year which has led to enhance the overall income of the Company during the current year to Rs.20.13 lakhs as compared to Rs.0.87 lakhs of previous year.

Total expenditure of the Company was reduced to 11.49 lakhs as compared to 13.20 lakhs in the previous year which has resulted in the profits of Rs.8.64 Lakhs (before tax) to the Company during the financial year of 2022-23.

Similarly, on Consolidated basis, total income for the financial year under review was increased to Rs. 22.202 Lakhs as compared to previous year. It was mainly enhanced due to income from operations of the holding Company. Previous year the profits on consolidated basis was Rs. 0.95 Lakhs.

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

To conserve resources for future, your Directors' do not recommend any dividend for the financial year under review.

TRANSFER TO RESERVES

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

SHARE CAPITAL

The Authorized Share Capital of the Company is Rs.6,00,00,000/- (Rupees Six crores) which comprises of 30,00,000 (Thirty Lakhs) equity shares of Rs. 10/- (Rupees Ten only) each and 3,00,000 (Three Lakhs) Cumulative Redeemable Preference Shares of Rs.100/- (Rupees One Hundred) each.

The Paid-up Equity Share Capital is Rs.24,00,700/- (Rupees Twenty Four Lakhs Seven Hundred) divided into 2,40,070 (Two Lakh Forty Thousand and Seventy) equity shares of Rs.10/- (Rupees Ten) each and Paid-up Preference Share Capital is Rs.2,00,00,000/- (Rupees Two Crores only) as on March 31, 2023. However, the said Preference Shares were not listed on any Stock Exchange. During the year under review, the Company has not issued shares or convertible securities or shares with differential voting rights nor has granted any stock options or sweat equity or warrants as on March 31, 2023.

The shareholders of the Company have passed the special resolution(s) for reclassification of authorized share capital, consequent alteration in the capital clause of Memorandum of Association of the Company and issue of cumulative redeemable preference shares on private placement basis at the 38th Annual General Meeting of the Company held on September 28, 2022. However, due to the circumstances beyond the control of the Company, the said transaction could not get concluded within the stipulated time, therefore the Company have captured the said resolution(s) for obtaining the fresh approval/re-confirmation from the shareholders in the ensuing annual general meeting notice as attached to this Annual Report.

DEPOSITS

The Company has not accepted any deposits during the year.

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 2022-23.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

As on March 31, 2023, the Board is comprised of One Executive Director, Two Non-Executive Directors and Two Non-Executive Independent Directors. The Board is well diversified and consists of one Women Director as well. Hence, the composition of the Board is in accordance with the provisions of Section 149 of the Act and Regulation 17 of the SEBI Listing Regulations, with an appropriate combination of Non-Executive Directors and Independent Directors.

Appointment and Re-appointment of Directors

Section 152 of the Act provides that unless the Articles of Association provide for retirement of all directors at every Annual General Meeting ("AGM"), not less than two-third of the total number of directors of a public company (excluding the Independent Directors) shall be persons whose period of office is liable to determination by retirement of directors by rotation, of which one-third are liable to retire by rotation.

Accordingly, Mr. Narendra Mahavir Ruia (DIN 01228312), Director of the company, is liable to retire by rotation at the forthcoming Annual General Meeting and, being eligible, offers himself for re-appointment pursuant to Section 152 of the Act. Your Board of Directors recommend her re-appointment.

A Profile of Mr. Ruia, as required by Regulation 36(3) of the LODR is given in the Notice convening the forthcoming AGM.

Appointments

Mrs. Meenakshi Ruia has tendered her resignation from the post of Director of the Company w.e.f. February 13, 2023. The board took note of the same and places on record their appreciation for the assistance and guidance provided by Mrs. Ruia during her tenure as Director of the Company.

The Board has appointed Ms. Richa Goyal as the Woman Director on the Board of the Company w.e.f. May 25, 2023. Ms. Renu Vyas was appointed as Company Secretary and Compliance Officer of the Company on the same date.

Further during the year under review, the non-executive director of the company had no transactions with the company, even the payment of sitting fees, commission and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board/Committee of the Company.

The complete list of Directors along with the KMPs of the Company has been provided as a part of the Annual Report.

During the year, there were no changes in the Directors/Key Managerial Personnel of the Company, other than reported above.

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 Regulations, 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 Regulations 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 is being in the process to register themselves with the India Institute of Corporate Affairs (IICA), Manesar, to include their

names in the databank of Independent Directors within the statutory timeline. 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 IDD's 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 2022-23 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

The Audit Committee assists the Board in its responsibility of overseeing the quality and integrity of the accounting, auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements. The terms of reference of Audit Committee cover the areas mentioned under Section 177 of the Companies Act, 2013.

The details of composition, meetings and attendance of the Meetings of the Audit Committee are as under:-

S. No	Name	Designation	No. of Meetings	
			Held	Attended
1	Mr. Narendra Ruia	Member	4	4
2	Mr. Kaushik Shah	Member	4	4
3	Mr. Srikar Gopalrao Kowlikar	Chairman and Member	4	4

There has been no instance where the Board of Directors had not accepted any recommendation of the Audit Committee.

NOMINATION & REMUNARATION COMMITTEE

The Board has a Nomination and Remuneration policy, which is generally in line with the existing industry practice and applicable laws. The policy has been displayed on the Company's website viz. www.arcoleasing.com

The Nomination and Remuneration Committee assist the Board in overseeing the method, criteria and quantum of compensation for directors and senior management based on their performance and defined assessment criteria. The Committee formulates the criteria for evaluation of the performance of Independent Directors & the Board of Directors; identifying the persons who are qualified to become directors, and who may be appointed in senior management and recommend to the Board their appointment and removal. The terms of the reference of Nomination and Remuneration Committee covers the areas mentioned under section 178 of the Companies Act, 2013

The details of composition, of the Nomination and Remuneration Committee are as under:

Sr. No	Name	Designation	No of Meetings	
			Held	Attended
1	Mr. Rajendra Ruia	Member	2	2
2	Mr. Kaushik Shah	Member	2	2
3	Mr. Srikar Gopalrao Kowlikar	Chairman and Member	2	2

STAKEHOLDER RELATIONSHIP COMMITTEES

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 dematerialised form. All requests for dematerialisation of shares are likewise processed and confirmations thereof are communicated to the investors within the prescribed time.

During the year under review, no Investor complaints were pending.

DIRECTORS' 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 profit 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.

MATERIAL SUBSIDIARY

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

DISCLOSURE ON COMPLIANCE WITH SECRETARIAL STANDARDS

Your Directors' confirm that the Secretarial Standards issued by the Institute of Company Secretaries of India, have been complied with.

ACCOUNTING STANDARDSS

The Company has prepared the Financial Statements for the year ended 31st March, 2023 as per Section 133 of the Companies Act, 2013, read with rule 7 of Companies (Accounts) Rules, 2014.

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 13, 2023 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.

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 end of the financial year of the Company to which the financial statements relate and 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.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

During the year, there are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations.

LISTING FEES

Equity Shares of your Company are listed on BSE Limited. Your Company has paid the required listing fees to Stock Exchange.

FAMILIARIZATION/ 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.

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 finalized 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 5 (Five) meetings of the Board held during the year, specifically on May 26, 2022, August 8, 2022, August 29, 2022, November 9, 2022 and February 13, 2023. The maximum time gap between any two meetings did not exceed prescribed period of one hundred twenty days. The particulars of directors present at various Board and Committee meetings are given in the said Report.

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.

Implementation of corporate action:

During the year under review, the Company has not failed to implement any Corporate Actions within the specified time limit.

AUDIT COMMITTEE RECOMMENDATIONS

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

CORPORATE GOVERNANCE

Corporate Governance stipulated in SEBI (LODR) Regulations, 2015 is not applicable to the

Company as paid up Equity Share Capital of the Company is not exceeding rupees ten crore and net worth of the Company is not exceeding rupees twenty-five crore, 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

Pursuant to the provisions of Section 139(2) of the Act and the rules made thereunder, the Members at the 36th Annual General Meeting of the Company held on September 28, 2020, had appointed M. C. Jain & Co., Chartered Accountants, Mumbai, having FRN.: 304012E as the Statutory Auditors of the Company to hold office for a period of five years, from the conclusion of the 36th Annual General Meeting till the conclusion of 41st Annual General Meeting of the Company to be held in the year 2025.

Pursuant to the amendment to Section 139 of the Act effective from May 07, 2018, ratification by shareholders every year for the appointment of Statutory Auditors is no longer required and accordingly, the Notice of ensuing 39th AGM does not include the proposal for seeking shareholders' approval for ratification of Statutory Auditors appointment.

There is no audit qualification, reservation or adverse remark for the year under review.

The Auditors' Report to the Members for the year under review is unmodified and does not contain any qualification. The Notes to the Accounts referred to in the Auditors' Report are self-explanatory and therefore do not call for any further clarifications under Section 134(3)(f) of the Act.

INTERNAL AUDITOR

Internal Audit for the year ended March 31, 2023 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

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 for the Financial Year ended 31st March, 2023 is annexed.

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

PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:

Pursuant to the provisions of Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 read with Rules made thereunder, the Company had formulated and adopted a Policy on Prevention of Sexual Harassment at

Workplace. The Company has not received any complaint of sexual harassment during the year under review.

RISK MANAGEMENT POLICY

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.

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.

RELATED PARTY TRANSACTIONS

There is no transaction with Related Party 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-18 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 Managing 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, 2023, hence the prescribed Form AOC-1 is required to be attached to this Report. A Cash Flow Statement for the Financial Year 2022-23 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 as 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 is 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.

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).

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 members also wish to place on record their appreciation for the dedication and contribution made by the KMP's and look forward for their support in future as well. The Board members are also deeply touched by the efforts, sincerity and loyalty displayed by the Directors and KMPs and without whom the sustainability or growth of the Company is unattainable.

Further, the Board expresses its gratitude to you as Shareholders for the confidence reposed in the management of the Company.

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

**RAJENDRA RUIA
WHOLETIME DIRECTOR
DIN: 01300823**

**NARENDRA RUIA
DIRECTOR & CFO
DIN: 01228312**

**Place: Mumbai
Date: August 14, 2023**

ANNEXED TO THIS REPORT

1	ANNEXURE A	SECRETARIAL AUDIT REPORT FORM NO. MR-3
2	ANNEXURE B	A STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF ASSOCIATE COMPANIES/JOINTVENTURES IN PRESCRIBED FORM AOC-1.
3	ANNEXURE C	MANAGEMENT DISCUSSION ANALYSIS
4	ANNEXURE D	CEO CFO CERTIFICATE
5	ANNEXURE E	CERTIFICATION FOR NO FALSE INFORMATION
6	ANNEXURE F	COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE OF CONDUCT
7	ANNEXURE G	DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

**Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023**

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

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

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, 2023 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, 2023 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;

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- (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; **[Not applicable as the Company has not issued any further share capital during the period under review]**
- (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, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except the following –

1. The Company has filed certain Forms and Returns beyond the time limit specified under the Companies Act, 2013 read with Rules made thereunder.
2. The Company has appointed Ms. Richa Goyal as the Woman Director on the Board of the Company w.e.f. May 25, 2023. However, the Company is in the process of filling Form DIR-12 with Ministry of Corporate Affairs (MCA) till date.
3. The Board has passed the resolution for redemption of existing 2,00,000 0.01% Cumulative Redeemable Preference Shares of Rs.100/- each out of proceeds of fresh issue of shares, in their meeting held on May 26, 2022. However, the said transaction could not get concluded within the stipulated time, and the Company has not filed the relevant Forms with MCA till date.

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4. The Shareholders of the Company have given approval by passing special resolutions in the 38th annual general meeting of the Company held on September 28, 2022, for reclassification of authorised share capital and consequent alteration in the capital clause of Memorandum of Association of the Company and issue of cumulative redeemable preference shares on private placement basis. However, the said transaction could not get concluded within the stipulated time, and the Company has not filed relevant Forms with MCA in connection with aforesaid reclassification and issue of cumulative redeemable preference shares till date.

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: **July 3, 2023**

Place: **Thane**

FCS No.: **10084**

CP No. : **22164**

UDIN: F010084E000534014

Address: B102, Dhanashree CHS, M. G. Road, Naupada, Thane (W) – 400 602, Maharashtra, India.

Mobile: 9819731842, **Email:** cspriyankaoka@yahoo.com

PRIYANKA OKA & ASSOCIATES

Practising Company Secretaries

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: **July 3, 2023**

Place: **Thane**

FCS No.: **10084**

CP No. **22164**

Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

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

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

To,
The Members,
Ansu Trade & Fiscals Pvt Ltd (CIN U65100WB1990PTC049122)
EP-Y-16, Sector - V,
Kolkata - 700091, West Bengal

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Ansu Trade & Fiscals Pvt Ltd** (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, 2023 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, 2023 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]**

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- (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; **[Not applicable as the Company is not listed at any Stock Exchange]**
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; **[Not applicable as the Company is not listed at any Stock Exchange]**
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **[Not applicable as the Company has not issued any further share capital during the period under review]**
 - (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, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except following –

PRIYANKA OKA & ASSOCIATES

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1. The Company has filed certain Forms and Returns beyond the time limit specified under the Companies Act, 2013 read with Rules made thereunder.
2. The Company is yet to appoint third Director on the Board of the Company since it has become the wholly owned subsidiary of a Listed Company.
3. The Company is yet to file Form BEN-2 with ROC after acquisition of shares of the Company by listed entity.

I further report that

The Board of Directors of the Company is duly constituted except the appointment of Third Director. There were no 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: **July 3, 2023**

Place: **Thane**

FCS No.: **10084**

CP No. : **22164**

UDIN: F010084E000534058

Address: B102, Dhanashree CHS, M. G. Road, Naupada, Thane (W) – 400 602, Maharashtra, India.

Mobile: 9819731842, **Email:** cspriyankaoka@yahoo.com

PRIYANKA OKA & ASSOCIATES

Practising Company Secretaries

To,
The Members,
Ansu Trade & Fiscals Pvt Ltd (CIN U65100WB1990PTC049122)
EP-Y-16, Sector - V,
Kolkata -700091,
West Bengal

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: **July 3, 2023**

Place: **Thane**

FCS No.: **10084**

CP No. **22164**

Address: B102, Dhanashree CHS, M. G. Road, Naupada, Thane (W) – 400 602, Maharashtra, India.

Mobile: 9819731842, **Email:** cspriyankaoka@yahoo.com

ARCO LEASING LIMITED

(CIN: L65910MH1984PLC031957)

AOC - I

(Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures)

Part A: Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

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.	31.03.2023
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	1,85,96,300
5	Reserves & surplus	28,73,014
6	Total assets	2,17,84,154
7	Total liabilities	3,14,840
8	Investments	-
9	Turnover	2,07,493
10	Profit before taxation	70,154
11	Provision for taxation	17,657
12	Profit after taxation	52,496
13	Proposed dividend	-
14	% of equity shareholding	100%

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

Rajendra Ruia
Whole Time Director
DIN: 01300823

Narendra Ruia
Director & CFO
DIN 01228312

Place: Mumbai
Date: August 14, 2023

Management Discussion and Analysis Report

The global economy and capital markets experienced a volatile financial year 2022-23. The global growth on the upside came as a surprise at the start of the year, supported by a rebound in services consumption and a lower-than-anticipated moderation in goods demand.

However, broad-based inflationary pressures and sharp rise in energy prices following the outbreak of the Ukraine-Russia conflict impacted economic activity. To rein in inflation, the central banks of major economies aggressively raised policy rates and commenced quantitative tightening.

Most governments also scaled back fiscal stimulus as economic activities normalised. Resilient demand, tight labour markets across major Advanced Economies (AEs), the Ukraine-Russia situation and the dynamic Zero COVID policy of China kept commodity prices and inflationary pressures elevated in the first half.

However, as the year progressed, commodity prices corrected in view of a softening growth outlook, synchronised tight monetary policy response and scaling back of fiscal stimulus, thereby easing the inflation momentum. However, resilient demand conditions kept the inflation relatively elevated. Similarly, both equity and debt markets delivered negative returns in most major economies on account of the uncertainty about the inflation trajectory, falling global liquidity, slowing growth and the growing prospects of central banks keeping interest rates higher for longer.

India's Gross Domestic Product (GDP) growth normalised in 9MFY23. The financial year gone by turned out to be quite different from expectations. In India, growth is likely to be moderate, weighed down by slowing global trade, lower fiscal impulse and demand normalization.

Your Company continues to mainly undertake business activities of providing leasing advisory or counselling services to other entities and form the leasing arm of such entities.

The Total Income for the financial year under review was Rs. 20.13 lakhs as against Rs. 0.87 lakhs for the previous financial year mainly because of pandemic impact. The profit after tax was Rs. 6.54 lakhs for the financial year under review as against loss of Rs. 12.33 lakhs reported for the previous financial year.

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

Going forward, while there are reasons to be optimistic on global growth, the growth rate is likely to normalise closer to the pre-pandemic trend. The key drivers of global growth are likely improvement in investment spending, etc.

The RBI appeared increasingly concerned about the inflationary pressure intensifying; although it is relatively comfortable with the growth trajectory. Hence, market participants factored in that the RBI can proactively roll back monetary stimulus through withdrawal of liquidity and policy rate hikes.

We are aware that today every Indian is increasingly conscious of their choices and are much better informed than before. It is thus imperative that we ensure that as a Company, we remain sharp, agile, smart and responsive to the needs of the consumers.

Risk Management & Internal Control System

We have an adequate system of internal controls in place commensurate with the nature of our business and size of our operations.

Our business depends on consumer confidence in the overall economy, economic growth rates, and consumer attitudes. Further, volatility in financial market would result in poorer returns from long term investments.

We have adopted risk management practices commensurate with our business activities.

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

Statements 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.

CEO / CFO Certification

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, 2023 and that to the best of our knowledge and belief, we state that:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. 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 violate 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:
 - i. significant changes, if any, in internal control over financial reporting during the year;
 - ii. 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
 - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For ARCO LEASING LIMITED

RAJENDRA RUIA
WHOLE TIME DIRECTOR
DIN: 01300823

NARENDRA RUIA
DIRECTOR and CHIEF FINANCIAL OFFICER
DIN 01228312

Place: Mumbai

Date: August 14, 2023

Annexure E

To

The Board of Directors
ARCO LEASING LIMITED
Mumbai

Pursuant to Regulation 33 of the SEBI (LODR) Regulations, 2015, this is to certify that the Financial Results for the Year ended 31st March, 2023, 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

RAJENDRA RUIA
WHOLE TIME DIRECTOR
DIN: 01300823

Place: Mumbai

Date: August 14, 2023

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 2022-23 has been obtained from all Directors and KMPs/Senior Managers.

BY ORDER OF THE BOARD OF DIRECTORS

Place : Mumbai

Date : August 14, 2023

Rajendra Ruia
Whole Time Director
DIN: 01300823

**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 Listing Regulations for the FY 2022-23.

For ARCO LEASING LIMITED

RAJENDRA RUIA
WHOLETIME DIRECTOR
DIN: 01300823

Place: Mumbai
Date: August 14, 2023

M. C. JAIN & CO.
Chartered Accountants

**113, Inspire BKC, Main Road,
G Block, Bandra Kurla Complex,
Bandra East, Mumbai - 400051
Email:mumbai@mcjainandco.com**

Independent Auditor's Report on the Quarterly and Year to Date Audited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors of
Arco Leasing Limited

Opinion

We have audited the accompanying statement of quarterly and year to date standalone financial results of Arco Leasing Limited (the "Company") for the quarter and year ended March 31, 2023 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- i. is presented in accordance with the requirements of the Listing Regulations in this regard; and
- ii. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net profit, other comprehensive income and other financial information of the Company for the quarter and year ended March 31, 2023.

Basis for Opinion

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

Management's Responsibilities for the Standalone Financial Results

The Statement has been prepared on the basis of the standalone annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive income of the Company and other financial information in accordance with the applicable 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 Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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In preparing the Statement, 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 Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 Statement.

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 Statement, 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 made by the Board of Directors.
- Conclude on the appropriateness of the 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 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 Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

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

M. C. JAIN & CO.
Chartered Accountants

**113, Inspire BKC, Main Road,
G Block, Bandra Kurla Complex,
Bandra East, Mumbai - 400051
Email:mumbai@mcjainandco.com**

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.

Other Matters

The Statement includes the results for the quarter ended March 31, 2023 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2023 and the published unaudited year-to-date figures up to 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.
Chartered Accountants

(C.A.Vatsal Gohil)
Partner

Membership no. 146059
Firm Registration no. 304012E
Mumbai, May 25, 2023
UDIN : 23146059BGYANS3417

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“ANNEXURE A” TO THE INDEPENDENT AUDITORS’ REPORT

With reference to the Annexure A referred to in the Independent Auditor’s Report to the members of Arco Leasing Limited on the standalone financial statements for the year ended 31 March 2023, we report the following:

- i.
 - a. As explained to us, there are no fixed assets owned by the company.
 - b. According to the information and explanation given to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder during the year.
 - ii. As explained to us, there are no inventories owned by the company.
 - iii. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses iii (a), (b) and (c) of the order are not applicable to the Company.
 - iv. In respect of loans, investments, guarantees, and security, provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
 - v. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
 - vi. As per information & explanation given by the management, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
 - vii. According to the information and explanations given to us, there is no amount payable in respect of income tax, service tax, sales tax, customs duty, excise duty, value added tax and cess whichever applicable, which have not been deposited on account of any disputes.
 - viii. According to the information and explanation given to us, company has no transactions, not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961);
 - ix.
 - (a) In our opinion, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year;
 - (b) Company is not declared wilful defaulter by any bank or financial institution or other lender;
 - (c) According to the information and explanation given to us, term loans were applied for the purpose for which the loans were obtained;
 - (d) According to the information and explanation given to us, funds raised on short term basis have not been utilised for long term purposes;
 - (e) According to the information and explanation given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures;

- (f) According to the information and explanation given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies;
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year;
- (b) According to the information and explanation given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year
- xi. (a) According to the information and explanation given to us, any fraud by the company or any fraud on the company has not been noticed or reported during the year;
- (b) According to the information and explanation given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;
- (c) According to the information and explanation given to us, no whistle-blower complaints, received during the year by the company;
- xii. The company is not a Nidhi Company. Therefore, clause 3 (xii) of the order is not applicable to the company.
- xiii. According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.
- xiv. The company does not have an internal audit system commensurate with the size and nature of its business.
- xv. According to the information and explanations given to us, we are of the opinion that the company has not entered into any non-cash transactions with directors or persons connected with him and accordingly, the provisions of clause 3(xv) of the Order is not applicable.
- xvi. According to the information and explanations given to us, we are of the opinion that the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, accordingly the provisions of clause 3(xvi) of the Order are not applicable;
- xvii. The company has made a profit after tax of Rs.6.54 lacs in the financial year as compared to a loss of Rs. 12.33 lacs in the immediately preceding financial year
- xviii. There has been no instance of any resignation of the statutory auditors occurred during the year
- xix. No material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of 1 year from the balance sheet date
- xx. The provisions of Section 135 towards corporate social responsibility are not applicable on the company. Accordingly, the provisions of clause 3(xx) of the Order is not applicable.

xxi. There are no any 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.
Chartered Accountants

(C.A.Vatsal Gohil)
Partner

Membership no. 146059
Firm Registration no. 304012E
Mumbai, May 25, 2023
UDIN : 23146059BGYANS3417

M. C. JAIN & CO.
Chartered Accountants

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Independent Auditor's Report on the Quarterly and Year to Date Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors of
Arco Leasing Limited

Opinion

We have audited the accompanying statement of quarterly and year to date consolidated financial results of Arco Leasing Limited ("Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associates, for the quarter ended and year ended March 31, 2023 ("Statement"), attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate audited financial statements of the subsidiaries, the Statement:

- i. includes the results of the following entities;
 - Arco Leasing Limited
 - Subsidiaries
- a. Ansu Trade and Fiscals Private Limited
- ii. are presented in accordance with the requirements of the Listing Regulations in this regard; and
- iii. gives a true and fair view in conformity with the applicable accounting standards, and other accounting principles generally accepted in India, of the consolidated net profit, other comprehensive income and other financial information of the Group for the quarter ended and for the year ended March 31, 2023.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Results" section of our report. We are independent of the Group and its associates in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the 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

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M. C. JAIN & CO.
Chartered Accountants

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that the audit evidence obtained by us and other auditors in terms of their reports referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Consolidated Financial Results

The Statement has been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of the Statement that give a true and fair view of the net profit (loss) and other comprehensive income and other financial information of the Group including its associates in accordance with the applicable 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 Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its associates and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.

In preparing the Statement, the respective Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of the respective entities 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 entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates are also responsible for overseeing the financial reporting process of the respective entities.

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

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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

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reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

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 Statement, 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 made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results of the entities within the Group and its associates of which we are the independent auditors to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of the financial information of such entities included in the Statement of which we are the independent auditors. For the other entities included in the Statement, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

M. C. JAIN & CO.
Chartered Accountants

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

The Statement includes the results for the quarter ended March 31, 2023 being the balancing figures between the audited figures in respect of the full financial year ended March 31, 2023 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.
Chartered Accountants

(C.A.Vatsal Gohil)
Partner

Membership no. 146059
Firm Registration no. 304012E
Mumbai, May 25, 2023
UDIN : 23146059BGYANT7563

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ARCO LEASING LIMITED
BALANCE SHEET AS AT MARCH 31, 2023

	Note No.	As at March 31, 2023 ₹ in lakhs	As at March 31, 2022 ₹ 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	17.46	16.33
Trade Receivables	5	-	-
Cash and Cash Equivalents	6a	0.95	0.59
Bank Balances Other Than Above	6b	-	-
Other Financial Assets	7	1.37	0.66
		19.78	17.58
TOTAL ASSETS		236.97	234.77
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	8	24.01	24.01
Other Equity	9	(43.58)	(50.12)
		(19.57)	(26.11)
Liabilities			
Current Liabilities			
Financial liabilities			
<u>Trade Payables</u>	10	-	-
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		7.95	7.99
Other Financial Liabilities	11	200.00	200.00
Other Current Liabilities	12	48.07	52.56
Current Tax Liabilities (Net)	13	0.52	0.32
		256.54	260.88
TOTAL EQUITY AND LIABILITIES		236.97	234.77

Significant Accounting Policies
(Notes forms integral part of Accounts)

1

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: May 25, 2023

Rajendra Ruia

Whole Time Director

DIN:01300823

Place: Mumbai

Date: May 25, 2023

Narendra Ruia

Director & CFO

DIN:01228312

Renu Vyas

Company Secretary

ARCO LEASING LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023

	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
		₹ in lakhs	₹ in lakhs
Revenue			
Revenue from Operations		19.00	-
Other Income	14	1.13	0.87
Total Income		20.13	0.87
Expenses			
Other Expenses	15	11.49	13.20
Total Expenses		11.49	13.20
Profit/(Loss) from ordinary activities before tax		8.64	(12.33)
Tax expense			
a) Current Tax		2.10	-
b) Deferred Tax		-	-
Profit/(Loss) after tax		6.54	(12.33)
Other Comprehensive Income		-	-
Total Comprehensive Income (comprising loss and other comprehensive income)		6.54	(12.33)
Basic & Diluted Earnings per Share of ₹ 10 each	16	2.72	(5.14)

Significant Accounting Policies
(Notes forms integral part of Accounts)

1

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: May 25, 2023

Rajendra Ruia
Whole Time Director
DIN:01300823
Place: Mumbai
Date: May 25, 2023

Narendra Ruia
Director & CFO
DIN:01300823

Renu Vyas
Company Secretary

ARCO LEASING LIMITED**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023****A. EQUITY SHARE CAPITAL**

	(₹ in lakhs)
Balance as at March 31, 2021	24.01
Changes in share capital during the year	-
Balance as at March 31, 2022	24.01
Changes in share capital during the year	-
Balance as at March 31, 2023	24.01

B. OTHER EQUITY

	(₹ in lakhs)
As at March 31, 2021	(27.63)
Profit/(loss) for the year	(12.33)
Other Comprehensive Income	-
As at March 31, 2022	(39.96)
Profit/(loss) for the year	6.54
Other Comprehensive Income	-
Total	(33.42)

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: May 25, 2023

Rajendra Ruia

Whole Time Director

DIN:01300823

Place: Mumbai

Date: May 25, 2023

Narendra Ruia

Director & CFO

DIN:01228312

Renu Vyas

Company Secretary

ARCO LEASING LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023

	Year ended March 31, 2023	Year ended March 31, 2022
	₹ in lakhs	₹ in lakhs
Cash Flow From Operating Activities		
Profit before taxation	8.64	(12.33)
Adjustment for:		
Net Loss / (Gain) on sale of Investment	-	(0.16)
Fair Value changes in Non Current Investments	(1.13)	(0.71)
Interest income	-	-
Operating Profit / (Loss) before working capital changes	7.51	(13.20)
Adjustment for:		
(Increase)/Decrease in Receivables	-	-
(Increase)/Decrease in Current Assets and Financial assets	(0.72)	0.28
Increase / (Decrease) in Payables and Financial liabilities	(4.33)	12.80
Cash used in operations	2.47	(0.12)
Less: Taxes on Income Paid	(2.10)	-
Net Cash generated from / (used in) Operating Activities	0.36	(0.12)
Cash Flow From Investing Activities		
Purchase of Investments (including advances)	-	-
Interest received	-	-
Proceeds from Sale of Investments	-	0.16
Net Cash used in Investing Activities	-	0.16
Cash Flow From Financing Activities		
Proceeds from issue of shares	-	-
Net Cash generated from Financing Activities	-	-
Net increase / (decrease) in cash and cash equivalents	0.36	0.04
Cash and cash equivalents at the beginning of the year	0.59	0.55
Cash and cash equivalents at the end of the year	0.95	0.59

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
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Rajendra Ruia
Whole Time Director
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Place: Mumbai
Date: May 25, 2023

Narendra Ruia
Director & CFO
DIN:01228312

Renu Vyas
Company Secretary

ARCO LEASING LIMITED

Notes forming part of the financial statements for the year ended March 31, 2023

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;

ARCO LEASING LIMITED

Notes forming part of the financial statements for the year ended March 31, 2023

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 FVOCI 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.

ARCO LEASING LIMITED**Notes forming part of the financial statements for the year ended March 31, 2023****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.

ARCO LEASING LIMITED
SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2023

2 Investments Non-Current

	As at March 31, 2023 ₹ in lakhs	As at March 31, 2022 ₹ 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
Total	217.19	217.19

3 Other Non Current Assets

	As at March 31, 2023 ₹ in lakhs	As at March 31, 2022 ₹ in lakhs
Unsecured, Considered Good Advance Income Tax (Net)	-	-
Total	-	-

4 Investments - Current

	As at March 31, 2023 ₹ in lakhs	As at March 31, 2022 ₹ in lakhs
Current Investments Investments in Mutual Funds 12,788.892 units (P.Y. 12,788.892) UTI Dynamic Bond Fund - Regular Growth Plan	17.46	16.33
Total	17.46	16.33

5 Trade Receivables

	As at March 31, 2023 ₹ in lakhs	As at March 31, 2022 ₹ in lakhs
Unsecured, considered good	-	-
Total	-	-

6 a) Cash and Cash Equivalents

	As at March 31, 2023 ₹ in lakhs	As at March 31, 2022 ₹ in lakhs
Cash in hand Balance with Bank in Current Accounts	0.05 0.90	0.05 0.54
Total	0.95	0.59

b) Bank Balances Other Than Above

	As at March 31, 2023 ₹ in lakhs	As at March 31, 2022 ₹ 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, 2023 ₹ in lakhs	As at March 31, 2022 ₹ in lakhs
Other Receivables Prepaid Expenses	1.37 -	0.66 -
Total	1.37	0.66

ARCO LEASING LIMITED
SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2023

8 Equity Share Capital

	As at	As at
	March 31, 2023	March 31, 2022
	₹ 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, 2023		March 31, 2022	
	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, 2023		March 31, 2022	
	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	As at
	March 31, 2023	March 31, 2022
	₹ in lakhs	₹ in lakhs
Retained Earnings		
Balance at the beginning of the year	(50.12)	(37.79)
Add: Profit/(loss) for the year	6.54	(12.33)
Balance at the end of the year	(43.58)	(50.12)
Total	(43.58)	(50.12)

10 Trade Payables

	As at	As at
	March 31, 2023	March 31, 2022
	₹ in lakhs	₹ in lakhs
Trade payables		
Total outstanding dues of micro enterprises and small		-
Total outstanding dues of creditors other than micro enterprises and small enterprises	7.95	7.99
Total	7.95	7.99

11 Other Financial Liabilities

	As at	As at
	March 31, 2023	March 31, 2022
	₹ in Lakhs	₹ in Lakhs
200,000 0.01% Cumulative Redeemable Preference Shares of ₹ 100 each	200.00	200.00
Total	200.00	200.00

Notes:

a) Authorized Capital:

Particulars	March 31, 2023	March 31, 2022
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, 2023		March 31, 2022	
	Numbers	₹ in Lakhs	Numbers	₹ in Lakhs
Preference shares				
Balance at the beginning of the year	2,00,000	200.00	2,00,000.00	200
Issued during the year	-	-	-	-
Balance at the end of the year	2,00,000	200.00	2,00,000.00	200

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

	March 31, 2023		March 31, 2022	
	Numbers	₹ in Lakhs	Numbers	₹ in Lakhs
Edwell Infrastructure Hazira Ltd	2,00,000	200.00	2,00,000.00	200.00

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, 2023

12 Other Current Liabilities

	As at March 31, 2023	As at March 31, 2022
	₹ in Lakhs	₹ in Lakhs
Statutory Liabilities	(0.07)	(0.04)
Advance from others	48.15	52.60
Provisions	-	-
Total	48.07	52.56

13 Current Tax Liabilities (Net)

	As at March 31, 2023	As at March 31, 2022
	₹ in Lakhs	₹ in Lakhs
Current Income Tax Liability (Net)	0.52	0.32
Total	0.52	0.32

ARCO LEASING LIMITED
SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2023
14 Other Income

	For the year ended March 31, 2023	For the year ended March 31, 2022
	₹ in lakhs	₹ in lakhs
Interest on deposits with bank	-	-
Profit on Sale of Investments	-	0.16
Fair value Changes in Investments	1.13	0.71
Total	1.13	0.87

15 Other Expenses

	For the year ended March 31, 2023	For the year ended March 31, 2022
	₹ in lakhs	₹ in lakhs
Audit fees	1.18	-
Advertisement Expenses	0.74	0.72
Legal & Professional Fees	9.35	12.13
Miscellaneous Expenses	-	0.05
Professional Tax	0.03	0.03
Filing Fees, Rates & Taxes	0.19	0.21
Website Exp	-	0.06
Total	11.49	13.20

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, 2023	March 31, 2022
Earnings [Profit/(Loss) after tax]	6.54	(12.33)
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 (₹)	2.72	(5.14)

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

18 The company has single business segment of Investments.

ARCO LEASING LIMITED
SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2023

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, 2023		As at March 31, 2022	
	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	-	-	-	-
Cash and Cash Equivalents	0.95	0.95	0.55	0.55
Bank Balances Other Than (iii) Above	-	-	-	-
Other Financial Assets	1.37	1.37	0.94	0.94
Total financial assets carried at amortised cost	219.51	219.51	218.68	218.68
Fair Value through profit and loss account				
Investment in Mutual Funds	17.46	17.46	15.62	15.62
	17.46	17.46	15.62	15.62
Financial liabilities				
Measured at amortised cost				
Trade Payables	7.95	7.95	8.61	8.61
Other Financial Liabilities	200.00	200.00	200.00	200.00
Financial liabilities measured at amortised cost	207.95	207.95	208.61	208.61

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, 2023	As at March 31, 2022
	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)	17.46	15.62

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.

ARCO LEASING LIMITED
SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2023
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.

Particulars	As at March 31, 2023				As at March 31, 2022			
	< 1year	1-5 years	> 5 years	Total	< 1year	1-5 years	> 5 years	Total
Financial assets								
Investments	234.65	-	-	234.65	232.81	-	-	232.81
Trade Receivables	-	-	-	-	-	-	-	-
Cash and Cash Equivalents	0.95	-	-	0.95	0.55	-	-	0.55
Bank Balances Other Than (iii) Above	-	-	-	-	-	-	-	-
Other Financial Assets	1.37	-	-	1.37	0.94	-	-	0.94
Total financial assets	236.97	-	-	236.97	234.30	-	-	234.30
Financial liabilities								
Trade Payables	7.95	-	-	7.95	8.61	-	-	8.61
Other Financial Liabilities	200.00	-	-	200.00	200.00	-	-	200.00
Total financial liabilities	207.95	-	-	207.95	208.61	-	-	208.61

(₹ in lakhs)

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, 2023
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 Kaushik Kantilal Shah
- 4 Srikar Gopalrao
- 5 Renu Vyas

B) Transactions during the Year with Related Parties:

(Rs. In Lacs)

Particulars	Subsidiary Company		Key Management Personnel		Total	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
Expenses Incurred on behalf of Subsidiary	70,760	66,580	-	-	70,760	66,580

22 Trade receivables Ageing Schedule

As at 31 March 2023

(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)	-	-	-	-	-	-	-

Ratio	Numerator	Denominator	31/03/2023	31/03/2022	% change	Reason for variance
Current ratio	Current Assets	Current Liabilities	7.71%	6.74%	-14%	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	27%	-51%	153%	No income in P.Y as compared to C.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	0.08	-	100%	No income in P.Y as compared to C.Y
Net Profit ratio	Net Profit	Net sales = Total sales - sales return	34.42%	-	-	No income in P.Y as compared to C.Y

Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	5%	-7%	168%	No income in P.Y as compared to C.Y
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

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

Vatsal Gohil
Partner
Membership No.: 146059
Place: Mumbai
Date: May 25, 2023

For and on behalf of the Board of Directors

Rajendra Ruia
Whole Time Director
DIN:01300823
Place: Mumbai
Date: May 25, 2023

Narendra Ruia
Director & CFO
DIN:01228312

Renu Vyas
Company Secretary

ARCO LEASING LIMITED
CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2023

	Note No.	As at March 31, 2023 ₹ in lakhs	As at March 31, 2022 ₹ in lakhs
ASSETS			
Non Current Assets			
Property, Plant and Equipment	2	2.73	2.73
Other Non Current Assets	3	0.244	0.22
		2.97	2.95
Current Assets			
Financial Assets			
Investments	4	17.46	16.33
Cash and Cash Equivalents	5	40.68	205.27
Loans	6	175.00	10.00
Other Financial Assets	7	2.87	1.00
		236.01	232.60
TOTAL ASSETS		238.98	235.55
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	8	24.01	24.01
Other Equity	9	(44.03)	(51.09)
		(20.02)	(27.08)
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		8.15	8.19
Other Financial Liabilities	11	200.00	200.00
Other Current Liabilities	12	49.75	53.56
Current Tax Liabilities (Net)	13	0.52	0.32
Provisions	14	0.58	0.56
		259.00	262.63
TOTAL EQUITY AND LIABILITIES		238.98	235.55

Significant Accounting Policies
(Notes forms integral part of Accounts)

1

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: May 25, 2023

Rajendra Ruia
Whole Time Director
DIN:01300823
Place: Mumbai
Date: May 25, 2023

Narendra Ruia
Director & CFO
DIN:01228312

Renu Vyas
Company Secretary

ARCO LEASING LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023

	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
		₹ in lakhs	₹ in lakhs
Revenue			
Revenue from Operations		21.07	-
Other Income	15	1.13	0.95
Total Income		22.20	0.95
Expenses			
Other Expenses	16	12.86	14.12
Total Expenses		12.86	14.12
Profit/(Loss) from ordinary activities before tax		9.34	(13.17)
Tax expense			
Current Tax		(2.28)	-
Profit/(Loss) after tax		7.06	(13.17)
Other Comprehensive Income		-	-
Total Comprehensive Income (comprising loss and other comprehensive income)		7.06	(13.17)
Basic & Diluted Earnings per Share of ₹ 10 each	17	2.94	(5.49)

Significant Accounting Policies
(Notes forms integral part of Accounts)

1

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: May 25, 2023

Rajendra Ruia
Whole Time Director
DIN:01300823
Place: Mumbai
Date: May 25, 2023

Narendra Ruia
Director & CFO
DIN:01228312

Renu Vyas
Company Secretary

ARCO LEASING LIMITED
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023

	Year ended March 31, 2023	Year ended March 31, 2022
	₹ in lakhs	₹ in lakhs
Cash Flow From Operating Activities		
Profit before taxation	9.34	(13.17)
Adjustment for:		
Net Loss / (Gain) on sale of Investment	-	-
Fair Value changes in Non Current Investments	(1.13)	(0.68)
Interest income	-	-
Balance Written off	-	-
Operating Cash Flow before working capital changes	8.21	(13.85)
Adjustment for:		
(Increase)/Decrease in Receivables		
(Increase)/Decrease in Current Assets and Financial assets	(166.87)	(0.93)
Increase / (Decrease) in Payables and Financial liabilities	(3.83)	11.93
Cash generated from operations	(162.49)	(2.85)
Less: Taxes on Income (Paid)/Refund (Net)	-	-
Net Cash generated from / (used in) Operating Activities	(162.49)	(2.85)
Cash Flow From Investing Activities		
Purchase of Investments (including advances)	-	-
Interest received	-	-
Proceeds from Sale of Investments	-	-
Net Cash used from Investing Activities	-	-
Net increase / (decrease) in cash and cash equivalents	(162.49)	(2.85)
Cash and cash equivalents at the beginning of the year	202.43	205.28
Cash and cash equivalents at the beginning on consolidation	NA	NA
Cash and cash equivalents at the end of the year	39.94	202.43

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: May 25, 2023

Rajendra Ruia
Whole Time Director
DIN:01300823
Place: Mumbai
Date: May 25, 2023

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Director & CFO
DIN:01228312

Renu Vyas
Company Secretary

ARCO LEASING LIMITED**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023****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, 2023	24.01

B. OTHER EQUITY

	(₹ in lakhs)
Balance at the beginning of the year	(51.09)
Profit/(loss) for the year	7.06
Other Comprehensive Income	-
Total	(44.03)

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: May 25, 2023

Rajendra Ruia
Whole Time Director
DIN:01300823
Place: Mumbai
Date: May 25, 2023

Narendra Ruia
Director & CFO
DIN:01228312

Renu Vyas
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.

ARCO LEASING LIMITED

Significant Accounting policies and Notes forming part of the consolidated financial statements for the year ended March 31, 2023

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:

ARCO LEASING LIMITED

Significant Accounting policies and Notes forming part of the consolidated financial statements for the year ended March 31, 2023

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 Accounting policies and Notes forming part of the consolidated financial statements for the year ended March 31, 2023

2 Property, Plant and Equipment

	As at March 31, 2023 ₹ in lakhs	As at March 31, 2022 ₹ in lakhs
Goodwill on Consolidation	2.73	2.73
	2.73	2.73

3 Non Current tax assets (Net)

	As at March 31, 2023 ₹ in lakhs	As at March 31, 2022 ₹ in lakhs
Income Tax	0.21	0.19
Mat Credit Entitlement	0.03	0.03
TOTAL	0.24	0.22

4 Investments - Current

	As at March 31, 2023 ₹ in lakhs	As at March 31, 2022 ₹ in lakhs
Current Investments		
<u>Investments in Mutual Funds</u>		
12,788.892 units UTI Dynamic Bond Fund - Regular Growth Plan	17.46	16.33
Total	17.46	16.33

5 Cash and Cash Equivalents

	As at March 31, 2023 ₹ in lakhs	As at March 31, 2022 ₹ in lakhs
Cash in hand	0.09	0.09
Balance with Bank in Current Accounts	40.59	205.19
Total	40.68	205.27

6 Loans

	As at March 31, 2023 ₹ in lakhs	As at March 31, 2022 ₹ in lakhs
Loan to Others	175.00	10.00
Total	175.00	10.00

7 Other Financial Assets

	As at March 31, 2023 ₹ in lakhs	As at March 31, 2022 ₹ in lakhs
Interest Receivable	2.87	1.00
Prepaid Expenses	-	-
Total	2.87	1.00

ARCO LEASING LIMITED
Significant Accounting policies and Notes forming part of the consolidated financial statements for the year ended March 31, 2023
8 Equity Share Capital

	As at March 31, 2023 ₹ in lakhs	As at March 31, 2022 ₹ 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, 2023		March 31, 2022	
	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, 2023		March 31, 2022	
	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, 2023 ₹ in lakhs	As at March 31, 2022 ₹ in lakhs
Retained Earnings		
Balance at the beginning of the year	(51.09)	(37.92)
Add: Profit/(loss) for the year	7.06	(13.17)
Balance at the end of the year	(44.03)	(51.09)
Total	(44.03)	(51.09)

10 Trade Payables

	As at March 31, 2023 ₹ in lakhs	As at March 31, 2022 ₹ 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	8.15	8.19
Total	8.15	8.19

ARCO LEASING LIMITED
Significant Accounting policies and Notes forming part of the consolidated financial statements for the year ended March 31, 2023
11 Other Financial Liabilities

	As at March 31, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
200,000 0.01% Cumulative Redeemable Preference Shares of ₹ 100 each	200.00	200.00
Total	200.00	200.00

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, 2023		March 31, 2022	
	Numbers	₹ in Lakhs	Numbers	₹ in Lakhs
<u>Preference shares</u>				
Balance at the beginning of the year	2,00,000	200.00	2,00,000.00	200
Issued during the year	-	-		
Balance at the end of the year	2,00,000	200.00	2,00,000.00	200

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

	March 31, 2023		March 31, 2022	
	Numbers	₹ in Lakhs	Numbers	₹ in Lakhs
<u>Preference shares</u>				
Edwell Infrastructure Hazira Ltd	2,00,000	200.00	2,00,000.00	200.00

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, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
Statutory Liabilities	- 0.07	- 0.04
Advance from others	49.82	53.60
Total	49.75	53.56

13 Current Tax Liabilities (Net)

	As at March 31, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
Current Income Tax Liability (Net)	0.52	0.32
Total	0.52	0.32

14 Provisions

	As at March 31, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
Other Provisions	0.50	0.48
Contingent Provision Against Standard Assets	0.08	0.08
Total	0.58	0.56

ARCO LEASING LIMITED

Significant Accounting policies and Notes forming part of the consolidated financial statements for the year ended March 31, 2023

15 Other Income

	For the year ended	For the year ended
	March 31, 2023	March 31, 2022
	₹ in lakhs	₹ in lakhs
Interest on deposits with bank	-	-
Interest	-	0.08
Profit on Sale of Investments	-	0.16
Fair value Changes in Investments	1.13	0.71
Total	1.13	0.95

16 Other Expenses

	For the year ended	For the year ended
	March 31, 2023	March 31, 2022
	₹ in lakhs	₹ in lakhs
Audit fees	1.43	1.25
Advertisement Expenses	0.74	0.72
Legal & Professional Fees	10.47	11.80
Miscellaneous Expenses	-	0.05
Professional Tax	0.03	0.03
Filing Fees, Rates & Taxes	0.19	0.21
Website Exp	-	0.06
Total	12.86	14.12

17 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, 2023	March 31, 2022
Earnings [Profit/(Loss) after tax]	7.06	(13.17)
Weighted average number of equity shares for the purpose of calculation	24.01	24.01
Basic & Diluted Earnings per share of face value of ₹ 10 each (₹)	2.94	(5.49)

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

19 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 Kaushik Kantilal Shah
- 4 Srikar Gopalrao
- 5 Renu Vyas

There are no transaction with related parties on a consolidated basis

20 The company has single business segment of Investments.

ARCO LEASING LIMITED
Significant Accounting policies and Notes forming part of the consolidated financial statements for the year ended March 31, 2023
21 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, 2023		As at March 31, 2022	
	Carrying amount	Fair values	Carrying amount	Fair values
	(₹ in lakhs)		(₹ in lakhs)	
Financial assets				
Measured at amortised cost				
Cash and Cash Equivalents	40.68	40.68	205.27	205.27
Other Financial Assets	2.87	2.87	1.00	1.00
Total financial assets carried at amortised cost	43.55	43.55	206.27	206.27
Fair Value through profit and loss account				
Investment in Mutual Funds	17.46	17.46	16.33	16.33
	17.46	17.46	16.33	16.33
Financial liabilities				
Measured at amortised cost				
Trade Payables	8.15	8.15	8.19	8.19
Other Financial Liabilities	200.00	200.00	200.00	200.00
Financial liabilities measured at amortised cost	208.15	208.15	208.19	208.19

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

Particulars	As at March 31, 2023	As at March 31, 2022
	Fair value measurement using	Fair value measurement using
	Quoted prices in active markets	Quoted prices in active markets (Level 1)
	(₹ in lakhs)	(₹ in lakhs)
FVTPL financial assets designated at fair value		
Investment in Mutual Funds (quoted)	17.46	16.33

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

ARCO LEASING LIMITED**Significant Accounting policies and Notes forming part of the consolidated financial statements for the year ended March 31, 2023****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, 2023				As at March 31, 2022			
	< 1year	1-5 years	> 5 years	Total	< 1year	1-5 years	> 5 years	Total
Financial assets								
Investments	17.46	-	-	17.46	16.33	-	-	16.33
Cash and Cash Equivalents	40.68	-	-	40.68	205.27	-	-	205.27
Other Financial Assets	2.87	-	-	2.87	1.00	-	-	1.00
Total financial assets	61.01	-	-	61.01	222.60	-	-	222.60
Financial liabilities								
Trade Payables	8.15	-	-	8.15	8.19	-	-	8.19
Other Financial Liabilities	200.00	-	-	200.00	200.00	-	-	200.00
Total financial liabilities	208.15	-	-	208.15	208.19	-	-	208.19

ARCO LEASING LIMITED**SIGNIFICANT ACCOUNTING PILICIES AND NOTES FORMING PART OF THE CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED MARCH 3**

22 These consolidated financial statements include financials of 100% subsidiary companies viz. Ansu Trade & Fiscals Pvt Ltd whose financial year ended on March 31, 2023

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, 2023		March 31, 2023		March 31, 2022		March 31, 2022	
	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.	243.51%	(48.75)	92.50%	6.54	204.17%	(55.29)	98.72%	(12.33)
Subsidiaries - Indian Ansu Trade & Fiscals Pvt Ltd..	-143.51%	28.73	7.50%	0.53	-104.17%	28.21	1.28%	(0.16)

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: May 25, 2023

Rajendra Ruia
Whole Time Director
DIN:01300823
Place: Mumbai
Date: May 25, 2023

Narendra Ruia
Director & CFO
DIN:01228312

Renu Vyas
Company Secretary

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If undelivered, please return to the following address:

ARCO LEASING LIMITED

Regd. Office: Plot No. 123, Street No. 17, MIDC, Marol,
Andheri (E), Mumbai – 400 093, Maharashtra

Tel: 022 28217222

Fax: 022 – 28361760

Email id: arcoleasingltd@gmail.com

Website: www.arcoleasing.com