

# AGARWAL & ASSOCIATES

CHARTERED ACCOUNTANTS

ROOM # 216 & 303, 7A, BENTINCK STREET, KOLKATA - 700 001  
Phone : (O) 2243-0534, 6459-0340 (R) 3290 6661, Mobile : 98300 21767  
E-mail : rk\_agarwal@rediffmail.com

Branch Office : 18, Netaji Subhas Road, Kolkata - 700 001

## AUDITORS' REPORT

### To the Members of ARC Finance Ltd.

We have audited the attached Balance Sheet of **ARC FINANCE LTD.**, as at 31<sup>st</sup> March, 2012 and the related Profit & Loss Account & Cash Flow Statement for the year ended on that date annexed thereto which we have signed under reference to this report.

1. These Financial statements are the responsibility of the management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material mis-statement. An audit includes examining on test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 as amended by Companies (Auditor's Report) (Amendment) order 2004, issued by the Central Govt. of India in term of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said order.
4. We report that :-
  - a) We have obtained all the informations and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b) In our opinion, proper books of accounts as required by law have been kept by the company, so far as it appears from our examination of such books.
  - c) The Balance Sheet and Profit & Loss A/c referred to in this report are in agreement with the books in account.
  - d) In our opinion, the Profit & Loss A/c & Balance Sheet comply with the mandatory accounting standards referred to in Section 211(3c) of the Companies Act, 1956 to the extent applicable.
  - e) On the basis of information made available to us, we report that none of the directors is disqualified as on 31<sup>st</sup> March, 2012 from being appointed as a director in terms of Clause (g) of Sub-Section (1) of Section 274 of the Companies Act, 1956.
  - f) In our opinion, and to the best of our information and according to the explanations given to us, the said Balance Sheet, Profit & Loss A/c & Cash Flow Statement read together with notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :-
    - i. in the case of Balance Sheet, of the state of affairs of the company as at 31<sup>st</sup> March, 2012.
    - ii. in so far as it relates to the Profit & Loss A/c, of the LOSS of the Company for the year ended on that date.

A N D

- iii. in so far as it relates to Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Place : Kolkata

Dated: 29/5/12

**Certified to be True Copy  
For ARC FINANCE LIMITED**

*another*  
**Director**



For Agarwal & Associates  
Chartered Accountants

*Raj Kumar Agarwal*  
Partner

Membership No. 52130  
Firm Regn No 323210E

# AGARWAL & ASSOCIATES

CHARTERED ACCOUNTANTS

ROOM # 216 & 303, 7A, BENTINCK STREET, KOLKATA - 700 001  
Phone : (O) 2243-0534, 6459-0340 (R) 3290 6661, Mobile : 98300 21767  
E-mail : rk\_agarwal@rediffmail.com

Branch Office : 18, Netaji Subhas Road, Kolkata - 700 001

Contd. ....

15. In our opinion the company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the companies (Auditor's Report) order 2003 are not applicable to the Company.
16. (a) Based on the records examined by us and according to the information and explanations given to us, we are of the opinion that the company is maintaining proper records of the transactions and contracts of dealing in shares and securities and that timely entries have been made in these records.  
(b) Based on our audit procedures and to the best of our knowledge and belief and according to the information and explanations given to us, the shares and securities have been held by the company in its own name.
17. According to the information and explanations given to us the company has not taken any term loan during the year.
18. According to the records examined by us and the information and explanations given to us, on an overall basis, funds raised on short term basis have, prima facie, not been used during the year for long term investments and vice versa.
19. The Company has not made any preferential allotment of shares to parties and companies covered in the Registered maintained under section 301 of the Companies Act, 1956, during the year.
20. The company has not issued any debenture during the year.
21. The company has not raised monies by public issues during the year.
22. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the company was noticed or reported during the year.

Place : Kolkata

Dated: 29/5/12



For Agarwal & Associates  
Chartered Accountants

*Raj Kumar Agarwal*  
Raj Kumar Agarwal  
Partner  
Membership No. 52130

**A R C FINANCE LIMITED**  
**BALANCE SHEET AS AT 31st MARCH, 2012**

	<u>Note No</u>	31.03.2012	31.03.2011
<b>I. <u>EQUITY &amp; LIABILITIES</u></b>			
(1) Shareholders' Fund			
(a) Share Capital	A	4,950,000.00	4,950,000.00
(b) Reserves & Surplus	B	4,054,862.16	4,700,208.13
(2) Non-current Liabilities			
(a) Long-term Provisions	C	807,258.00	913,439.00
(2) Current Liabilities			
(a) Short-term Borrowings	D	-	20,000.00
(b) Other Current Liabilities	E	123,676.82	136,432.00
<b>TOTAL :-</b>		9,935,796.98	10,720,079.13
 <b>II. <u>ASSETS</u></b>			
(1) Non-Current Assets			
(a) Fixed Assets			
Tangible Assets	F	1,232,497.37	1,398,713.37
(b) Non-current Investments	G	7,524,518.85	7,951,910.23
(2) Current Assets			
(a) Trade Receivables	H	809,058.00	968,239.00
(a) Cash & Cash Equivalents	I	84,221.76	130,818.53
(b) Short-term Loans & Advances	J	22,641.00	16,141.00
© Other Current Assets	K	262,860.00	254,257.00
<b>TOTAL :-</b>		9,935,796.98	10,720,079.13
NOTES ON ACCOUNTS	P	-	

As per our report of even date attached to Balance Sheet

PLACE : KOLKATA

DATED 29/3/12

For AGARWAL & ASSOCIATES  
CHARTERED ACCOUNTANTS

RAJ KUMAR AGARWAL  
PARTNER



**A R C FINANCE LIMITED**  
Notes to Balance Sheet as on 31.03.12

	<b>31.03.2012</b>	<b>31.03.2011</b>
<b>A) <u>SHARE CAPITAL</u></b>		
<u>Authorised</u>		
1000,000 Equity shares of Rs. 10/- each	10,000,000.00	10,000,000.00
<u>Issued, Subscribed &amp; Paid Up</u>		
495,000 Equity shares of Rs. 10/- each	4,950,000.00	4,950,000.00
<b>B) <u>RESERVES &amp; SURPLUS</u></b>		
General Reserve as per Last Account	1,456,832.00	1,456,832.00
<u>Profit &amp; Loss Account</u>		
Balance brought forward from last year	3,243,376.13	4,376,273.55
Profit (Loss) for the year	(645,345.97)	(1,132,897.42)
Surplus	2,598,030.16	3,243,376.13
	4,054,862.16	4,700,208.13
<b>C) <u>LONG TERM PROVISIONS</u></b>		
Provisions Sub-standard, Doubtful and Loss Assets	807,258.00	913,439.00
<b>D) <u>SHORT TERM BORROWINGS</u></b>		
<u>Unsecured</u>		
From Directors	-	20,000.00
	-	20,000.00
<b>E) <u>OTHER CURRENT LIABILITIES</u></b>		
Liability for Expenses	115,787.82	12,177.00
Due to Staff	1,500.00	-
Advance from Customers	-	116,000.00
FBT Payable	-	770.00
Income-tax Payable	6,389.00	6,389.00
Interest Payable	-	1,096.00
	123,676.82	136,432.00
<b>F) <u>FIXED ASSETS</u></b>		
	AS PER SEPARATE SHEET ATTACHED	



**For ARC FINANCE LIMITED**

*authy*  
Director

*For and on behalf of*  
*Agarwal & Associates*

G) NON CURRENT INVESTMENT  
OTHER THAN TRADE INVESTMENT

As on 31.03.12

As on 31.03.11

(a) <u>QUOTED SHARE</u>	<u>Face</u>					
	<u>Value(P.Y.)</u>	<u>Quantity</u>	<u>Amount</u>	<u>Quantity</u>	<u>Amount</u>	
Allied Digital Systems Ltd	5	4,000	962,902.97	4,000	962,902.97	
BGR Energy System Ltd	10	1,600	1,254,909.63	1,600	1,254,909.63	
Assam Company Ltd.	1	1,000	36,541.30	1,000	36,541.30	
Astra Micro Wave Products Ltd.	2	1,125	158,015.98	750	158,015.98	
Alphageo (India) Ltd.	10	1,600	156,157.03	1,600	156,157.03	
Bilcare (I) Ltd	10	500	331,880.00	500	331,880.00	
Opto Circuits Ltd.	10	2,400	597,565.60	2,400	597,565.60	
Orissa Lamps Ltd.	10	1,000	10,000.00	1,000	10,000.00	
MIC Electronics Ltd	2	600	64,703.00	600	64,703.00	
Educomp Solutions Ltd.	2	4,500	285,003.38	4,500	285,003.38	
Goldstone Technologies Ltd.	10	900	214,201.50	900	214,201.50	
Bartronics India Ltd.	10	2,500	176,021.20	2,500	176,021.20	
Indage Vintners Ltd.	2	550	191,989.75	550	191,989.75	
Indian Hume Pipe Co Ltd	2	1,500	275,200.75	1,500	275,200.75	
Visesh Infotecncs Ltd.	10	5,000	206,146.00	5,000	206,146.00	
ICSA (India) Ltd.	2	2,200	364,311.50	2,200	364,311.50	
Radha Madhav Corporation Ltd.	10	1,700	237,424.23	1,700	237,424.23	
Gemini Communication Ltd.	1	2,000	70,276.00	2,000	70,276.00	
Gemini Communication Ltd.(Bonus)	1	2,000	-	2,000	-	
On Mobile Global Ltd	10	4,800	807,928.14	2,400	807,928.14	
TTK Prestige Ltd	10	100	-	100	93,014.70	
<b>Sub-Total (a) :-</b>			<b>6,401,177.96</b>		<b>6,494,192.66</b>	

(b) <u>MUTUAL FUND</u>	<u>Face Value</u>	<u>As on 31.03.12</u>		<u>As on 31.03.11</u>	
		<u>Quantity</u>	<u>Amount</u>	<u>Quantity</u>	<u>Amount</u>
ICICI Prudential Flexi Growth Plan	10	-	-	6,949.150	1,257,717.57
ICICI Pru Income Plan Gr	10	28,854.898	923,340.89		
<b>Sub-Total (b) :-</b>		<b>-</b>	<b>923,340.89</b>		<b>1,257,717.57</b>

(c) <u>UNQUOTED SHARE</u>	<u>Face Value</u>	<u>As on 31.03.12</u>		<u>As on 31.03.11</u>	
		<u>Quantity</u>	<u>Amount</u>	<u>Quantity</u>	<u>Amount</u>
S. K. Growth Fund Pvt. Ltd.	10	30,000	200,000.00	30,000	200,000.00
<b>Sub-Total (c) :-</b>			<b>200,000.00</b>		<b>200,000.00</b>
<b>Grand Total (a+b+c) :</b>			<b>7,524,518.85</b>		<b>7,951,910.23</b>

Aggregate Market Value of Quoted Investments

QUOTED SHARE	2,727,261	5,692,510
MUTUAL FUND	963,655	1,270,411

H) TRADE RECEIVABLES

Stock on Hire Purchase Finance (Value at Hire Receivable)  
(Secured against vehicle financed)

Considered Good	1,800.00	93,271.00
Considered Doubtful	807,258.00	874,968.00
	<b>809,058.00</b>	<b>968,239.00</b>



**For ARC FINANCE LIMITED**

*anand*  
**Director**

**For ARC FINANCE LIMITED**

*anand*  
**Director**

I) <u>CASH &amp; CASH EQUIVALENT</u>		
Balance with Banks in Current A/c	11,218.76	57,815.53
Income-tax Seizure	73,003.00	73,003.00
	<u>84,221.76</u>	<u>130,818.53</u>
J) <u>SHORT TERM LOANS &amp; ADVANCES</u>		
Advance against Services	-	10,000.00
Advances to Staff	17,141.00	6,141.00
Advance against Exp (P. K. Jain)	2,500.00	-
Advance against Expenses (V. K. Tiwary)	3,000.00	-
	<u>22,641.00</u>	<u>16,141.00</u>
K) <u>OTHER CURRENT ASSETS</u>		
Expenses Recoverable		
(S.K. Growth Fund P Ltd)	8,603.00	-
Income-tax Advances & T.D.S.	254,257.00	254,257.00
	<u>262,860.00</u>	<u>254,257.00</u>

Notes to Profit & Loss Account for the year ended 31.03.12

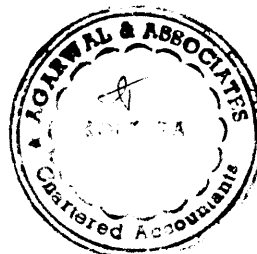
L) <u>Revenue from Operations</u>		
H P Interest	21,829.00	-
Lease Rent	72,000.00	-
	<u>93,829.00</u>	<u>-</u>
M) <u>Other Income</u>		
Profit on sale of Investments	236,946.12	651,428.25
Dividend	46,472.50	29,153.99
Miscellaneous Income	-	15,065.00
	<u>283,418.62</u>	<u>695,647.24</u>
N) <u>Employee Benefit Expenses</u>		
Salary (Including Leave Salary)	444,010.00	576,010.00
Transport allowance	36,800.00	52,600.00
Children Benefit	8,000.00	12,000.00
House Rent Allowance	64,200.00	82,750.00
Staff Welfare	11,049.00	26,078.00
Bonus & Exgratia	20,000.00	32,195.00
	<u>584,059.00</u>	<u>781,633.00</u>

For ARC FINANCE LIMITED

*anand*  
Anand Director

For ARS & ASSOCIATES

*Anand*  
Anand Director



O) ADMINISTRATIVE & GENERAL EXPENSES

Electricity	13,722.07	29,150.00
Office Rent	84,000.00	84,000.00
Repair & Maintenance	-	2,500.00
Insurance	17,480.00	6,281.00
Rates & Taxes	22,192.28	32,529.36
Advertisement	3,248.00	6,002.00
Audit Fees	8,427.00	8,427.00
Bank Charges	438.00	603.00
Books & Periodicals	-	4,652.00
Business Promotion Expenses	-	5,502.00
Depository Charges	1,052.00	2,547.50
Entertainment Expenses	1,920.00	17,379.00
General Charges	-	8,506.00
Law & Service Charges	57,500.00	50,740.00
Membership & Subscription	3,518.00	17,923.00
Motor Car Expenses	109,525.90	219,780.80
Office Expenses	8,391.00	15,136.00
Office Maintenance	17,608.34	31,149.00
Travelling & Conveyance	1,098.00	53,923.00
Postage & Telegraph	2,416.00	950.00
Printing & Stationary	422.00	3,531.00
Telephone Charges	26,311.00	46,171.00
	<hr/>	<hr/>
	379,269.59	647,382.66
	<hr/>	<hr/>



*By* *...*  
*...*  
*...*

*...*  
*...*  
*...*

## ARC FINANCE LIMITED

( ACCOUNTING YEAR :: 2011 - 12 )

SCHEDULE : F

FIXED ASSETS

PARTICULARS	GROSS BLOCK			DEPRICIATION				NET BLOCK	
	Balance as on 31.03.11	Addition	Deduction	Balance as on 31.03.11	Addition	Deduction	Balance as on 31.03.12	Balance as on 31.03.11	Balance as on 31.03.12
Office Equipments	50,118.00	-	-	17,086.55	1,958.00	-	19,044.55	33,031.45	31,073.45
Furniture & Fixtures	457,608.92	-	-	137,525.00	26,371.00	-	163,896.00	320,083.92	293,712.92
Computers	96,577.00	-	-	67,573.00	15,655.00	-	83,228.00	29,004.00	13,349.00
Vehicles	2,235,654.00	-	-	1,292,975.00	117,954.00	-	1,410,929.00	942,679.00	824,725.00
Airconditioner	90,066.00	-	-	16,151.00	4,278.00	-	20,429.00	73,915.00	69,637.00
<b>TOTAL :-</b>	<b>2,930,023.92</b>	<b>-</b>	<b>-</b>	<b>1,531,310.55</b>	<b>166,216.00</b>	<b>-</b>	<b>1,697,526.55</b>	<b>1,398,713.37</b>	<b>1,232,497.37</b>



**For ARC FINANCE LIMITED**  
*authy*  
**Director**

**For ARC FINANCE LIMITED**  
*Director*  
**Director**



(P) NOTES ON ACCOUNTS  
ANNEXED TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 31ST MARCH, 2011.

---

**Significant Accounting Policies**

- 1) **Basis of Accounting**
    - a) The concern prepares its financial statements on accrual basis in accordance with generally accepted accounting principles.
    - b) (i) Preliminary expenses are amortised over a period of 5 years.
  - 2) **Investments**

Investments are classified as non-current investments and are carried at cost in terms of Accounting Standard 13 issued by ICAI. No permanent diminution in value is believed to have occurred in the opinion of the management. The profit or loss on the sale of investments is dealt with at the time of actual sale/redemption.
  - 3) **Fixed Assets**
    - a) Fixed Assets are stated at historical cost less Accumulated depreciation in the financial statements.
    - b) Additions & Disposals during the accounting period have been disclosed. Gross book values at the beginning and end of the accounting period have been disclosed in the financial statements.
    - c) There has been no revaluation of fixed assets during the accounting year.
  - 4) **Depreciation :**

Depreciation is provided on straight line method at the rates and in the manner prescribed under Schedule XIV of the Companies Act, 1956.
  - 5) **Stock on Hire Purchase Finance :**

Stock on Hire Purchase Finance is valued at instalments receivables inclusive of income accrued & due.
  - 6) **Contingent Liabilities**
    - a) Contingent Liabilities have been accounted for according to the guidelines prescribed by the ICAI. However, any gain of such nature has not been recognised.
    - b) Cash Flow Statement is prepared under Indirect Method.
  - 7) **Taxes on Income**

Deferred tax is recognised, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.
- II) Other particulars as per Part II of Schedule VI are not furnished, since the same are not applicable.
- III) No deferred tax liability has been provided as deferred tax asset is more than deferred tax liability.  
No deferred tax has been recognised as there is no certainty of income in future.

contd...



contd.....

IV) Assets classification as per NBFC Prudential Norms (Reserve Bank) directions 1998 -

	Standard	Sub-standard	Doubtful Assets	Loss Assets	Total
Stock on Hire purchase finance.	1,800.00	-	45,682.00	761,576.00	809058

VI) Stock on Hire of Rs.809,058/- has become Non-Performing Assets and so no interest has been accrued on such SOH given

VI) Related Parties with Transactions with them

<u>KEY MANAGEMENT</u>	MR. JAGMOHAN KOTHARI	DIRECTOR
<u>PERSONNEL</u>	MR. ASHOK VARDHAN KOTHARI	- DO -
	MR. SIDDHARTH KOTHARI	- DO -
	SMT. DEEPIKA MAHESWARI	- DO -
<u>ASSOCIATE</u>	S.K. INVESTMENT	A partnership Firm in which Director is partner
	S. K. GROWTH FUND PVT. LTD.	Company under the same group.
<u>Directors' Relative</u>	SMT. KASHI DEVI KOTHARI	Wife of Director, Jagmohan Kothari
	SMT. ALKA KOTHARI	Wife of Director, Ashok Vardhan Kothari

<u>Nature of Transaction</u>	<u>Nature of Relations</u>	<u>Cr. Year</u>	<u>Pr. Year</u>
Salary & Allowance	Directors Relative	153600	158600
Rent Paid	Directors	84000	84000
Loan Taken	- do -	370000	230000
Loan taken refunded	- do -	390000	230000
Interest paid on above loan	- do -	---	1096
Advance Lease Rent taken & given back	Associates	60000	---
Lease Rent Received	- do -	72000	---
Elec. & Maint Ch Recovered	- do -	8603	---
Loan Given	Directors Relative	20000	720000
Loan given received back	- do -	20000	720000

VII) Law & Service Charges include payment to Auditors as retainership for Rs 20,000/-

VIII) Previous year figures have been regrouped and rearranged wherever considered necessary.



DIRECTORS

For ARC FINANCE LIMITED

*Director*  
*Director*  
 For ARC FINANCE LIMITED  
*Director*

**ARC FINANCE LIMITED**

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2012

	<u>31.03.2012</u>	<u>31.03.11</u>
<b>A) <u>CASH FLOW FROM OPERATION ACTIVITIES</u></b>		
NET PROFIT BEFORE TAX & EXTRA ORDINARY ITEMS	(752,297)	(913,016)
ADJUSTMENT FOR DEPRECIATION	166,216	152,205
DIVIDEND INCOME	(46,473)	(29,154)
INTEREST ON BORROWINGS	-	1,096
PROFIT/LOSS ON SALE OF FIXED ASSETS (NET)	-	26,347
PROFIT/LOSS ON SALE OF INVESTMENTS (NET)	<u>(236,946)</u>	<u>(651,428)</u>
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	<u>(869,500)</u>	<u>(1,413,951)</u>
 <u>ADJUSTMENT FOR :</u>		
TRADE AND OTHER RECEIVABLE	144,078	104,183
TRADE PAYABLE & OTHER LIABILITIES	<u>(11,985)</u>	<u>(17,830)</u>
CASH GENERATED FROM OPERATIONS	(737,407)	(1,327,598)
INTEREST PAID	0.00	(1,096)
INCOME-TAX PAID	0.00	(2,670)
NET CASH FROM OPERATING ACTIVITIES	<u>(737,407)</u>	<u>(1,331,364)</u>
 <b>B) <u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>		
SALE OF INVESTMENTS	2,956,547	13,550,558
PURCHASE OF INVESTMENTS	(2,292,210)	(11,513,823)
PURCHASE OF FIXED ASSETS	0	(921,635)
SALE OF FIXED ASSETSS	0	90,000
INTEREST INCOME	0	-
DIVIDEND INCOME	46,473	29,154
SECURITIES TRANSACTION TAX		
NET CASH FROM INVESTING ACTIVITIES	<u>710,810</u>	<u>1,234,254</u>

contd.....



**ARC FINANCE LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2011**

contd.....

C) <u>CASH FLOW FROM FINANCING ACTIVITIES</u>		
BORROWING	370,000	930,000
Loan Refund	(390,000)	(910,000)
Loan Given	(20,000)	-
Repayment of Loan Given	20,000	-
NET CASH FROM FINANCING ACTIVITIES	<u>(20,000)</u>	<u>20,000</u>
NET INCREASE/DECREASE IN CASH & CASH EQUIVALENT (A+B+C)	(46,597)	(77,110)
CASH & CASH EQUIVALENT OPENING BALANCE	130,818	207,928
CASH & CASH EQUIVALENT CLOSING BALANCE	<u>84,221</u>	<u>130,818</u>
(Including cash seized by Income Tax Department)		

**AUDITORS CERTIFICATE**

We have examined the above cash flow statement of ARC FINANCE LIMITED for the year ended 31st March, 2011 and found the same is to be drawn in accordance with the requirements of the Clause 32 of the listing agreement.

As per our report of even date attached

PLACE : KOLKATA

DATED: 29/3/12



For AGARWAL & ASSOCIATES  
CHARTERED ACCOUNTANTS

*Raj Kumar Agarwal*  
RAJ KUMAR AGARWAL  
PARTNER

**A R C FINANCE LIMITED**

**ANNEX**

**SCHEDULE**

**Balance Sheet of a non-deposit taking non-banking financial company**

**AS ON 31.03.2012**

[as required in terms of Paragraph 13 of Non-Banking Financial(Non-Deposit Accepting or Holding)  
Companies Prudential Norms (Reserve Bank ) Directions, 2007]

**(Rs in lakhs)**

Particulars			
<b>LIABILITIES SIDE :</b>			
[1]	Loans and Advances availed by the NBFC's inclusive of interest accrued thereon but not paid	Amount outstanding	Amount overdue
	(a) Debentures : Secured	--	--
	: Unsecured (other than falling within the meaning of public deposits)	--	--
	* Please see Note 1 below		
	(b) Deferred Credits	--	--
	(c) Term Loans	--	--
	(d) Inter-corporate loans and borrowing	--	--
	(e) Commercial Papers	--	--
	(f) Other Loans (specify nature)	--	--
<b>ASSETS SIDE :</b>			
		Amount Outstanding	
[2]	Break-up of Loans & Advances including bills receivables (other than those included in (4) below) :		
	(a) Secured	0	
	(b) Unsecured	0.23	
[3]	Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities		
	(i) Lease assets including lease rentals under sundry debtors :		
	(a) Financial Lease	0	
	(b) Operating Lease	0	
	(ii) Stock on hire including hire charges under sundry debtors :		
	(a) Assets on hire	8.09	
	(b) Repossessed Assets	0	
	(iii) Other loans counting towards AFC activities		
	(a) Loans where assets have been repossessed	0	
	(b) Loans other than (a) above	0	
[4]	Break-up of Investments :		
	<i>Current Investments :</i>		
	1> Quoted :		
	(i) Shares : (a) Equity	0	



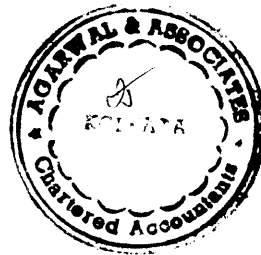
	(b) Preference		0	
	(ii) Debentures & Bonds		0	
	(iii) Units of Mutual Funds		0	
	(iv) Government Securities		0	
	(v) Others (please specify)		0	
2> Unquoted :				
(i) Shares :	(a) Equity		0	
	(b) Preference		0	
	(ii) Debentures & Bonds		0	
	(iii) Units of Mutual Funds		0	
	(iv) Government Securities		0	
	(v) Others (please specify)		0	
Long-term Investments :				
1> Quoted :				
(i) Shares :	(a) Equity		64.01	
	(b) Preference		0	
	(ii) Debentures & Bonds		0	
	(iii) Units of Mutual Funds		9.23	
	(iv) Government Securities		0	
	(v) Others (please specify)		0	
2> Unquoted :				
(i) Shares :	(a) Equity		2.00	
	(b) Preference		0	
	(ii) Debentures & Bonds		0	
	(iii) Units of Mutual Funds		0	
	(iv) Government Securities		0	
	(v) Others (please specify)		0	
[ 5 ]	Borrower group-wise classification of all leased assets financed as in (2) and (3) above : please see Note 2 below			
	Category	Amount net of provisions		
		Secured	Unsecured	Total
	1> Related Parties			
	a) Subsidiaries	--	--	--
	b) Companies in the same group	--	--	--
	c) Other related parties	--	--	--
	2> Other than Related Parties	0.02	0.23	0.25
	Total:	0.02	0.23	0.25
[ 6 ]	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)			



	Category	Market Value / Break-up or fair value or NAV	Book Value (Net of Provisions)
	1> Related Parties		
	a) Subsidiaries	--	--
	b) Companies in the same group	10.48	2.00
	c) Other related parties	--	--
	2> Other than Related Parties	36.91	73.25
	Total :	47.39	75.25
[7]	Other Information :		
	Particulars		Amounts
	(i) Gross Non-Performing Assets		
	a) Related Parties		--
	b) Other than related parties		8.07
	(ii) Net Non Performing Assets		--
	a) Related Parties		--
	b) Other than related parties		0
	(iii) Assets acquired in satisfaction of debt		--

**Notes :-**

1. As defined in paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
2. Provisioning norms shall be applicable as prescribed in Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.
3. All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, marked value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in (4) above.



<u>Item Name</u>	<u>Item Code</u>	<u>As on 31-03-2012</u>	<u>As on 31-03-2011</u>
<b>Capital Fund-Tier I</b>			
( I ) Paid up Equity Capital	001	4,950,000	4,950,000
( ii ) Preference Shares to be compulsorily converted into equity	002	Nil	Nil
(iii) Free Reserves			
(a) General Reserve	003	1,456,832	1,456,832
(b) Share Premium	004	Nil	Nil
(c) Capital Reserve(Representing Surplus on sale of assets)	005	Nil	Nil
(d) Debenture Redemption Reserve	006	Nil	Nil
(e) Capital Redemption Reserve	007	Nil	Nil
(f) Credit Balance in P&L Account	008	2,598,030	3,243,376
(g) Other free Reserve	009	Nil	Nil
TOTAL(1 to 9)	010	9,004,862	9650208
(iv) Accumulated Loss	011	Nil	Nil
(v) Deferred Revenue Expenditure	012	Nil	Nil
(vi) Other intangible assets	013	Nil	Nil
(vii) Short provisioning against NPA/ diminution in value of investments	014	Nil	Nil
TOTAL L(11to 14)	015	Nil	Nil
(ix) Owned Fund (10-15)	016	9,004,862	9650208
(x) Investment in Shares of			
(a) Subsidiaries	017	Nil	Nil
(b) Companies in the same group	018	200000	200000
(c) Other NBFC'S	019	Nil	Nil
(xi) The book value of debenture,bonds Outstanding loans and advances, bills Purchased and discounted (HP and Lease) made to and deposit with			
(a) Subsidiaries	020	Nil	Nil
(b) Companies in the same group	021	Nil	Nil
(xii) TOTAL(17 to 21)	022	200000	200000
(xiii) Amount of item 22 in excess of 10% of item 16 above	023	Nil	Nil
(xiv) Net Owned Fund (16-23)	024	9,004,862	9650208

Place : Kolkata

Dated : 29/5/12



Signature of the Director with seal

**For ARC FINANCE LIMITED**

anott,

Director

**For ARC FINANCE LIMITED**

anott,

Director