IPO NOTE

Issue Details
Price Band: ₹132 to ₹139 Per Equity
Issue Opens on: Sep 9, 2026 **Issue Closes on: Sep 11, 2026**
Lot Size: 107 Shares & in Multiples thereafter

Issue Highlights	
Issue Size:	**₹732.97**
No of Shares:	**5,27,31,946**
Face Value:	**₹ 10/-**

Offer Structure	
Issuance	**₹ in Cr.**
Fresh Issue	Nil
Offer for Sale	732.97
Total	**732.97**

Issue Breakup		
Reservation for	**% of Issue**	**₹ in Cr. (at upper band)**
QIB	50	366.49
HNI	15	109.95
RETAIL	35	256.54
TOTAL	**100**	**₹ 732.97**

Listing
BSE & NSE

Lead Managers

- **IIFL Capital Services Ltd.**
- **IDBI Capital Markets & Securities Ltd.**
- **JM Financial Ltd.**

Registrar
MUFG Intime India Pvt. Ltd.

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COMPANY OVERVIEW

Asset Reconstruction Company (India) Limited (ARCIL) is an asset reconstruction company (ARC) operating across India, engaged in acquiring stressed assets from banks and financial institutions and implementing resolution strategies through restructuring, enforcement of rights on underlying securities and settlement, aimed at maximising recovery and optimising the value of such stressed assets. ARCIL is a genuine industry pioneer - it was the first ARC to be incorporated in India, having obtained its certificate of registration from the RBI on August 29, 2003, and completed its first acquisition of stressed assets in December 2003, giving it over two decades of operating history (Source: CRISIL Report. The Company operates through a network of 13 offices across 12 states (including Delhi) and employs 206 personnel, supported by 218 registered valuers, 206 collection agents and 988 empanelled lawyers, as of March 31, 2026. ARCIL is backed by marquee promoters - Avenue India Resurgence Pte. Ltd. (an affiliate of Avenue Capital Group, holding 69.73%) and State Bank of India (holding 19.95%) - lending it institutional credibility and a strong capital base

HIGHLIGHTS

- India's First ARC with the Second Largest AUM: ARCIL was the first ARC incorporated in India and was the second largest ARC by AUM
- Expertise in Acquiring Stressed Assets with increasing investment in SRs: A disciplined, comprehensive credit assessment and risk management framework, backed by strong relationships with banks and financial institutions.
- Ability to Implement Resolution Strategies and a Robust Collections Framework: Multiple resolution mechanisms (IBC, settlements, restructuring, SARFAESI) supported by specialised collection teams across three business verticals.
- Track Record of Consistent Financial and Operational Performance: A consistent history of profitable growth, strategic bidding and disciplined resolution execution, sustained across multiple credit cycles.
- Experienced Board, Management Team and Marquee Investors: Backed by Avenue Capital Group and State Bank of India.

OBJECTS OF THE ISSUE

The Offer is entirely an Offer for Sale of up to 5,27,31,946 equity shares by the Promoter and other Selling Shareholders (Avenue India Resurgence Pte. Ltd., State Bank of India, Lathe Investment Pte. Ltd. and Federal Bank, among others), with no fresh issue component. The Company will not receive any proceeds from the Offer - all proceeds go to the Selling Shareholders in proportion to the shares offered by them, net of applicable expenses and taxes. The stated objective is solely to achieve the benefits of listing (enhanced visibility, brand value and liquidity for existing shareholders), with the Promoter Selling Shareholders undertaking a partial divestment to realise a portion of their investment.

OUR VIEW

ARCIL merits a Subscribe, anchored by category pioneer status and an attractive valuation. Total Income grew from Rs.607.84 crore to Rs.749.92 crore in FY26 (23.4% YoY), while PAT grew from Rs.329.51 crore to Rs.351.69 crore (6.7% YoY), with EBITDA margin holding a strong 71-77% band typical of an asset-light financial services platform. RoNW has stayed consistently healthy across all three years (12.52%-14.15%), evidencing durable, if moderating, capital efficiency. At the Rs.132-139 price band, FY26 diluted EPS of Rs.10.82 implies a P/E of just 12.2x-12.8x a notably undemanding multiple for a profitable, first-mover financial services business with a two-decade operating history and marquee institutional backing (Avenue Capital, SBI).

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Brief Financials

** Not Annualized

Particulars	FY2024	FY2025	FY2026
Total Income	609.49	607.84	749.92
Total Expenditure	194.75	176.68	285.34
EBITDA	443.62	445.80	532.78
Profit Before Tax	414.74	431.16	464.57
Profit After Tax	310.88	309.23	322.69
E.P.S. (Diluted)	10.17	10.14	10.82
P/E (Diluted)*	13.67x	13.71x	12.85x
RONW / RoE	14.15%	12.95%	12.52%

PRICE CHART (@ ₹139) (Retail Category)

LOT SIZE	Amount
107	14,873
214	29,746
321	44,619
428	59,492
535	74,365
642	89,238
749	104,111
856	118,984
963	133,857
1070	148,730
1177	163,603
1284	178,476
1391	193,349

HNI Payment Chart

Category	No. of Shares	Minimum Bid Lot Amount(Rs.)
Small HNI	1,498	2,08,222
Big HNI	7,276	10,11,364

Indicative Time Table

Tentative Events	Indicative Dates
Finalisation of Basis of Allotment with the Designated Stock Exchange	15/9/2026
Initiation of refunds/unblocking ASBA Fund	16/9/2026
Credit of Equity Shares to demat accounts of Allottees	16/9/2026
Commencement of trading of the Equity Shares on the Stock Exchanges	17/9/2026

For more details, Please refer RHP

https://www.sebi.gov.in/filings/public-issues/sep-2026/asset-reconstruction-company-india-limited-rhp_104202.html

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