Arcil
Premier ARC

RUDRA
SHARES
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The Offer

- **Issue date :** Sept 09, 2026 to Sept 11, 2026
- **Tentative allotment Date:** Tue, Sept 15, 2026
- **Tentative Listing Date:** Thu, Sept 17, 2026
- **Issue Type:** Bookbuilding IPO
- **Sale Type :** OFS only
- **Total Issue Size:** ₹733 cr

- **Offer for Sale :** 5,27,31,946 shares of ₹10 (agg. up to ₹733 Cr)

- **Face Value**: ₹ 10 Per Equity Share
- **Issue Price**: ₹132- ₹139 Per Equity Share
- **Market Lot**: 107 Shares
- **Listing At:** BSE, NSE

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Capital Structure

The share capital of Company is set forth below:-

Authorized Share Capital	Aggregate value at face value of the Shares (₹)
500,000,000 Equity Shares of face value ₹10 each	5,000,000,000
Issued, subscribed and paid up capital before the Offer	
324,897,140 Equity Shares of face value of ₹10 each	3,248,971,400

- **Offer for Sale :** 5,27,31,946 shares of ₹10 (agg. up to ₹733 Cr)

Objects Of The Offer

The Asset Reconstruction Co.(India) Ltd. IPO is a 100% Offer for Sale (OFS), so the company will not receive any funding and the entire IPO proceeds will go to the selling shareholders.

Company Overview

Incorporated in February 2002, Asset Reconstruction Company (India) Limited is an asset reconstruction company (ARC) engaged in acquiring stressed assets from banks and financial institutions and implementing resolution strategies to maximize recoveries and optimize the value of such assets.

The Company received its **certificate of registration from the Reserve Bank of India (RBI**) to commence securitisation and asset reconstruction operations **in August 2003 and is recognised as the first ARC incorporated in India.**

The Company operates across **three key business verticals—Corporate Loans, SME and Other Loans, and Retail Loans.** It acquires single-credit and portfolio-based stressed secured and unsecured assets and deploys various resolution, restructuring, enforcement, settlement and collection strategies based on the nature of the underlying assets. Its operations generate revenue through fee income and investment income.

Company Overview

As of March 31, 2026, company had acquired stressed assets representing total principal debt of ₹89,909.34 crore at an acquisition cost of ₹44,114.43 crore, equivalent to 49.07% of the total principal debt acquired. Company had made recoveries of ₹31,914.78 crore.

The Company has established relationships with a wide range of banks, financial institutions, NBFCs and housing finance companies, supporting its stressed asset acquisition business. It has also focused on expanding its presence in the retail loan segment and uses legal mechanisms, collection infrastructure and data analytics to support asset resolution and recovery.

Since inception, company have worked with 32 private sector banks, 28 public sector banks, 51 NBFCs, 18 housing finance companies, two co-operative banks and seven other selling institutions, including insurance companies and financial institutions.

Company Overview

Company have built a strong first-mover advantage in Retail and SME loans through dedicated teams, processes, branches and technology, with experience in retail resolution since 2008. The retail stressed-asset opportunity is expanding rapidly, with outstanding retail loans growing at a 15.7% CAGR from ₹32 trillion in FY20 to ₹67 trillion in FY25, while retail stress in banks and NBFCs rose at a 12.3% CAGR from ₹3,469.5 billion in FY20 to ₹6,964.0 billion in FY26. Our Retail AUM grew 56.30% CAGR from ₹19,422.96 million in FY24 to ₹47,447.61 million in FY26.

As of March 31, 2026, the Company operated through 13 offices across 12 states, including Delhi, and had 206 permanent employees. Its operations are supported by registered valuers, collection agents and empanelled lawyers, providing capabilities across acquisition, valuation, resolution and collections.

Table sets forth details of AUM across business verticals

Particulars	March 31, 2026		March 31, 2025		March 31, 2024	
	(₹ million)	(% of AUM)	(₹ million)	(% of AUM)	(₹ million)	(% of AUM)
Corporate loans	138,527.61	68.75%	127,200.05	75.48%	119,564.02	78.51%
SME and Other loans*	15,524.65	7.70%	13,846.85	8.22%	13,313.33	8.74%
Retail loans	47,447.61	23.55%	27,478.80	16.31%	19,422.96	12.75%
Total AUM	**201,499.87**	**100.00%**	**168,525.70**	**100.00%**	**152,300.31**	**100.00%**

** SME and Other loans includes SME and other accounts based on internal assessment of resolution verticals*

The following table sets forth details of our aggregate AUM by type of deal structure, as of the dates indicated:

Particulars	March 31, 2026		March 31, 2025		March 31, 2024	
	(₹ million)	(% of AUM)	(₹ million)	(% of AUM)	(₹ million)	(% of AUM)
Acquisitions where the bank or financial institution selling the stressed assets is not an investor						
AUM of Cash Acquisitions	15,837.04	7.86%	11,409.16	6.77%	9,615.94	6.31%
AUM of Co-Investor Acquisitions	476.53	0.24%	7,267.89	4.31%	8,110.13	5.33%
Acquisitions where the bank or financial institution selling the stressed assets is an investor						
AUM of Ordinary Security Receipts Acquisitions	72,762.76	36.11%	74,070.06	43.95%	77,768.86	51.06%
AUM of Structured Acquisitions	112,423.53	55.79%	75,778.58	44.97%	56,805.38	37.30%
Total AUM	**201,499.87**	**100.00%**	**168,525.70**	**100.00%**	**152,300.31**	**100.00%**

AUM by type of deal structure for those assets that have been acquired for less than eight years

Particulars	March 31, 2026		March 31, 2025		March 31, 2024	
	(₹ million)	(% of AUM that have been acquired by us for less than eight years)	(₹ million)	(% of AUM that have been acquired by us for less than eight years)	(₹ million)	(% of AUM that have been acquired by us for less than eight years)
Acquisitions where the bank or financial institution selling the stressed assets is not an investor						
AUM of Cash Acquisitions	14,442.83	11.02%	10,204.09	10.56%	8,383.21	10.57%
AUM of Co-Investor Acquisitions	191.60	0.15%	5,506.37	5.70%	6,398.40	8.07%
Acquisitions where the bank or financial institution selling the stressed assets is an investor						
AUM of Ordinary Security Receipts Acquisitions	4,039.76	3.08%	5,116.81	5.30%	7,722.47	9.74%
AUM of Structured Acquisitions	112,423.53	85.76%	75,778.58	78.44%	56,805.38	71.62%
Total AUM for assets that have been acquired by us for less than eight years	**131,097.72**	**100.00%**	**96,605.85**	**100.00%**	79,309.45	**100.00%**

Revenue earned from the revenue streams

Particulars (on a Consolidated Basis)	Amount (₹ million)		
	Fiscal 2026	Fiscal 2025	Fiscal 2024
Management fees/ trusteeship fee	1,799.02	1,117.88	1,632.29
Unbilled Management Fees	204.13	(150.19)	(376.72)
Total Management Fees (Management fees/ trusteeship fee + unbilled management fee)	2,003.15	967.69	1,255.57
Portfolio recovery fees	345.79	304.56	210.66
Income from investments (corresponds to other operating income in the Restated Consolidated Financial Information)	2,050.13	1,988.02	1,498.95
Write backs (corresponds to recovery of security receipts, unrealized fee and expenses (written off earlier) in the Restated Consolidated Financial Information)	659.14	1,000.32	2,875.51

Particulars (on a Standalone Basis)	Amount (₹ million)		
	Fiscal 2026	Fiscal 2025	Fiscal 2024
Management fees/ trusteeship fee	2,106.08	1,368.93	1,969.41
Unbilled Management Fees	191.79	(122.17)	(505.49)
Total Management Fees (Management fees/ trusteeship fee + unbilled management fee)	2,297.87	1,246.76	1,463.92
Portfolio recovery fees	496.53	466.91	323.05
Income from investments (corresponds to other operating income in the Restated Standalone Financial Information)	1,913.12	1,922.53	823.38
Write backs (corresponds to recovery of security receipts, unrealized fee and expenses (written off earlier) in the Restated Standalone Financial Information)	659.14	1,000.32	2,874.74

Financial and operational information

Particulars	As at/ for the year ended March 31, 2026	As of/for the year ended March 31, 2025	As of/for the year ended March 31, 2024
Revenue from operations (₹ million)	7,216.92	5,817.57	6,058.24
Fees and other income	2,355.49	1,275.96	1,466.75
Other operating income	2,050.13	1,988.02	1,498.95
Recovery of security receipts, unrealized fee and expenses (written off earlier)	659.14	1,000.32	2,875.51
Interest income	211.54	206.58	217.01
Net gain on fair value changes	1,940.62	1,346.69	-
Total Income (₹ million)	7,499.16	6,078.39	6,094.89
Fees and other income as a percentage of Total Income (%)	31.41%	20.99%	24.07%
Other operating income as a percentage of Total Income (%)	27.34%	32.71%	24.59%
Other income (₹ million)	282.24	260.82	36.65
Impairment of Financial Instruments/ Financial Assets (₹ million)	57.76	28.46	19.43
Write off of Security Receipts, Unrealized Fee and Expenses (₹ million)	868.08	367.13	492.64
Finance Costs (₹ million)	361.84	124.92	73.67
Employee Benefits Expenses (₹ million)	635.89	609.42	556.59
Depreciation, Amortization and Impairment (₹ million)	30.24	21.53	19.32
Other Expenses (₹ million)	899.63	615.35	547.27
Net gain/(loss) on fair value changes (₹ million)	-	-	238.55
Profit for the year (PAT) attributable to the Company (₹ million)	3,516.88	3,295.08	3,304.65
PAT Margin	46.90%	54.21%	54.22%
Average Net Worth[1] (₹ million)	28,091.77	25,448.27	23,353.35
Debt to Equity[2] (in times)	0.41	0.01	0.06
Return on Average Equity[3] (%)	12.52%	12.95%	14.15%
Return on Average Total Assets[4] (%)	6.95%	8.18%	10.25%

LISTED PEERS

There are no listed companies which are comparable in size to the Company in India or globally in the same industry. Publicly traded ARCs (operate under the name of Asset Management Companies) exist in other countries. Moreover, some of these such as China Huarong Asset Management Co., Ltd in China and Bangkok Commercial Asset Management in Thailand operate in a domain similar to ARCs. But a direct comparison with Company is not feasible.

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Strategies Ahead

- Increase the Proportion of Our Retail, and SME and Other Loans
- Continue to Grow Corporate Loans Business
- Continue to Focus on Effective Use of Technology and Data Analytics to improve operational efficiency
- Strengthening Retail Loan Collection Capabilities
- Pursue New Business Opportunities

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Strengths

- India's First ARC with the second Largest AUM
- Expertise in Acquiring Stressed Assets with increasing investment in SRs
- Ability to Implement Resolution Strategies and a Robust Collections Framework
- Track Record of Consistent Financial and Operational Performance
- Experienced Board of Directors, Management Team and Marquee Investors
- Strong relationships with banks and financial institutions.
- Established nationwide operational network.

Serving Clients Across
26 States

Source: Company's RHP

Risk Factors

- Revenue and profits are largely dependent on the value and composition of AUM and any adverse change in AUM may impact revenue and profit.
- **RBI Regulatory & Compliance Risk**- Non-compliance with observations made by the RBI during inspections could expose the company to penalties, restrictions and reputational damage, potentially affecting business and financial performance.
- **Competitive Bidding Risk -** ARCIL acquires stressed assets through competitive processes such **as Swiss Challenge and Anchor processes.** Intense competition may result in higher acquisition prices or difficulty in sourcing suitable assets, which can reduce future recovery returns.
- The company may not be able to recover amounts from acquired stressed assets **in a timely manner or at all**. Delays in recovery can affect revenue, cash flows and returns.

Risk Factors

- Corporate loans represented 68.75% of AUM as of March 31, 2026, compared with 75.48% in FY25 and 78.51% in FY24. Although concentration has reduced, corporate stressed assets still form the largest part of the portfolio.
- **Rising Borrowings / Leverage-** Debt-to-equity increased from approximately 0.06x in FY24 to 0.11x in FY25 and 0.39x in FY26. Higher leverage can increase financial risk if the company continues to fund its own stressed-asset investments through borrowings.
- ARCIL has a strong track record, but **the combination of ageing stressed assets + lower FY26 recoveries + sharply higher borrowings + CRAR falling from 98.14% to 65.31% deserves close monitoring.**

THANK YOU

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REGIONAL OFFICES

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