32ND

ANNUAL REPORT

&

ACCOUNTS

2013- 2014

ARC FINANCE LIMITED

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&
ACCOUNTS 2013-2014

Board of Directors:

MR. PRADIP KUMAR AGARWAL	-	*Director*
MR. ASIS BANERJEE	-	*Director*
MR. GOPAL KUMAR SINGH	-	*Director*
MR. ASHOK VARDHAN KOTHARI	-	*Director*
MRS. KASHI DEVI KOTHARI	-	*Director*

Registered Office:
18, Rabindra Sarani, Poddar Court,
Gate No.4, 1st Floor,
Kolkata – 700 001

Bankers:
State Bank of India

Auditors:
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

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Thirty Second Annual General Meeting of the Members of **ARC FINANCE LIMITED** will be held at 18 Rabindra Sarani, Poddar Court, Gate No.-4, 1st Floor, Kolkata- 700 001, on Tuesday, 30th September, 2014 at 11:30 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To consider, approve and adopt the Audited Balance Sheet as at 31st March, 2014 and the Profit and Loss Account for the year ended 31st March, 2014 and the Report of the Board of Directors and Auditors thereon.

2. To appoint a Director in place of Pradip Kumar Agarwal (DIN 01286415) who retires by rotation and being eligible, offers himself for re-appointment.

3. To appoint Auditors and to fix their remuneration. In this regard to consider, and if thought fit to pass with or without modification(s), the following resolution as an **Special Resolution**.

"**RESOLVED THAT** pursuant to provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, M/s. G.K. SUREKA & CO, Chartered Accountants, having registration No.513018C allotted by The Institute of Chartered Accountants of India (ICAI) be and are hereby appointed as the Auditors of the Company in place of the retiring Auditors M/s. Agarwal & Associates Chartered Accountants having registration No. 323210E allotted by ICAI, who shall hold office from the conclusion of this Annual General Meeting till the conclusion of 35th Annual General Meeting (to be held in the year 2017) subject to ratification at each Annual General Meeting, at a remuneration to be decided by the Board of Directors in consultation with the Auditors plus applicable service tax and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit."

SPECIAL BUSINESS:

4. To consider and if thought fit, pass, with or without modification(s) the following resolution as an **Ordinary Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder [including any statutory modification(s) or re-enactment thereof for the time being in force] read with Schedule IV to the Companies Act, 2013, and the Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. Asis Banerjee (holding DIN 05273668), whose period of office was liable to determination by retirement of Directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of an Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office of an Independent Director for a term of five consecutive years up to the Thirty Seventh Annual General Meeting of the Company and whose office shall, henceforth, not be liable to determination by retirement of Directors by rotation."

"**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 197 and any other applicable provisions of the Companies Act, 2013 and rules made thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], Mr. Asis Banerjee be paid such fees and commission as the Board may approve from time to time and subject to such limits, prescribed or as may be prescribed from time to time."

5. To consider and if thought fit, pass, with or without modification(s) the following resolution as an **Ordinary Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder [including any statutory modification(s) or re-enactment thereof for the time being in force] read with Schedule IV to the Companies Act, 2013, and the Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. Gopal Kumar Singh (holding DIN 06739896), whose period of office was liable to determination by retirement of Directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of an Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office of an Independent Director for a term of five consecutive years up to the Thirty Seventh Annual General Meeting of the Company and whose office shall, henceforth, not be liable to determination by retirement of Directors by rotation."

"**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 197 and any other applicable provisions of the Companies Act, 2013 and rules made thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], Mr. Gopal Kumar Singh be paid such fees and commission as the Board may approve from time to time and subject to such limits, prescribed or as may be prescribed from time to time.

6. To Consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

"**RESOLVED THAT** the consent of the Company be and is hereby granted, in accordance with Section 180(1) (c) read with 180(1) (a) and other applicable provisions of the Companies Act, 2013, and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), to the Board of Directors to borrow any sum or sums of money from time to time from any one or more bankers and or from anyone or more other persons, firms, bodies corporate or financial institutions whether by way of cash credit, advance or deposits, loans or bills discounting, issue of debentures or otherwise and whether unsecured or secured by mortgage, charge, hypothecation or lien or pledge of the Company's assets and properties, whether immovable or moveable or stock-in-trade (including raw materials, stores, spare parts and components in stock or in transit) and work-in-progress and all or any of the undertaking(s) of the Company notwithstanding that the moneys to be borrowed together with moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) will or may exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, so that the total amount upto which the moneys may be borrowed by the Board of Directors and outstanding at any time shall not exceed the sum of Rs. 50,00,00,000/- (Rupees Fifty Crores Only) exclusive of interest, and the Board of Directors is hereby further authorised to execute such debenture trust deeds or mortgage, charge, hypothecation, lien, promissory notes, deposit receipts and other deeds and instruments or writings containing such conditions and convenants as the Board may think fit."

"**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorised to take all such steps and actions and give such directions and delegate such authorities, as it may in its absolute discretion, deem appropriate."

7. To Consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

"**RESOLVED THAT** consent of the Members of the company be and is hereby accorded pursuant to the provisions of Section 186 read with Rule 11 of Companies (meetings of Board and its Powers), Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013, {including any statutory modification(s) or re-enactment(s) thereof and any rules there under for the time being in force}, to the Board of Directors of the Company to make any loans or investments and to give any guarantees or to provide security in connection with a loan made by any other person to, or to any other person by, a body corporate as the Board of Directors may think fit, for an amount not exceeding Rs. 50,00,00,000/- (Rupees Fifty Crores only) as detailed in the attached explanatory statement, notwithstanding that such investments, outstanding loans given or to be given and guarantees and security provided are in excess of the limits prescribed under Section 186 of Companies Act, 2013 as in their absolute discretion deem beneficial and in the interest of the Company."

"**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to agree, make, accept and finalize all such terms, conditions, modifications and alterations, as it may deem fit, including the power to dispose of the investments so made, from time to time."

"**RESOLVED FURTHER THAT** for the purpose of giving effect to the above, the Board of Directors of the Company be and is hereby authorized to take all such actions and to give all such directions as may be necessary or desirable and also to settle any question or difficulty that may arise in regard to the proposed investments or loans made or guarantees given or securities to be provided and further to do all such acts, deeds, matters and things and to execute all such deeds, documents and writings as may be necessary, desirable or expedient in connection therewith."

By order of the Board
For **ARC Finance Limited**

Date: 14th August, 2014
Place: Kolkata

Sd/-
Pradip Kumar Agarwal
Director
DIN- 01286415

DIRECTORS' REPORT

TO
THE MEMBERS OF
M/s. ARC FINANCE LIMITED

Ladies & Gentlemen,

Your Directors have pleasure in presenting their 32nd Annual Report and Audited Statement of Accounts together with Auditors' Report thereon for the year ended 31st March, 2014.

FINANCIAL RESULTS:

		2013-2014		2012 - 2013
		(Rs.)		(Rs.)
Operational Revenue and Other Income		7.14		2.43
		7.14		2.43
Profit/(Loss) before Exceptional and extraordinary items and Tax		2.13		(6.68)
Provision for Taxation :				
Current Tax : Tax on Income		-		-
Add/(Less): Mat Receivable		-		-
Deferred Tax		-		-
		---		---
Profit/(Loss) after Tax (from continuing operation and for the year)		(1.33)		(6.68)
Less : Transferred to Statutory Reserve (NBFC)		-		-
Contingent Prov. Agt. Standard Loan		-		-
Add: Surplus brought forward from last year		19.30		40.55
		---		---
Net Surplus carried over		17.97		33.87
		=========		=========
Basic/Diluted earnings per share		Negative		Negative

OPERATIONAL REVIEW:

During the year under review, the Company has posted a net loss of Rs. 1.33 lacs (previous year loss Rs. 7.52 lacs) after charging depreciation Rs. 1.23 lacs (previous year Rs. 1.31 lacs). It hopes further better results in the coming year as a result of better utilization of resources envisaged by the Company.

DIVIDEND:

Your Directors do not recommend any payment of dividend for the year.

Contd....