

**AEON CREDIT SERVICE INDIA PVT. LTD.**

**ANNUAL REPORT**

**30<sup>TH</sup> SEPTEMBER, 2022**

**MUMBAI, INDIA**



एऑन क्रेडिट सर्विस इंडिया प्राइवेट लिमिटेड

**AEON CREDIT SERVICE INDIA PVT. LTD.**

Address: Unit No. TF-A-01, 3rd Floor, A wing, Art Guild House, Phoenix Marketcity, LBS Marg, Kurla (West), Mumbai – 400 070. Tel. No. 022 6266 4800, Fax no. 022 6266 4999

CIN : U66000MH2011FTC214516, E-mail : corporate@aeoncredit.co.in, Website : www.aeoncredit.co.in

**NOTICE** is hereby given that the Eleventh Annual General Meeting of the Members of AEON Credit Service India Pvt. Ltd. will be held on **Friday, 30<sup>th</sup> September, 2022** at **12:30 PM** via video conferencing to transact the following business:

**ORDINARY BUSINESS:**

**1. Adoption of Accounts, Directors' Report & Auditors' Report**

To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2022, Statement of Profit & Loss and Cash Flow Statement for the Financial Year ended March 31, 2022 and notes attached thereto together with the Reports of the Directors and the Auditors thereon.

**SPECIAL BUSINESS:**

**2. Regularization of Additional Director Mr. Keiichi Nambu.**

To consider and if thought fit, to pass with or without modification(s), if any, the following resolution as **Ordinary Resolution:-**

**"RESOLVED THAT** pursuant to the applicable provisions of Section 161 and other applicable provisions (including any modifications or re-enactment(s) thereof), if any, of the Companies Act, 2013, Mr. Keiichi Nambu (DIN - 09646771) who was appointed as an Additional Director by the Board with effect from 1<sup>st</sup> July, 2022 to hold office up to the date of this Annual General Meeting be and is hereby appointed as a Director of the Company."

**3. Regularization of Additional Director Mr. Junichi Doi.**

To consider and if thought fit, to pass with or without modification(s), if any, the following resolution as **Ordinary Resolution:-**

**"RESOLVED THAT** pursuant to the applicable provisions of Section 161 and other applicable provisions (including any modifications or re-enactment(s) thereof), if any, of the Companies Act, 2013, Mr. Junichi Doi (DIN - 09708161) who was appointed as an Additional Director by the Board with effect from 1<sup>st</sup> September, 2022 to hold office up to the date of this Annual General Meeting be and is hereby appointed as a Director of the Company."

**4. Regularization of Additional Non-Executive Director Mr. Tsutomu Kamagata.**

To consider and if thought fit, to pass with or without modification(s), if any, the following resolution as **Ordinary Resolution:-**

**"RESOLVED THAT** pursuant to the applicable provisions of Section 161 and other applicable provisions (including any modifications or re-enactment(s) thereof), if any, of the Companies Act, 2013, Mr. Tsutomu Kamagata (DIN - 09643948) who was appointed as an Additional Non-Executive Director by the Board with effect from 1<sup>st</sup> July, 2022 to hold office up to the date of this Annual General Meeting be and is hereby appointed as a Director of the Company."





एऑन क्रेडिट सर्विस इंडिया प्राइवेट लिमिटेड

**AEON CREDIT SERVICE INDIA PVT. LTD.**

Address: Unit No. TF-A-01, 3rd Floor, A wing, Art Guild House, Phoenix Marketcity, LBS Marg, Kurla (West), Mumbai – 400 070. Tel. No. 022 6266 4800, Fax no. 022 6266 4999

CIN : U66000MH2011FTC214516, E-mail : corporate@aeoncredit.co.in, Website : www.aeoncredit.co.in

**5. Appointment, remuneration and other terms & conditions of Mr. Keiichi Nambu as Managing Director of the Company.**

To consider and if thought fit, to pass with or without modification(s), if any, the following resolution as **Special Resolution**:-

**“RESOLVED THAT** pursuant to applicable provisions of Section 196, 197 read with Schedule V of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment(s) thereof, for the time being in force), subject to approval of Central Government, if required and in pursuance to the applicable provisions of the Companies Act, 2013 and Article 12 of the Article of Association of the Company, the consent of the members be and is hereby accorded for the appointment of Mr. Keiichi Nambu (DIN - 09646771) as Managing Director of the Company for a period of three years with effect from 1<sup>st</sup> July, 2022 till 30<sup>th</sup> June, 2025 on the following terms and conditions including remuneration duly approved by the Board:-

Particulars		FY (2022-23) w.e.f. 1 <sup>st</sup> July, 2022	
Currency		JPY	INR
Monthly Remuneration		1,062,000	615,960
Performance Bonus (Per Annum)	Actual	-	-
	Indicated	3,343,000	1,938,940

(For conversion into INR, exchange rate as on the last date of the respective month or the date of payment, whichever is earlier shall be considered.)

**RESOLVED FURTHER THAT** other allowances if any, as decided as per company's internal and group policy be extended to Mr. Keiichi Nambu.

The above referred terms and conditions including remuneration, other perquisites and commission as a part of total annual remuneration are subject to further interim revision if any, with approvals of AEON Financial Service Co., Ltd., Japan, Board of Directors, Members' General Meeting and Central Government, if required.

A statement pursuant to Section II of Part II of Schedule-V to the Companies Act, 2013 along with this Notice is annexed herewith for shareholders' information.

However, in case of any unforeseen circumstances during the terms of appointment, his office of Managing Director would be terminated with the approval of majority of Members of the Company subject to applicable provisions of the Companies Act, 2013, Rules made thereunder and Articles of Association of the Company.

**RESOLVED FURTHER THAT** any of the Directors and/ or the Company Secretary of the Company be and are hereby jointly or severally authorized to do all such acts, deeds and things as may be expedient and necessary for giving effect to the aforesaid resolution.”

**6. Appointment, remuneration and other terms & conditions of Mr. Junichi Doi as Whole Time Director of the Company.**

To consider and if thought fit, to pass with or without modification(s), if any, the following resolution as **Special Resolution**:-

**“RESOLVED THAT** pursuant to applicable provisions of Section 196, 197 read with Schedule V of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment(s) thereof, for the time being in force), subject to approval of Central Government, if required and in pursuance to the applicable provisions of the Companies Act, 2013 and Article 12 of the Article of Association of the Company,





एऑन क्रेडिट सर्विस इंडिया प्राइवेट लिमिटेड

**AEON CREDIT SERVICE INDIA PVT. LTD.**

Address: Unit No. TF-A-01, 3rd Floor, A wing, Art Guild House, Phoenix Marketcity, LBS Marg, Kurla (West), Mumbai – 400 070. Tel. No. 022 6266 4800, Fax no. 022 6266 4999

CIN : U66000MH2011FTC214516, E-mail : corporate@aeoncredit.co.in, Website : www.aeoncredit.co.in

the consent of the members be and is hereby accorded for the appointment of Mr. Junichi Doi (DIN-09708161) as Whole Time Director of the Company for a period of three years with effect from 1<sup>st</sup> September, 2022 till 31<sup>st</sup> August, 2025 on the following terms and conditions including remuneration duly approved by the Board:-

Particulars		FY (2022-23) w.e.f. 1 <sup>st</sup> September, 2022	
Currency		JPY	INR
Monthly Remuneration		590,500	348,395
Performance Bonus (Per Annum)	Actual	-	-
	Indicated	2,347,800	1,385,202

(For conversion into INR, exchange rate as on the last date of the respective month or the date of payment, whichever is earlier shall be considered.)

**RESOLVED FURTHER THAT** other allowances if any, as decided as per company's internal and group policy be extended to Mr. Junichi Doi.

The above referred terms and conditions including remuneration, other perquisites and commission as a part of total annual remuneration are subject to further interim revision if any with approvals of AEON Financial Service Co., Ltd., Japan, Board of Directors, Members' General Meeting and Central Government, if required.

A statement pursuant to Section II of Part II of Schedule-V to the Companies Act, 2013 along with this Notice is annexed herewith for shareholders' information.

However, in case of any unforeseen circumstances during the terms of appointment, his office of Whole Time Director would be terminated with the approval of majority of Members of the Company subject to applicable provisions of the Companies Act, 2013, Rules made thereunder and Articles of Association of the Company.

**RESOLVED FURTHER THAT** any of the Directors and/ or the Company Secretary of the Company be and are hereby jointly or severally authorized to do all such acts, deeds and things as may be expedient and necessary for giving effect to the aforesaid Resolution."

## 7. Revision in remuneration, performance bonus and other terms and conditions of Mr. Sanjaya Kumar Dash, Whole Time Director and Company Secretary of the Company.

To consider and if thought fit, to pass with or without modification(s), if any, the following resolution as **Special Resolution**:-

**"RESOLVED THAT** pursuant to the applicable provisions of Section 197 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment(s) thereof for the time being in force) read with Schedule V to the said Act and subject to approval of Central Government, if required and in pursuance of the provisions of Articles of Association of the Company, consent of Members of the Company be and is hereby accorded to the revised monthly remuneration including performance bonus w.e.f 1<sup>st</sup> July, 2022 payable to Mr. Sanjaya Kumar Dash (DIN - 08269773) duly approved by the Board as detailed below:-

Particulars		Existing (FY 2021-22)	Revised (FY 2022-23)
Currency		INR	INR
Monthly Remuneration		521,750 (incl. of other allowance)	555,000 (incl. of other allowance)
Performance Bonus (per annum)	Actual	530,000	-
	Indicated	-	600,000





एऑन क्रेडिट सर्विस इंडिया प्राइवेट लिमिटेड

AEON CREDIT SERVICE INDIA PVT. LTD.

Address: Unit No. TF-A-01, 3rd Floor, A wing, Art Guild House, Phoenix Marketcity, LBS Marg, Kurla (West), Mumbai – 400 070. Tel. No. 022 6266 4800, Fax no. 022 6266 4999

CIN : U66000MH2011FTC214516, E-mail : corporate@aeoncredit.co.in, Website : www.aeoncredit.co.in

**RESOLVED FURTHER THAT** other allowances if any, as decided by the management as per company's internal and group policy be extended to Mr. Sanjaya Kumar Dash.

**RESOLVED FURTHER THAT** any of the Directors and/or the Company Secretary of the company be and are hereby jointly or severally authorized to do all such acts deeds and things as may be expedient and necessary for giving effect to the aforesaid resolution."

#### 8. Revision in remuneration, performance bonus and other terms and conditions of Mr. K.P. Sunil, Whole Time Director of the Company.

To consider and if thought fit, to pass with or without modification(s), if any, the following resolution as **Special Resolution**:-

**"RESOLVED THAT** pursuant to the applicable provisions of Section 197 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment(s) thereof for the time being in force) read with Schedule V to the said Act and subject to approval of Central Government, if required and in pursuance of the provisions of Articles of Association of the Company, consent of Members of the Company be and is hereby accorded to the revised monthly remuneration including performance bonus w.e.f 1<sup>st</sup> July, 2022 payable to Mr. K.P. Sunil (DIN -09199165) duly approved by the Board as detailed below:-

Particulars		Existing (FY 2021-22)	Revised (FY 2022-23)
Currency		INR	INR
Monthly Remuneration		696,750 (incl. of other allowance)	743,000 (incl. of other allowance)
Performance Bonus (per annum)	Actual	860,000	-
	Indicated	-	820,000

**RESOLVED FURTHER THAT** other allowances if any, as decided by the management as per company's internal and group policy be extended to Mr. K.P. Sunil.

**RESOLVED FURTHER THAT** any of the Directors and/or the Company Secretary of the company be and are hereby jointly or severally authorized to do all such acts deeds and things as may be expedient and necessary for giving effect to the aforesaid resolution."

Place: Mumbai

Date: 30<sup>th</sup> September, 2022

Sanjaya Kumar Dash

Whole Time Director and Company Secretary

#### NOTES:

1. The Ministry of Corporate Affairs ('MCA') has vide its General Circular dated May 5, 2020 read with General Circulars dated April 8, 2020 and April 13, 2020, and clarification circular dated January 13, 2021 and General Circular dated December 14, 2021, General Circular dated May 5, 2022 and other related circulars if any, (collectively referred to as 'MCA Circulars') permitted the holding of the Annual General Meeting ('AGM') through Video Conferencing ('VC') facility or other audio visual means ('OAVM'), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ('Act') and MCA Circulars, the AGM of the Company is being held through VC/OAVM on Friday, 30<sup>th</sup> September, 2022 at 12:30 PM (IST). The deemed venue for the 11<sup>th</sup> AGM shall be the Registered Office of the Company.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING, IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF / ITSELF AND THE PROXY (IES) NEED NOT BE A MEMBER. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC/OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS, THE FACILITY FOR





एऑन क्रेडिट सर्विस इंडिया प्राइवेट लिमिटेड

**AEON CREDIT SERVICE INDIA PVT. LTD.**

Address: Unit No. TF-A-01, 3rd Floor, A wing, Art Guild House, Phoenix Marketcity, LBS Marg, Kurla (West), Mumbai – 400 070. Tel. No. 022 6266 4800, Fax no. 022 6266 4999

CIN : U66000MH2011FTC214516, E-mail : corporate@aeoncredit.co.in, Website : www.aeoncredit.co.in

APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM OF AGM IS NOT ANNEXED TO THIS NOTICE.

3. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
4. Corporate Members intending to send their authorised representatives to attend the meeting are requested to send to the Company, a certified copy of the Board Resolution authorizing their representative to attend and vote in their behalf at the Meeting.
5. Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of the Special Businesses under Item No. 2, 3, 4, 5, 6, 7, & 8 is annexed hereto forming part of this Notice.
6. The AGM will be conducted through LARK Suite Communication System. The details will be shared separately via email before the meeting.







एऑन क्रेडिट सर्विस इंडिया प्राइवेट लिमिटेड

**AEON CREDIT SERVICE INDIA PVT. LTD.**

Address: Unit No. TF-A-01, 3rd Floor, A wing, Art Guild House, Phoenix Marketcity, LBS Marg, Kurla (West), Mumbai – 400 070. Tel. No. 022 6266 4800, Fax no. 022 6266 4999

CIN : U66000MH2011FTC214516, E-mail : corporate@aeoncredit.co.in, Website : www.aeoncredit.co.in

## **EXPLANATORY STATEMENT**

### **ITEM NO. 2**

Mr. Keiichi Nambu was appointed as an Additional Director by the Board of Directors on 30<sup>th</sup> June, 2022 to hold office till the conclusion of this Annual General Meeting. The Board, after considering his detailed profile and experience, recommends to the shareholders to approve regularization of Mr. Nambu as Director on the Board.

The Company has received his consent in writing to act as a Director in Form DIR - 2 and intimation in Form DIR - 8 pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of section 164 of the Companies Act, 2013.

As per the applicable provisions of Section 161 and 162 of the Companies Act, 2013 and Rules made thereunder, approval of Members is required by way of passing ordinary resolution at the General Meeting of the company for regularising Mr. Keiichi Nambu as a Director on the Board of the Company.

Except Mr. Keiichi Nambu, none of the Promoters, Directors, Manager or their relative(s), either directly or indirectly, is in any way interested or concerned in the above said resolution.

### **ITEM NO. 3**

Mr. Junichi Doi was appointed as an Additional Director by the Board of Directors on 30<sup>th</sup> August, 2022 to hold office till the conclusion of this Annual General Meeting. The Board, after considering his detailed profile and experience, recommends to the shareholders to approve regularization of Mr. Doi as a Director on the Board.

The Company has received his consent in writing to act as a Director in Form DIR - 2 and intimation in Form DIR - 8 pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of section 164 of the Companies Act, 2013.

As per the applicable provisions of Section 161 and 162 of the Companies Act, 2013 and Rules made thereunder, approval of Members is required by way of passing ordinary resolution at the General Meeting of the company for regularising Mr. Junichi Doi as a Director on the Board of the Company.

Except Mr. Junichi Doi, none of the Promoters, Directors, Manager or their relative(s), either directly or indirectly, is in any way interested or concerned in the above said resolution.

### **ITEM NO. 4**

Mr. Tsutomu Kamagata was appointed as an Additional Non-Executive Director by the Board of Directors on 30<sup>th</sup> June, 2022 to hold office till the conclusion of this Annual General Meeting. The Board, after considering his detailed profile and experience, recommends to the shareholders to approve regularization of Mr. Kamagata as a Director on the Board.

The Company has received his consent in writing to act as a Director in Form DIR - 2 and intimation in Form DIR - 8 pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of section 164 of the Companies Act, 2013.





एऑन क्रेडिट सर्विस इंडिया प्राइवेट लिमिटेड

**AEON CREDIT SERVICE INDIA PVT. LTD.**

Address: Unit No. TF-A-01, 3rd Floor, A wing, Art Guild House, Phoenix Marketcity, LBS Marg, Kurla (West), Mumbai – 400 070. Tel. No. 022 6266 4800, Fax no. 022 6266 4999

CIN : U66000MH2011FTC214516, E-mail : corporate@aeoncredit.co.in, Website : www.aeoncredit.co.in

As per the applicable provisions of Section 161 and 162 of the Companies Act, 2013 and Rules made thereunder, approval of Members is required by way of passing ordinary resolution at the General Meeting of the company for regularising Mr. Tsutomu Kamagata as a Non- Executive Director on the Board of the Company.

Except Mr. Tsutomu Kamagata, none of the Promoters, Directors, Manager or their relative(s), either directly or indirectly, is in any way interested or concerned in the above said resolution.

#### ITEM NO. 5

Mr. Keiichi Nambu was appointed as Managing Director of the company by the Board in its Meeting held on 30<sup>th</sup> June, 2022 for a period effective from 1<sup>st</sup> July, 2022 till 30<sup>th</sup> June, 2025 on such terms and conditions including remuneration & other allowances, perquisites etc. if any, subject to approval of the Members of the Company in General Meeting pursuant to the applicable provisions of sections 196, 197 and other applicable provisions (including statutory modifications or re-enactment(s) thereof) of the Companies Act, 2013 read with Article 12 of the Articles of Association of the Company.

Therefore, as per the applicable provisions of sections 196, 197 and other applicable provisions (including statutory modifications or re-enactment(s) thereof) of the Companies Act, 2013 read with Schedule V prescribed under the Companies Act, 2013 and in pursuance to the provisions of Article 12 of the Articles of Association of the Company, approval of Members is required by way of passing special resolution at the General Meeting of the company for giving effect to the aforementioned appointment of Mr. Keiichi Nambu as Managing Director including his remuneration and other terms and conditions.

The remuneration and other terms and conditions of Mr. Keiichi Nambu as Managing Director are detailed below:-

Particulars		FY (2022-23) w.e.f. 1 <sup>st</sup> July, 2022	
Currency		JPY	INR
Monthly Remuneration		1,062,000	615,960
Performance Bonus (Per Annum)	Actual	-	-
	Indicated	3,343,000	1,938,940

(For conversion into INR, exchange rate as on the last date of the respective month or the date of payment, whichever is earlier shall be considered.)

Other Allowances & Perquisites if any, would be as per company's internal and group policy.

The above referred terms and conditions including remuneration, other perquisites and commission as a part of total annual remuneration is subject to further interim revision if any, with approvals of AEON Financial Service Co., Ltd., Japan, Board of Directors, Members' General Meeting and Central Government, if required.

A statement pursuant to Section II of Part II of Schedule-V to the Companies Act, 2013 along with this Notice is annexed herewith for shareholders' information.

However, in case of any unforeseen circumstances during the terms of appointment, his office of Managing Director would be terminated with the approval of majority of Members of the Company subject to applicable provisions of the Companies Act, 2013, Rules made thereunder and Articles of Association of the Company.

Except Mr. Keiichi Nambu, none of the Promoters, Directors, Manager or their relative(s), either directly or indirectly, is in any way interested or concerned in the above said resolution.







एऑन क्रेडिट सर्विस इंडिया प्राइवेट लिमिटेड

**AEON CREDIT SERVICE INDIA PVT. LTD.**

Address: Unit No. TF-A-01, 3rd Floor, A wing, Art Guild House, Phoenix Marketcity, LBS Marg, Kurla (West), Mumbai – 400 070. Tel. No. 022 6266 4800, Fax no. 022 6266 4999

CIN : U66000MH2011FTC214516, E-mail : corporate@aeoncredit.co.in, Website : www.aeoncredit.co.in

## ITEM NO. 6

Mr. Junichi Doi was appointed as Whole Time Director of the company by the Board in its Meeting held on 30<sup>th</sup> August, 2022 for a period effective from 1<sup>st</sup> September, 2022 till 31<sup>st</sup> August, 2025 on such terms and conditions including remuneration & other allowances, perquisites etc. if any, subject to approval of the Members of the Company in General Meeting pursuant to the applicable provisions of sections 196, 197 and other applicable provision (including statutory modifications or re-enactment(s) thereof) of the Companies Act, 2013 read with Article 12 of the Articles of Association of the Company.

Therefore, as per the applicable provisions of sections 196, 197 and other applicable provisions (including statutory modifications or re-enactment(s) thereof) of the Companies Act, 2013 read with Schedule V prescribed under the Companies Act, 2013 and in pursuance to the provisions of Article 12 of the Articles of Association of the Company, approval of Members is required by way of passing special resolution at the General Meeting of the company for giving effect to the aforementioned appointment of Mr. Junichi Doi as a Whole Time Director including his remuneration and other terms and conditions.

The remuneration and other terms and conditions of Mr. Junichi Doi as Whole Time Director are detailed below:-

Particulars		FY (2022-23) w.e.f. 1 <sup>st</sup> September, 2022	
Currency		JPY	INR
Monthly Remuneration		590,500	348,395
Performance Bonus (Per Annum)	Actual	-	-
	Indicated	2,347,800	1,385,202

(For conversion into INR, exchange rate as on the last date of the respective month or the date of payment, whichever is earlier shall be considered.)

Other Allowances & Perquisites, if any would be as per company's internal and group policy.

The above referred terms and conditions including remuneration, other perquisites and commission as a part of total annual remuneration is subject to further interim revision if any, with approvals of AEON Financial Service Co., Ltd., Japan, Board of Directors, Members' General Meeting and Central Government if required.

A statement pursuant to Section II of Part II of Schedule-V to the Companies Act, 2013 along with this Notice is annexed herewith for shareholders' information.

However, in case of any unforeseen circumstances during the terms of appointment, his office of Whole Time Director would be terminated with the approval of majority of Members of the Company subject to applicable provisions of the Companies Act, 2013, Rules made thereunder and Articles of Association of the Company.

Except Mr. Junichi Doi, none of the Promoters, Directors, Manager or their relative(s), either directly or indirectly, is in any way interested or concerned in the above said resolution.





एऑन क्रेडिट सर्विस इंडिया प्राइवेट लिमिटेड

**AEON CREDIT SERVICE INDIA PVT. LTD.**

Address: Unit No. TF-A-01, 3rd Floor, A wing, Art Guild House, Phoenix Marketcity, LBS Marg, Kurla (West), Mumbai – 400 070. Tel. No. 022 6266 4800, Fax no. 022 6266 4999

CIN : U66000MH2011FTC214516, E-mail : corporate@aeoncredit.co.in, Website : www.aeoncredit.co.in

#### ITEM NO. 7.

As per the Group Companies' policy and norms, the Board considered and approved revision in remuneration of Mr. Sanjaya Kumar Dash, Whole Time Director and Company Secretary as detailed below:-

Particulars			Existing (FY 2021-22)	Revised (FY 2022-23)
Currency			INR	INR
Monthly Remuneration			521,750 (incl. of other allowance)	555,000 (incl. of other allowance)
Performance Bonus (per annum)	Actual		530,000	-
	Indicated		-	600,000

Other Allowances & Perquisites, if any would be as per company's internal and group policy.

The above referred terms and conditions including remuneration, other perquisites and commission as a part of total annual remuneration is subject to further interim revision with approvals of AEON Financial Service Co., Ltd., Japan, Board of Directors, Members' General Meeting and Central Government, if required.

Mr. Dash, being a Director, has attended 12 board meetings during the F.Y. 2021-22.

As per the applicable provisions of Section 197 and other applicable provisions of the Companies Act, 2013 read with Schedule V to the said Act and in pursuance to the provisions of Articles of Association of the Company, approval of Members of the Company is required by way of passing special resolution at General Meeting of the company for aforesaid revision in monthly remuneration, performance bonus and an indicated performance bonus payable to Mr. Sanjaya Kumar Dash, Whole Time Director and Company Secretary.

Except Mr. Sanjaya Kumar Dash, no other Directors and / or their relative(s) are concerned or interested in the proposed resolution.

#### ITEM NO. 8.

As per the Group Companies' policy and norms, the Board considered and approved revision in remuneration of Mr. K.P. Sunil, Whole Time Director as detailed below:-

Particulars			Existing (FY 2021-22)	Revised (FY 2022-23)
Currency			INR	INR
Monthly Remuneration			696,750 (incl. of other allowance)	743,000 (incl. of other allowance)
Performance Bonus (per annum)	Actual		860,000	-
	Indicated		-	820,000

Other Allowances & Perquisites, if any would be as per company's internal and group policy.

The above referred terms and conditions including remuneration, other perquisites and commission as a part of total annual remuneration is subject to further interim revision with approvals of AEON Financial Service Co., Ltd., Japan, Board of Directors, Members' General Meeting and Central Government, if required.

Mr. Sunil, being a Director, has attended 9 board meetings during the F.Y. 2021-22.

As per the applicable provisions of Section 197 and other applicable provisions of the Companies Act, 2013 read with Schedule V to the said Act and in pursuance to the provisions of Articles of Association of the Company, approval of Members of the Company is required by way of passing special resolution at General Meeting of the company for aforesaid revision in monthly remuneration,





एऑन क्रेडिट सर्विस इंडिया प्राइवेट लिमिटेड

**AEON CREDIT SERVICE INDIA PVT. LTD.**

Address: Unit No. TF-A-01, 3rd Floor, A wing, Art Guild House, Phoenix Marketcity, LBS Marg, Kurla (West), Mumbai – 400 070. Tel. No. 022 6266 4800, Fax no. 022 6266 4999

CIN : U66000MH2011FTC214516, E-mail : corporate@aeoncredit.co.in, Website : www.aeoncredit.co.in

performance bonus and an indicated performance bonus payable to Mr. K.P. Sunil, Whole Time Director.

Except Mr. K.P. Sunil, no other Directors and / or their relative(s) are concerned or interested in the proposed resolution.

**By order of the Board of Directors**

**Place: Mumbai**

**Date: 30<sup>th</sup> September, 2022**

**Sanjaya Kumar Dash**

**Whole Time Director and Company Secretary**



**Annexure**

**STATEMENT PURSUANT TO SECTION II OF PART II OF SCHEDULE-V OF THE COMPANIES ACT, 2013.**

**I. GENERAL INFORMATION :**

(1) Nature of Industry

Financial Service Sector (Non-Deposit Taking NBFC)

(2) Date or expected date of commencement of commercial production

Not Applicable

(3) In case of new companies, expected date of commencement of activities as per project approved financial institution appearing in the prospectus

Not Applicable

(4) Financial Performance as at 31<sup>st</sup> March, 2022 (audited) based on given indicators

a) Net Profit/(Loss):- Rs. (316,489,857)

b) Total Assets (Rs.):-

Financing Receivable	1,600,082,061
Allowance for Bad Debts	13,487,818
Cash & Cash equivalents	10,498,195
Other Assets	296,260,752
Total	1,893,353,190

c) Total Liabilities & Equities (Rs.):-

Total Liabilities	1,644,612,934
Shareholders' Fund	248,740,256
Total	1,893,353,190

(5) Foreign investment or collaboration if any

Foreign Direct Investment: - Rs. 3,200,000,000 (Share Capital)



## II. INFORMATION ABOUT THE APPOINTEE :

### A. Mr. Keiichi Nambu

#### (1) Background Details

Date of Birth:	16 <sup>th</sup> February, 1972
<b>Qualification and Education Background</b>	
<b>Year</b>	<b>Particulars</b>
1995	Graduated from Takasaki City University of Economics, Japan
<b>Employment History (experience)</b>	
<b>Year</b>	<b>Particulars</b>
2008-2011	Officer of Overseas Division, AEON Credit Service Co., Ltd
2011-2012	Resident Officer, Representative Office India
2012-2016	Resident Officer, AEON Credit Service India Private Limited
2016 -2021	Executive Director, AEON Specialized Bank (Cambodia) Plc
2021 - Present	Senior Manager of Overseas Business Department, AEON Financial Service Co., Ltd. Japan

(2)Past Remuneration:- Please refer explanatory statement.

(3)Recognition or Awards:- Mr. Keiichi Nambu joined AEON Credit Service Co., Ltd. Japan in the year 2008 as an Officer of Overseas Division. He has worked with many group companies of AEON and has a vast knowledge in market survey and establishing the business models. He was promoted to Executive Director at AEON Specialized Bank (Cambodia) Plc in the year 2016.

(4)Job Profile and his suitability:-  
Finance

(5)Remuneration Proposed: - Please refer explanatory statement

(6)Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriate the relevant details would be with respect to the country of his origin)

The proposed remuneration of Mr. Keiichi Nambu is comparatively reasonable with respect to industry, size of the company, profile of the position.

(7)Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.

Mr. Keiichi Nambu does not have any pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel.



**B. Mr. Junichi Doi**

**(1) Background Details**

Date of Birth:	2 <sup>nd</sup> January, 1967
<b>Qualification and Education Background</b>	
<b>Year</b>	<b>Particulars</b>
1992	Bachelor of Arts (Language and Area Studies) Tokyo University of Foreign Studies, Tokyo, Japan
<b>Employment History (experience)</b>	
<b>Year</b>	<b>Particulars</b>
1991-1997	Nippon Credit Bank Systems, Co., Ltd, Banking System Developer/Designer, System Engineer
1997-2006	Citibank, N.A., Tokyo Branch, Private Bank IT, Project Manager
2006-2011	HSBC, Tokyo Branch, Head of IT Project Management
2011-2021	JP Morgan Chase Bank, Tokyo Branch, Treasury Service, Head of IT, Co-Head of IT Operations JP Morgan Securities Co., Ltd, CIB Operations, Vice President/Business Analyst
2021-Present	AEON Bank Co., Ltd, IT Planning Department, Manager AEON Financial Service Co., Ltd. Group IT Planning Department, Manager AEON Financial Service Co., Ltd, Overseas Business Department

**(2)Past Remuneration**:- Please refer explanatory statement.

**(3)Recognition or Awards**:- Mr. Junichi Doi joined Nippon Credit Bank Systems, Co., Ltd in the year 1991 as a System Engineer. He has worked in many companies and has a vast knowledge in IT Project Management. Previously, he was associated with the Overseas Business Department of AEON Financial Service Co., Ltd, Japan.

**(4) Job Profile and his suitability**:-

- a) Finance
- b) Information Technology

**(5)Remuneration Proposed**: - Please refer explanatory statement

**(6)Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriate the relevant details would be with respect to the country of his origin)**

The proposed remuneration of Mr. Junichi Doi is comparatively reasonable with respect to industry, size of the company, profile of the position.

**(7)Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.**

Mr. Junichi Doi does not have any pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel.





### III. OTHER INFORMATION :

- (1) Reason of loss or inadequate profit: - Presently, income derived from financing business is being invested in manpower, system development and other business setup, resulting thereby loss or inadequate profit.
- (2) Steps taken or proposed to be taken for improvement:- The Company's present business strategy of product diversification, strengthening internal controls, increase in operation efficiency and cost cutting in certain undesirable / unproductive areas would be resulting into improvement in business performance so that the present loss or inadequate profit can be minimised as earliest as possible.
- (3) Expected increase in productivity and profits in measurable terms:-

The Company's Management has a strategic planning to have the following expected increase in productivity and profits:-

(Rs. - audited)		
Particulars	Mar. 2021	Mar. 2022
Turnover (Sales) (Productivity)	655,136,834	1,315,476,151
Net Profit	(840,402,646)	(316,489,857)



A handwritten signature in blue ink, appearing to be "S. K. Singh", written over a horizontal line.

# **DIRECTORS' REPORT**



एऑन क्रेडिट सर्विस इंडिया प्राइवेट लिमिटेड

**AEON CREDIT SERVICE INDIA PVT. LTD.**

Address: Unit No. TF-A-01, 3rd Floor, A wing, Art Guild House, Phoenix Marketcity, LBS Marg, Kurla (West), Mumbai – 400 070. Tel. No. 022 6266 4800, Fax no. 022 6266 4999

CIN : U66000MH2011FTC214516, E-mail : corporate@aeoncredit.co.in, Website : www.aeoncredit.co.in

### **DIRECTORS' REPORT**

To,

The Members of  
AEON CREDIT SERVICE INDIA PRIVATE LIMITED

The Directors take pleasure in presenting the Eleventh Annual Report of your Company together with Audited Financial Statements for the year ended March 31, 2022. As required under the Ministry of Corporate Affairs' General Circular 08/2014 No. 1/19/2013-CL-V dated April 4, 2014, the Financial Statements and other reports required to be attached to the Annual Report for FY 2021-22 are governed by the relevant provisions, schedules, rules of the Companies Act, 2013.

### **FINANCIAL PERFORMANCE SUMMARY:**

Particulars	Year ended 31 <sup>st</sup> March, 2022 (from 1 <sup>st</sup> Apr. 2021 to 31 <sup>st</sup> Mar. 2022) (In Rupees)	Year ended 31 <sup>st</sup> March, 2021 (from 1 <sup>st</sup> Apr. 2020 to 31 <sup>st</sup> Mar. 2021) (In Rupees)
Gross Income	363,267,184	334,674,878
Expenditure	679,757,041	1,097,605,113
Profit / (Loss) Before Depreciation & Tax	(239,158,183)	(762,930,235)
Less: Depreciation	77,331,674	77,472,411
Less: Provision for Taxation (Including Deferred Tax and Fringe Benefit Tax)	NIL	NIL
Less: Provision for Proposed Dividend (Including Dividend Tax)	NIL	NIL
Net Profit / (Loss) After Tax	(316,489,857)	(840,402,646)
<b>Balance carried to Balance Sheet</b>	<b>(316,489,857)</b>	<b>(840,402,646)</b>

### **OPERATIONS & PERFORMANCE:**

More than two years, the Covid-19 Pandemic struck. Since then, the world's population has been gradually immunized, thanks to the global scientific community's discovery and production ingenuity. Due to Covid-19, the Indian economy did not perform as terribly as anticipated. The path to recovery in India and the rest of the global economy was hampered by a rapid increase in Omicron infections in the year 2021. Amid the Worldwide Pandemic, India has discovered its inherent strength to weather the storm and focus on developing its domestic ecosystem to support the Indian and International markets.

During the first quarter of FY 2021 - 22, due to 2<sup>nd</sup> & 3<sup>rd</sup> wave of COVID - 19 effect, there were several restrictions including the partial lockdown which affected the overall market situation across the country. The Company, in order to continue its business, decided to continue its work from home model with arrangement of necessary infrastructure as per the Business Continuity Action Plan (BCP). As at March 2022, the Company recorded a total sales of INR 1.31 billion and a revenue of INR 0.36 billion with 101% and 9% growth respectively against the same period last year. As a result, overall sales achievement of FY 2021-22 was 60% of the revised budget. During the 2<sup>nd</sup> and 3<sup>rd</sup> wave of COVID - 19 our sales team





एऑन क्रेडिट सर्विस इंडिया प्राइवेट लिमिटेड

**AEON CREDIT SERVICE INDIA PVT. LTD.**

Address: Unit No. TF-A-01, 3rd Floor, A wing, Art Guild House, Phoenix Marketcity, LBS Marg, Kurla (West), Mumbai – 400 070. Tel. No. 022 6266 4800, Fax no. 022 6266 4999

CIN : U66000MH2011FTC214516, E-mail : corporate@aeoncredit.co.in, Website : www.aeoncredit.co.in

focused mainly to establish control over the whole collection mechanism for better collection results which in turn helped to reduce the Bad Debts.

The bad debts provision was recorded at 1.7 billion. Despite having better sales and revenue during the FY 2021-22, the company recorded a net loss amounting to INR 0.32 billion as against INR 0.84 billion in the previous year. During the wave of COVID, our sales got impacted but there was an improvement seen in the collection performance.

During the second quarter, Covid-19 situation was gradually relaxed. The company developed around 343 dealers which will help the company in achieving the Sales Volume in FY 2022-23. The non-starter performance was maintained at 100% during the year. During the year under review, we closed down all our Personal Loan stores in order to reduce the overall cost as the walk-ins was less than 10% of the pre-COVID level and the company's main focus was to develop the digital products and end to end digital solutions to transform the business from traditional model to digital model.

During the year under review, the company launched Used Two-Wheeler products which increased consumer demand and competition. The company also launched Personal Loan business in Mumbai region for only member customers. The company also started Trade Advance facility for Two-Wheeler dealers in order to focus on selected high potential dealers and increase company's share in the market and also improve dealer's satisfaction.

During the year under review, the company also resolved its Core-System issues for conducting smooth business. The company is already under process to develop the new membership mobile application. The App will provide facilities such as billing information and offering the special interest rate according to the member status which will change based on the payment history. In addition, revolving loan facility with QR payment function will be deployed which is planned to be launched in the middle of 2022-23. In addition, by expanding the Revolving Loan services for the members mentioned above, the company will improve the profitability and reduce the loss further.

In the beginning of fourth quarter, AEON Financial Service Co. Ltd. Japan our Holding company has approved the further Equity Capital injection of INR 1000 million in order to strengthen the financial position and to attain its growth objectives by way of expansion in accordance with the Mid-Term Plan CY 2022-2025 of the company.

#### **FUTURE OUTLOOK AND BUSINESS PLANS:**

Based on the mid-term plan and with advice and guidance from our holding company, AEON Financial Service Co., Ltd. Japan we continue to focus on transforming our business model from the traditional business model to the digital business model and the development of digital loan products like implementation of the Sales Force as the front-end module for the field team will help us to further reduce the Turn Around Time (TAT) for login and also digitalize the customer onboarding, Merchant onboarding, Launching of Personal Loan business for non-member customers and also launching the Personal Loan business in other regions-Delhi & Bangalore, Launching Tablet Personal Loan. The company also plans to re-start its AEON Elite Member App and Revolving Loan App development and testing which would be a game changer for ACSI in future, in-terms of customer service quality as well as digitalization of end to end process for Personal Loan and Revolving Loan products. Further, your company also plans to restart the development of AEON Fast App to reduce the approval of TAT to less than 10 minutes. We are also focusing to increase the Trade Advance Facility coverage to 50% of the sales to get the first rights of rejections and also this would help ACSI to get the preferred financier status. We understand the element of doubts that this pandemic has caused in the minds of the customers and therefore we feel that digitization and automation of services can help us over such customer fears, which is important for us to gradually re-gain customer confidence and business through digital transformation.





एऑन क्रेडिट सर्विस इंडिया प्राइवेट लिमिटेड

**AEON CREDIT SERVICE INDIA PVT. LTD.**

Address: Unit No. TF-A-01, 3rd Floor, A wing, Art Guild House, Phoenix Marketcity, LBS Marg, Kurla (West), Mumbai – 400 070. Tel. No. 022 6266 4800, Fax no. 022 6266 4999

CIN : U66000MH2011FTC214516, E-mail : corporate@aeoncredit.co.in, Website : www.aeoncredit.co.in

#### **DIVIDEND:**

Your Directors do not recommend payment of dividend for the Financial Year under review, due to lack of availability of profits.

#### **DEPOSITS:**

During the year under review, your Company has neither invited nor accepted / renewed any Deposits from public within the meaning of the Section 73 of the Companies Act, 2013 and the rules issued by Reserve Bank of India.

#### **MATERIAL CHANGES AND COMMITMENTS IF ANY AFFECTING FINANCIAL POSITION OF THE COMPANY BETWEEN THE END OF FINANCIAL YEAR AND THE DATE OF THE DIRECTORS' REPORT:**

There are no such material changes and commitments affecting financial position of the Company between the end of Financial Year and the date of the Directors' Report.

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO:**

(A) Conservation of Energy & Technology Absorption:

Since the Company is not engaged in manufacturing activities, the particulars pursuant to Company (Accounts) Rules, 2014 are not applicable to the Company for the year under reference.

(B) Foreign Exchange Earnings & Outgo:

Particulars	Year ended 31.03.2022 (from 1 <sup>st</sup> Apr. 2021 to 31 <sup>st</sup> Mar. 2022) (Amount in Rs.)	Year ended 31.03.2021 (from 1 <sup>st</sup> Apr. 2020 to 31 <sup>st</sup> Mar. 2021) (Amount in Rs.)
Earnings in Foreign Exchange	Nil	Nil
Expenditure in Foreign Exchange	17,460,774	64,164,989

#### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES IN PURSUANCE TO SECTION 188 OF THE COMPANIES ACT, 2013:**

All Related Party Transactions which were entered into by your Company during the Financial Year 2021-22 were on an arm's length basis and in the ordinary course of business. There were no materially significant Related Party Transactions entered into by the Company with Promoters, Directors or Key Managerial Personnel which may have a potential conflict with the interest of the Company. Your Company does not have contracts or arrangements with its Related Parties under Section 188(1) of the Companies Act, 2013, which are not on arm's length basis. Hence, the details of such contracts or arrangements with its Related Parties are not required to be disclosed in Form AOC-2 (**Annexure I**) as prescribed under the Companies Act, 2013 and the Rules framed thereunder. Attention of the members is also drawn to the disclosure of transactions with Related Parties as set out in Notes to the Financial Statements.

#### **PARTICULARS OF LOAN, GUARANTEE OR INVESTMENT IN PURSUANCE TO SECTION 186 OF THE COMPANIES ACT, 2013:**

Your company has not given any loan, guarantee and made any investment in pursuance to the Section 186 of the Companies Act, 2013 during the period under review.

#### **BOARD OF DIRECTORS:**

The Board of Directors along with its Two Committees provide leadership and guidance to the Company's management and also direct, supervise and control the performance of the Company.





एऑन क्रेडिट सर्विस इंडिया प्राइवेट लिमिटेड

**AEON CREDIT SERVICE INDIA PVT. LTD.**

Address: Unit No. TF-A-01, 3rd Floor, A wing, Art Guild House, Phoenix Marketcity, LBS Marg, Kurla (West), Mumbai – 400 070. Tel. No. 022 6266 4800, Fax no. 022 6266 4999

CIN : U66000MH2011FTC214516, E-mail : corporate@aeoncredit.co.in, Website : www.aeoncredit.co.in

During the year under review, the management of the Company was carried out by the Board of Directors comprising the following persons and the Board was duly constituted:

- 1) Mr. Daisuke Maeda, Managing Director and Non-Executive Director;\*
- 2) Mr. Hideo Tanaka, Managing Director;\*
- 3) Mr. Tomo Sato, Whole Time Director ;\*
- 4) Mr. Sanjaya Kumar Dash, Whole Time Director and Company Secretary;
- 5) Mr. K.P. Sunil, Whole Time Director;\*
- 6) Mr. Tetsuro Takano, Non-Executive Director;\*
- 7) Mr. JRP Ratnarao, Non-Executive Director;\*
- 8) Mr. Kumar Rajagopalan, Non-Executive Director.

**Further, the following changes have taken place in the composition of the Board from 1<sup>st</sup> April, 2021 till date of this report.**

**\*NOTE:**

- Mr. JRP Ratnarao, ceased to be the Director w.e.f. 01.04.2021 due to his demise.
- Mr. Daisuke Maeda resigned from the post of Managing Director and continued as Non-Executive Director w.e.f. 01.07.2021.
- Mr. Hideo Tanaka and Mr. K.P. Sunil was appointed as Managing Director and Whole Time Director respectively w.e.f. 01.07.2021.
- Mr. Hideo Tanaka resigned from the post of Managing Director and Director w.e.f. 01.12.2021.
- Mr. Keiichi Nambu and Mr. Tsutomu Kamagata was appointed as Managing Director and Non-Executive Director respectively w.e.f. 01.07.2022.
- Mr. Daisuke Maeda and Mr. Tetsuro Takano resigned from the post of Non- Executive Director w.e.f. 01.07.2022.
- Mr. Junichi Doi was appointed as a Whole Time Director and Mr. Tomo Sato resigned from the post of Whole Time Director w.e.f. 01.09.2022.

**MEETING OF BOARD OF DIRECTORS:**

The Board of Directors have met twelve times during the financial year under review on 30<sup>th</sup> April, 2021, 31<sup>st</sup> May, 2021, 30<sup>th</sup> June, 2021, 30<sup>th</sup> July, 2021, 31<sup>st</sup> August, 2021, 30<sup>th</sup> September, 2021, 29<sup>th</sup> October, 2021, 30<sup>th</sup> November, 2021, 24<sup>th</sup> December, 2021, 31<sup>st</sup> January, 2022, 25<sup>th</sup> February, 2022 & 30<sup>th</sup> March, 2022.

**AUDIT COMMITTEE OF THE BOARD:**

The Audit Committee comprises of three Non-Executive Directors. The Audit Committee have met three times during the financial year under review on 30<sup>th</sup> July, 2021, 29<sup>th</sup> October, 2021, and 31<sup>st</sup> January, 2022.

**RISK MANAGEMENT COMMITTEE OF THE BOARD:**

The Risk Management Committee comprises of three Executive Directors. The Risk Management Committee have met one time during the financial year under review on 30<sup>th</sup> April, 2021.

**NOTE:** The Risk Management Committee was discontinued w.e.f. 31<sup>st</sup> May, 2021 vide board resolution dated 31<sup>st</sup> May, 2021.







एऑन क्रेडिट सर्विस इंडिया प्राइवेट लिमिटेड

**AEON CREDIT SERVICE INDIA PVT. LTD.**

Address: Unit No. TF-A-01, 3rd Floor, A wing, Art Guild House, Phoenix Marketcity, LBS Marg, Kurla (West), Mumbai – 400 070. Tel. No. 022 6266 4800, Fax no. 022 6266 4999

CIN : U66000MH2011FTC214516, E-mail : corporate@aeoncredit.co.in, Website : www.aeoncredit.co.in

#### **RISK MANAGEMENT COMMITTEE AT MANAGEMENT LEVEL:**

Your company has also formed a Risk Management Committee at management level as per the guidelines issued by Reserve Bank of India (RBI).

#### **STATEMENT ON COMPLIANCES OF APPLICABLE SECRETARIAL STANDARDS:**

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.

#### **DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to Section 134(5) of the Companies Act, 2013, the Directors affirm that:

- i. In the preparation of the Annual Accounts of the Company, the applicable Accounting Standards had been followed along with the material departures;
- ii. The Directors had 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 on 31<sup>st</sup> March, 2022 and Profit/Loss for the year ended on that date;
- iii. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and preventing and detecting fraud and other irregularities;
- iv. The Directors had prepared the Annual Accounts on a going concern basis;
- v. 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.

#### **ANNUAL RETURN:**

The extract of the Annual Return for the financial year ended 31<sup>st</sup> March, 2022 is attached with the Directors Report in the prescribed format MGT-9 as **Annexure II**. The Company is having website i.e. www.aeoncredit.co.in and the annual return of the Company will be published on such website.

#### **AUDITORS & AUDITOR'S REPORT:**

M/s T R Chadha & Co LLP, Chartered Accountants (ICAI Firm Registration No. 006711N/N500028) was appointed as the Statutory Auditor of the company in the last Annual General Meeting for a period of five years to hold office from the conclusion of Tenth Annual General Meeting (AGM) duly held on 30<sup>th</sup> July, 2021 till the conclusion of Fifteenth Annual General Meeting (AGM) to be held in the financial year 2025-2026.

The observations made by the Auditors in their Report read with relevant notes given in the Notes to Accounts are self-explanatory and therefore do not require any comments from your Directors pursuant to Section 134 of Companies Act, 2013.

#### **DETAILS OF FRAUD REPORTED BY THE AUDITOR:**

As per auditor's report, no fraud u/s 143(12) has been reported by the Auditors.

#### **TRANSFER TO RESERVE:**

No amount was transferred to the reserves during the financial year ended 31<sup>st</sup> March, 2022.





एऑन क्रेडिट सर्विस इंडिया प्राइवेट लिमिटेड

**AEON CREDIT SERVICE INDIA PVT. LTD.**

Address: Unit No. TF-A-01, 3rd Floor, A wing, Art Guild House, Phoenix Marketcity, LBS Marg, Kurla (West), Mumbai – 400 070. Tel. No. 022 6266 4800, Fax no. 022 6266 4999

CIN : U66000MH2011FTC214516, E-mail : corporate@aeoncredit.co.in, Website : www.aeoncredit.co.in

#### **CORPORATE SOCIAL RESPONSIBILITY:**

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within the purview of Section 135(1) of the Companies Act, 2013, and hence it is not required to formulate policy on Corporate Social Responsibility.

#### **RISK MANAGEMENT POLICY:**

The Company has developed and implemented a Risk Management Policy which identifies major risks which may threaten the existence of the Company. The same has also been adopted by your Board and is also subject to its review from time to time. Risk mitigation process and measures have also been formulated and clearly spelled out in the said policy.

#### **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS:**

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

#### **COST RECORD:**

The provision of Cost Audit as per Section 148 of the Companies Act, 2013 is not applicable on the Company.

#### **CONSTITUTION OF COMMITTEE ON SEXUAL HARASSMENT AT WORKPLACE:**

The Company has zero tolerance for sexual harassment at the workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules made thereunder. The Policy aims to promote a healthy work environment and to provide protection to employees at the workplace and redress complaints of sexual harassment and related matters thereto. The Company has also constituted an Internal Complaints Committee, known as the Prevention of Sexual Harassment (POSH) Committee, to enquire into complaints of sexual harassment and recommend appropriate action.

The following is the summary of sexual harassment complaints received and disposed off during the year 2021-22:

No of complaints received: 0

No of complaints disposed off: 0

Your Company has been conducting awareness campaign across all its units/offices to encourage its employees to be more responsible and alert while discharging their duties.

#### **ACKNOWLEDGEMENT:**

Your Directors greatly value the support and co-operation received during the period under review from the Bankers, Statutory Authorities, Auditors and Employees of the company at all level.

**For and on behalf of the Board**

**KEIICHI NAMBU  
MANAGING DIRECTOR**

**PLACE: Mumbai**

**DATE: 30<sup>th</sup> September, 2022**



**Annexure-I**

**FORM NO. AOC-2**

*[Pursuant to clause (h) of sub-section (3) of section 134 of the Act and  
Rule 8(2) of the Companies (Accounts) Rules, 2014]*

**Details of contracts or arrangements or transactions not at arm's length basis:**

**Not Applicable**

**Details of contracts or arrangements or transactions at arm's length basis:**

**Not Applicable**

**For and on behalf of the Board**



A handwritten signature in blue ink, consisting of stylized, overlapping loops.

**PLACE: Mumbai**  
**DATE: 30<sup>th</sup> September, 2022**

**KEIICHI NAMBU**  
**MANAGING DIRECTOR**

**Annexure-II****Form No. MGT-9****EXTRACT OF ANNUAL RETURN**

As on the financial year ended on 31<sup>st</sup> March, 2022

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the  
Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:-**

- (i) CIN: - U66000MH2011FTC214516
- (ii) Registration Date: - 09/03/2011
- (iii) Name of the Company: - AEON CREDIT SERVICE INDIA PRIVATE LIMITED.
- (iv) Category/Sub-Category of the Company: - Company Limited by Share (Subsidiary of Foreign Company)
- (v) Address of the Registered office and contact details: -  
Unit No. TF-A-01, A-Wing, 3rd Floor Art Guild House, Phoenix Marketcity, LBS Marg, Kurla (West),  
Mumbai- 400070.  
Tel: +91 22 6266 4800, Fax: +91 22 6266 4999
- (vi) Whether listed company: - No
- (vii) Name, Address and Contact details of Registrar and Transfer Agent: -

**Satellite Corporate Services Private Limited**

**Address:** Satellite Corporate Services Pvt. Ltd  
Office no.106 & 107, Dattani Plaza,  
East West Compound,  
Andheri Kurla Road,  
Sakinaka- Mumbai-400070  
Phone Nos: 022-28520461/462  
Email Id: service@satellitecorporate.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:-**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name And Description of main Product/Services	NIC code of the product/service	% to total turnover of the company
1.	Financing of consumer durable goods	64990	100



### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:-

S. NO.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN/REGN. No.	HOLDING / SUBSIDIARY / ASSOCIATE	% OF SHARE HELD	APPLICABLE SECTION
1.	AEON FINANCIAL SERVICE CO., LTD.  ADDRESS: 1-1, Kandanishiki-Cho, Chiyoda-ku, Tokyo, Japan	0100-01-010887	Holding Company	94.31	Section 2(46) of Companies Act, 2013
2.	AEON Credit Service(M) Berhad  ADDRESS: 12 <sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor, Malaysia	412767-V	Associate Company	5.69	Section 2(6) of Companies Act, 2013

### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as Percentage of Total Equity)

#### (i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.	-	-	-	-	-	-	-	-	-
d) Bodies Corp	-	-	-	-	-	-	-	-	-
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-Total –(A) (1)</b>	-	-	-	-	-	-	-	-	-
<b>(2) Foreign</b>									
a) NRIs- Individuals	-	-	-	-	-	-	-	-	-



b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	18,200,000	18,200,000	5.69	-	18,200,000	18,200,000	5.69	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-total – (A) (2)</b>	-	18,200,000	18,200,000	5.69	-	18,200,000	18,200,000	5.69	-
<b>Total Shareholding of Promoter(A)=(A)(1) + (A) (2)</b>	-	18,200,000	18,200,000	5.69	-	18,200,000	18,200,000	5.69	-
<b>B. Public Shareholding</b>									
<b>1. Institution</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt. (s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital funds	-	-	-	-	-	-	-	-	-
i) Others	-	-	-	-	-	-	-	-	-
<b>Sub-total – (B) (1)</b>	-	-	-	-	-	-	-	-	-
<b>2. Non-Institution</b>									
<b>a) Bodies Corporate</b>									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	301,800,000	301,800,000	94.31	-	301,800,000	301,800,000	94.31	-
<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	-	-	-	-	-	-	-	-	-





ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	-	-	-	-	-	-	-	-	-
<b>c) Others (specify)</b>	-	-	-	-	-	-	-	-	-
<b>Sub-total -(B) (2)</b>	-	301,800,000	301,800,000	94.31	-	301,800,000	301,800,000	94.31	-
<b>Total Public Shareholding(B) =(B)(1) + (B)(2)</b>	-	301,800,000	301,800,000	94.31	-	301,800,000	301,800,000	94.31	-
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	-	<b>320,000,000</b>	<b>320,000,000</b>	<b>100</b>	-	<b>320,000,000</b>	<b>320,000,000</b>	<b>100</b>	-

**(ii) Shareholding of Promoters**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	
1	AEON Credit Service(M) Berhad	18,200,000	5.69	-	18,200,000	5.69	-	-
	<b>Total</b>	<b>18,200,000</b>	<b>5.69</b>	<b>-</b>	<b>18,200,000</b>	<b>5.69</b>	<b>-</b>	<b>-</b>



(iii) **Changes in Promoters' Shareholding (Please specify if there is no change):-** No change. Please refer the above table IV(ii)

(iv) **Shareholding pattern of top ten shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)**

Sl. No.		Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1</b>	<b>AEON Financial Service Co., Ltd., Japan</b>				
	At the beginning of the year	301,800,000	94.31	301,800,000	94.31
	Increase or decrease in shareholding during the year specifying the reason for increase or decrease (e.g. allotment/ transfer/bonus/sweat equity etc.)	-	-	-	-
	At the end of the year	301,800,000	94.31	301,800,000	94.31

(v) **Shareholding of Directors and Key Managerial personnel :**

There is no shareholding of Directors and Key Managerial Personnel during the reporting period.

#### V. INDEBTEDNESS:-

**Indebtedness of the Company including interest outstanding /accrued but not due for payment**

	Secured Loans excluding deposits (Rs)	Unsecured loans (Rs.)	Deposits (Rs)	Total Indebtedness (Rs.)
<b>Indebtedness at the beginning of the Financial year</b>				
i) Principal Amount	-	976,500,000	-	976,500,000
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (I + ii + iii)	-	976,500,000	-	976,500,000
Change in Indebtedness during the financial year				
• Addition	-	600,500,000	-	600,500,000
• Reduction	-	-	-	-
<b>Net Change</b>	-	600,500,000	-	600,500,000



Indebtedness at the end of the financial year	-	-	-	-
i)Principal Amount	-	1,577,000,000	-	1,577,000,000
ii)Interest due but not paid	-	-	-	-
iii)Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	1,577,000,000	-	1,577,000,000

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:-**

**A. REMUNERATION TO MANAGING DIRECTOR, WHOLE TIME DIRECTOR AND/OR MANAGER**

Sl. No	Particulars of Remuneration	Mr. Daisuke Maeda, Managing Director (Till 30.06.2021) (Rs.)	Mr. Hideo Tanaka, Managing Director (From 01.07.2021 to 30.11.2021) (Rs.)	Mr. Tomo Sato Whole Time Director (Rs.)	Mr. Sanjaya Kumar Dash, Whole Time Director (Rs.)	Mr. K.P. Sunil, Whole Time Director (Rs.) From 01.07.2021	Total Amount (Rs.)
1	<b>Gross Salary</b>						
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	3,088,031	4,156,190	7,403,250	5,325,241	5,131,410	25,104,122
	(b) Value of perquisites u/s 17(2) of Income Tax Act, 1961	449,039	-	1,050,600	78,000	148,950	1,726,589
	(c) Profit in lieu of salary under section 17(3) of Income Tax Act, 1961	-	-	-	-	-	-
2	Stock Option	-	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-	-
4	Commission - As % of profit - Other, specify	-	-	-	-	-	-
5	Others, please specify	-	-	-	-	-	-
	<b>Total(A)(1)</b>	3,537,070	4,156,190	8,453,850	5,403,241	5,280,360	26,830,711
	Ceiling as per the Act	-	-	-	-	-	-



**B. REMUNERATION TO OTHER DIRECTORS:- Not Applicable**

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD:- Not Applicable**

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCE:- Not Applicable**

**For and on behalf of the Board**



  
**KEIICHI NAMBU**  
**MANAGING DIRECTOR**

**PLACE: Mumbai**

**DATE: 30<sup>th</sup> September, 2022**

**AUDITORS' REPORT  
AND  
FINANCIAL STATEMENT**

# T R Chadha & Co LLP

## Chartered Accountants

502, Marathon Icon,  
Off. Ganpatrao Kadam Marg  
Opp. Peninsula Corporate Park  
Lower Parel, Mumbai – 400 013  
Tel.: 022-49669000  
Fax.: 022-49669023  
Email: [mumbai@trchadha.com](mailto:mumbai@trchadha.com)



### INDEPENDENT AUDITOR'S REPORT

#### To the Members of AEON Credit Service India Private Limited Report on the Audit of the Financial Statements

##### 1. Opinion

We have audited the accompanying financial statements of **AEON Credit Service India Private Limited ('Company')**, which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss and Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2006, as amended, ("Accounting Standards") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its loss, its cash flows for the year ended on that date.

##### 2. Basis for Opinion

We conducted our audit of financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Financial Statements 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 ("ICAI") 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 ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

##### 3. Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Director's report, but does not include the financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent





# T R Chadha & Co LLP

## Chartered Accountants

502, Marathon Icon,  
Off. Ganpatrao Kadam Marg  
Opp. Peninsula Corporate Park  
Lower Parel, Mumbai – 400 013  
Tel.: 022-49669000  
Fax.: 022-49669023  
Email: [mumbai@trchadha.com](mailto:mumbai@trchadha.com)



with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

The above information is not made available to us as at the date of this Auditor's report. We have nothing to report in this regard.

#### 4. Management's Responsibility for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India. 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 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 Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the Management is 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 is also responsible for overseeing the Company's financial reporting process.

#### 5. Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are 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 these Financial Statements.

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 Financial Statements, 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



# T R Chadha & Co LLP

## Chartered Accountants

502, Marathon Icon,  
Off. Ganpatrao Kadam Marg  
Opp. Peninsula Corporate Park  
Lower Parel, Mumbai – 400 013  
Tel.: 022-49669000  
Fax.: 022-49669023  
Email: [mumbai@trchadha.com](mailto:mumbai@trchadha.com)



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 financial 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 in the Financial Statements made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and 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 Statements 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 Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Financial Statements.

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.

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.

## 6. Other Matter



Corporate / Regd. Office: B-30, Connaught Place, Kuthiala Building, New Delhi – 110001  
Phone : 43259900, Fax : 43259930, E-mail : [delhi@trchadha.com](mailto:delhi@trchadha.com)

Branches at: ♦ Ahmedabad ♦ Bengaluru ♦ Chennai ♦ Gurgaon ♦ Hyderabad ♦ Pune ♦ Tirupati ♦ Vadodara ♦ Noida

# T R Chadha & Co LLP

## Chartered Accountants

502, Marathon Icon,  
Off. Ganpatrao Kadam Marg  
Opp. Peninsula Corporate Park  
Lower Parel, Mumbai – 400 013  
Tel.: 022-49669000  
Fax.: 022-49669023  
Email: [mumbai@trchadha.com](mailto:mumbai@trchadha.com)



Financial Statement also includes figures of the Company for the year ended March 31, 2021, audited by the predecessor firm of statutory auditor vide its report dated July 30, 2021, in which the predecessor auditor has expressed an unmodified opinion. Accordingly, we do not express any conclusion on aforesaid financial statement for the said year and have relied upon the said reports for the purpose of our report on this financial statement.

### 7. Report on Other Legal and Regulatory Requirements

- a. As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- b. As required by section 143(3) of the Act, based on our audit we report that:
  - i. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - ii. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - iii. The balance sheet, the statement of profit and loss and the statement of cash flows dealt with by this Report are in agreement with the books of account.
  - iv. In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under section 133 of the Act.
  - v. On the basis of the written representations received from the directors as on March 31, 2022, taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2022, from being appointed as a director in terms of section 164(2) of the Act.
  - vi. With respect to the adequacy of the internal financial controls with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
  - vii. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations as at March 31, 2022, on its financial position in its Financial Statements - Refer Note XX of Financial Statements;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;



# T R Chadha & Co LLP

## Chartered Accountants

502, Marathon Icon,  
Off. Ganpatrao Kadam Marg  
Opp. Peninsula Corporate Park  
Lower Parel, Mumbai – 400 013  
Tel.: 022-49669000  
Fax.: 022-49669023  
Email: [mumbai@trchadha.com](mailto:mumbai@trchadha.com)



- iv. a The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c Based on audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. During the year the Company has neither declared nor paid any dividend, as such compliance of section 123 of the Act is not applicable.
- c. The provision of section 197 read with schedule V to the Act are not applicable to the Company since the Company is not a public company as defined under section 2 (71) of the Act. Accordingly, reporting under section 197(16) is not applicable.

For T R Chadha & Co LLP

Chartered Accountants

Firm's Registration No. 006711N/N500028

**Pramod Tilwani**

Partner

Membership No. 076650

UDIN: 22076650AYLKT3908

Place of Signature: Mumbai

Date: September 30, 2022.





# T R Chadha & Co LLP

## Chartered Accountants

502, Marathon Icon,  
Off. Ganpatrao Kadam Marg  
Opp. Peninsula Corporate Park  
Lower Parel, Mumbai – 400 013  
Tel.: 022-49669000  
Fax.: 022-49669023  
Email: [mumbai@trchadha.com](mailto:mumbai@trchadha.com)



### **Annexure A to the Independent Auditor's Report of even date to the members of the AEON CREDIT SERVICE INDIA PRIVATE LIMITED ("the Company") on the financial statements for the year ended March 31, 2022;**

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that;

#### **(i) In respect of the Company's Property, Plant and Equipment and Intangible Assets**

- (a) **A** The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- B** The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the Property, Plant and Equipment is reasonable having regard to the size of the Company and the nature of its assets.
- (c) There is no Immovable Property in the books of accounts of the Company. Accordingly, the provision of paragraph 3(i)(c) of the Order is not applicable to the Company.
- (d) The Company has not revalued its Property, Plant and Equipment and Intangible assets during the period.
- (e) As disclosed by management in note 41(b) of the financial statement, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2022, for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and rules made thereunder.

#### **(ii) Inventories**

- (a) The Company is a service company primarily engaged in lending business. Accordingly, it does not hold any inventories. Thus, the provision of clause 3(ii)(a) of the Order is not applicable to the Company.
- (b) The Company has not been sanctioned working capital limit in excess of Rs 5 crore in aggregate during the year from banks or financial institutions on the basis of security of current assets. The limit sanctioned to the Company are secured by corporate guarantee of its Holding Company only. Accordingly, reporting under paragraph 3(ii)(b) of the Order is not applicable to the company.

#### **(iii) Loans, Investments, Guarantees, Securities and Advances in nature of Loan**



Corporate / Regd. Office: B-30, Connaught Place, Kuthiala Building, New Delhi – 110001  
Phone : 43259900, Fax : 43259930, E-mail : [delhi@trchadha.com](mailto:delhi@trchadha.com)

Branches at: ♦ Ahmedabad ♦ Bengaluru ♦ Chennai ♦ Gurgaon ♦ Hyderabad ♦ Pune ♦ Tirupati ♦ Vadodara ♦ Noida

# T R Chadha & Co LLP

## Chartered Accountants

502, Marathon Icon,  
Off. Ganpatrao Kadam Marg  
Opp. Peninsula Corporate Park  
Lower Parel, Mumbai – 400 013  
Tel.: 022-49669000  
Fax.: 022-49669023  
Email: [mumbai@trchadha.com](mailto:mumbai@trchadha.com)



The Company has not made investments in and provided any guarantee or security to companies, firms, Limited Liability Partnerships or any other parties.

The Company is a Non-Systemically Important Non-Deposit taking Company Non-Banking Financial Company ('NBFC') registered with the Reserve Bank of India ('RBI') and as a part of its business activities is engaged in the business of lending various types of loans.

During the year, in the ordinary course of its business, the Company has granted loans and advances in the nature of loans to other parties. With respect to such loans and advances;

- (a) Since the Company is principally engaged in providing loans reporting under clause 3(iii)(a) of the Order is not applicable.
- (b) In our opinion, having regard to the nature of the Company's business, the terms and conditions of the loans granted during the year are prima facie not prejudicial to the Company's interest.
- (c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been duly stipulated. However, there are delays in repayment of principal and payment of interest with respect to loan amounting to Rs. 927.16 Lakh. Having regard to the nature of the Company's business and the volume of information involved, it is not practicable to provide an itemised list of loan assets where delinquencies in the repayment of principal and interest have been identified.

For the purpose of the above disclosure, the company has considered the Reserve Bank of India circular DOR.No.BP.BC/3/21.04.048/2020-21 dated August 06, 2020 on Resolution Framework for COVID-19 related stress and RBI circular DOR.STR.REC.11/21.04.048/2021-22 dated May 05, 2021 (as amended time to time) wherein moratorium is to be granted to customers in relation to repayment of dues, due to which the repayment schedule of such customers has been modified to that extent.

- (d) In respect of loans granted by the Company, the overdue amount for more than 90 days stands at Rs. 78.74 Lakh. The Company has generally taken reasonable steps in its normal course of business for recovery of overdue principal and interest in respect of such loans.
- (e) As Company is principally engaged in providing loans, hence the reporting under clause 3(iii)(e) of the Order is not applicable.
- (f) The Company has not granted any loans or advances, in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year.

#### (iv) Compliance of Sec. 185 & 186



Corporate / Regd. Office: B-30, Connaught Place, Kuthiala Building, New Delhi – 110001  
Phone : 43259900, Fax : 43259930, E-mail : [delhi@trchadha.com](mailto:delhi@trchadha.com)

Branches at: ♦ Ahmedabad ♦ Bengaluru ♦ Chennai ♦ Gurgaon ♦ Hyderabad ♦ Pune ♦ Tirupati ♦ Vadodara ♦ Noida

# T R Chadha & Co LLP

## Chartered Accountants

502, Marathon Icon,  
Off. Ganpatrao Kadam Marg  
Opp. Peninsula Corporate Park  
Lower Parel, Mumbai – 400 013  
Tel.: 022-49669000  
Fax.: 022-49669023  
Email: [mumbai@trchadha.com](mailto:mumbai@trchadha.com)



The Company has not given loans or guarantees to directors or other persons in which a director is interested or provide security in connection with a loan and as such section 185 of the Companies Act is not applicable. The Company has not made any investment, accordingly compliance of Section 186 of the Companies Act, 2013 is not applicable to the company.

### (v) Public Deposit

The Company has not accepted any deposits or amounts which are deemed to be deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Act and the Rules framed there under apply. Accordingly, reporting under paragraph 3(v) of the Order is not applicable to the Company.

### (vi) Cost Records

The Central Government has not prescribed the maintenance of cost records under sub section (1) of section 148 of the Companies Act. Accordingly, the provision of paragraph 3(vi) of the Order is not applicable to the Company.

### (vii) Statutory Dues

(a) The amounts deducted / accrued in the books of account in respect of undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income tax, cess and other applicable statutory dues have generally been regularly deposited by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of sales tax, goods and service tax, value added tax, duty of customs and duty of excise;

There were no undisputed amounts payable in respect of goods and services tax, provident fund, employees' state insurance, income tax, cess and other applicable statutory dues which were in arrears as at March 31, 2022, for a year of more than six months from the date they become payable;

(b) The company does not have any disputed statutory dues referred to in sub-clause (a) above, Accordingly, the provision of paragraph 3(vii)(b) of the Order is not applicable to the Company.

(viii) As disclosed by management in note 41(f) of the financial statement, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

### (ix) Application & Repayment of Loans & Borrowings

Corporate / Regd. Office: B-30, Connaught Place, Kuthiala Building, New Delhi – 110001  
Phone : 43259900, Fax : 43259930, E-mail : [delhi@trchadha.com](mailto:delhi@trchadha.com)



Branches at: ♦ Ahmedabad ♦ Bengaluru ♦ Chennai ♦ Gurgaon ♦ Hyderabad ♦ Pune ♦ Tirupati ♦ Vadodara ♦ Noida

# T R Chadha & Co LLP

## Chartered Accountants

502, Marathon Icon,  
Off. Ganpatrao Kadam Marg  
Opp. Peninsula Corporate Park  
Lower Parel, Mumbai – 400 013  
Tel.: 022-49669000  
Fax.: 022-49669023  
Email: [mumbai@trchadha.com](mailto:mumbai@trchadha.com)



- (a) The Company has not defaulted in the repayment of borrowings or repayment of interest thereon on the to any lender, during the period.
- (b) As disclosed by the management in note 41(c) of the financial statements, the Company has not been declared as willful defaulter by any bank or financial institution or other lender.
- (c) No term loan has been availed by the company during the year. Accordingly, the provision of paragraph 3(ix)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) The company does not have any subsidiary or joint ventures or associate. Accordingly, the provision of paragraph 3(ix)(e) of the Order is not applicable to the Company.
- (f) The company does not have any subsidiary. Accordingly, the provision of paragraph 3(ix)(f) of the Order is not applicable to the Company.

### (x) Application of funds raised through Public Offer

- (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under paragraph 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares / fully or partially or optionally convertible debentures during the year and accordingly, reporting under paragraph 3(x)(b) of the Order is not applicable to the Company.

### (xi) Fraud

- (a) No fraud by the Company or any fraud on the Company has been noticed or reported during the course of our audit nor have we been informed of any such case by the management.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.



Corporate / Regd. Office: B-30, Connaught Place, Kuthiala Building, New Delhi – 110001  
Phone : 43259900, Fax : 43259930, E-mail : [delhi@trchadha.com](mailto:delhi@trchadha.com)

Branches at: ❖ Ahmedabad ❖ Bengaluru ❖ Chennai ❖ Gurgaon ❖ Hyderabad ❖ Pune ❖ Tirupati ❖ Vadodara ❖ Noida



# T R Chadha & Co LLP

## Chartered Accountants

502, Marathon Icon,  
Off. Ganpatrao Kadam Marg  
Opp. Peninsula Corporate Park  
Lower Parel, Mumbai – 400 013  
Tel.: 022-49669000  
Fax.: 022-49669023  
Email: [mumbai@trchadha.com](mailto:mumbai@trchadha.com)



- (c) As Section 177(9) of the Companies Act, 2013 is not applicable to the Company accordingly reporting under paragraph 3(xi)(c) of the Order is not applicable to the Company.
- (xii) The Company is not a Nidhi Company and hence reporting under paragraph 3 (xii) of the Order is not applicable to the Company.
- (xiii) In our opinion, the Company is in compliance with section 177 and 188 of the Companies Act, 2013, with respect to transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) **Internal Audit**  
(a) In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business;  
(b) We have considered the reports of internal auditors issued to the Company for the year under audit.
- (xv) During the year, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. Accordingly, reporting under paragraph 3(xv) of the Order is not applicable to the Company.
- (xvi) **Registration u/s 45-IA of RBI Act**  
(a) The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and it has obtained certificate of registration dated February 04, 2013.  
(b) The Company has a valid certificate of registration from Reserve Bank of India;  
(c) The Company is not a core investment company and accordingly, reporting under paragraph 3(xvi)(c) of the Order is not applicable to the company.  
(d) As represented to us, the Group does not have any core investment company as part of the Group and accordingly, reporting under paragraph 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has incurred cash losses of Rs. 2,388.57 lakhs during the current financial year covered and Rs 7,641.63 lakhs the immediately preceding financial year;
- (xviii) As per RBI circular no. RBI/2021-22/25 Ref No. DoS.CO.ARG/SEC.01/08.91.001/2021-22 dated April 27, 2021, the Statutory Auditors have resigned upon completion of their term of appointment as per the requirement of the said circular. There has not been any issues, concerns or objections raised by the outgoing auditors, based on our communication with outgoing auditor as required under ICAI Code of Ethics;



# T R Chadha & Co LLP

## Chartered Accountants

502, Marathon Icon,  
Off. Ganpatrao Kadam Marg  
Opp. Peninsula Corporate Park  
Lower Parel, Mumbai – 400 013  
Tel.: 022-49669000  
Fax.: 022-49669023  
Email: [mumbai@trchadha.com](mailto:mumbai@trchadha.com)



- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a year of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a year of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) As disclosed by management in note 39 of the financial statements, the Company was not required to spend any amount towards CSR as per Section 135 of the Companies Act, 2013, accordingly, reporting under paragraph 3(xx) of the Order is not applicable to the company.

For T R Chadha & Co LLP  
Chartered Accountants  
Firm Regn. No: 006711N/N500028

**Pramod Tilwani**  
Partner  
Membership No. 076650  
UDIN: 22076650AYLKT3908

Place: Mumbai  
Date: September 30, 2022



# T R Chadha & Co LLP

## Chartered Accountants

502, Marathon Icon,  
Off. Ganpatrao Kadam Marg  
Opp. Peninsula Corporate Park  
Lower Parel, Mumbai – 400 013  
Tel.: 022-49669000  
Fax.: 022-49669023  
Email: [mumbai@trchadha.com](mailto:mumbai@trchadha.com)



### Annexure– B

**To The Independent Auditor's Report of Even Date on the Financial Statements for the year ended March 31, 2022, of AEON CREDIT SERVICE INDIA PRIVATE LIMITED ("the Company")**

**Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

#### Opinion

1. We have audited the internal financial controls with reference to financial statements of **AEON Credit Service India Private Limited ("the Company")** as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

#### Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 ('Act').

#### Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit.

We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to financial statements, both applicable to an audit of Internal Financial controls with reference to financial statements.



# T R Chadha & Co LLP

## Chartered Accountants

502, Marathon Icon,  
Off. Ganpatrao Kadam Marg  
Opp. Peninsula Corporate Park  
Lower Parel, Mumbai – 400 013  
Tel.: 022-49669000  
Fax.: 022-49669023  
Email: [mumbai@trchadha.com](mailto:mumbai@trchadha.com)



Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

### Meaning of Internal Financial Controls with reference to financial statements

4. A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls with reference to financial statements

5. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial



# T R Chadha & Co LLP

## Chartered Accountants

502, Marathon Icon,  
Off. Ganpatrao Kadam Marg  
Opp. Peninsula Corporate Park  
Lower Parel, Mumbai – 400 013  
Tel.: 022-49669000  
Fax.: 022-49669023  
Email: [mumbai@trchadha.com](mailto:mumbai@trchadha.com)



statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### For T R Chadha & Co LLP

Chartered Accountants

Firm Registration No. 006711N/N500028

Pramod Tilwani  
Partner

Membership No. 076650



**UDIN:** 22076650AYLKT3908

**Place:** Mumbai

**Date:** September 30, 2022



**AEON CREDIT SERVICE INDIA PRIVATE LIMITED**  
**Balance Sheet as at March 31, 2022**

Particulars	Note No.	Amount in Rs '000	
		As at March 31, 2022	As at March 31, 2021
<b>I EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' funds</b>			
(a) Share capital	3	3,200,000.00	3,200,000.00
(b) Reserves and surplus	4	(2,951,259.74)	(2,634,769.89)
		<b>248,740.26</b>	<b>565,230.11</b>
<b>(2) Non-current liabilities</b>			
(a) Deferred tax liability (net)	30	-	-
(b) Long-term provisions	5	14,872.39	13,958.84
<b>(3) Current liabilities</b>			
(a) Short-term borrowings	6	1,577,000.00	976,500.00
(b) Trade payables	7	-	-
(i) Total outstanding dues of Micro, Small and Medium Enterprises		-	108.81
(ii) Total outstanding dues of other than Micro, Small and Medium Enterprises		773.40	8,115.83
(c) Other current liabilities	8	46,368.34	84,094.82
(d) Short-term provisions	9	5,598.80	5,027.47
		<b>1,629,740.54</b>	<b>1,073,847.93</b>
<b>TOTAL</b>		<b>1,893,353.19</b>	<b>1,653,036.89</b>
<b>II ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, plant and equipment & Intangible Assets	10		
(i) Property, plant and equipment		31,342.06	52,779.66
(ii) Intangible assets		100,956.78	138,539.11
(iii) Capital work-in-progress		44,021.68	49,613.48
(b) Receivables under financing activity - Non-current	11	713,377.92	1,048,191.32
		<b>889,698.44</b>	<b>1,289,123.58</b>
<b>(2) Current assets</b>			
(a) Receivables under financing activity - Current	12	873,216.32	201,452.19
(b) Cash and cash equivalents	13	10,498.19	15,749.88
(c) Short-term loans and advances	14	34,170.29	39,691.96
(d) Other current assets	15	85,769.94	107,017.28
		<b>1,003,654.75</b>	<b>363,912.31</b>
<b>TOTAL</b>		<b>1,893,353.19</b>	<b>1,653,036.89</b>

See accompanying notes forming part of the Financial Statements  
**As per our report of even date**

**For T R Chadha & Co LLP**

**Chartered Accountants**

Firm Registration Number-006711N/N500028

**Pramod Niwani**

**Partner**

Membership No- 076650



**For AEON Credit Service India Private Limited**

**Kelichi Nambu**

**Managing Director**

(DIN:09646771)

**K.P Sunil**

**Executive Director**

(DIN:09199165)

**Sanjaya Kumar Dash**

**Company Secretary**

(M.No.F7043)



**Place: Mumbai**

**Date: 30th September 2022**

**AEON CREDIT SERVICE INDIA PRIVATE LIMITED**  
**Statement of Profit and Loss for the year ended March 31, 2022**

Amount in Rs '000

Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
I Revenue from operations	16	213,767.74	300,312.17
II Other income	17	149,499.45	34,362.71
III <b>Total Income (I+II)</b>		<b>363,267.18</b>	<b>334,674.88</b>
IV <b>Expenses</b>			
Employee benefits expense	18	201,748.19	297,543.69
Finance costs	19	56,668.69	82,565.57
Depreciation/Amortisation expense	10	77,331.67	77,472.41
Other expenses	20	344,008.48	717,495.85
<b>Total Expenses</b>		<b>679,757.04</b>	<b>1,175,077.52</b>
V <b>Loss before tax</b>		<b>(316,489.86)</b>	<b>(840,402.65)</b>
VI <b>Less: Tax expense</b>			
(i) Current tax expense		-	-
(ii) Deferred tax	30	-	-
VII <b>Loss after tax</b>		<b>(316,489.86)</b>	<b>(840,402.65)</b>
VIII <b>Earnings per share (Face value of shares Rs. 10 each)</b>	29		
(i) Basic		(0.99)	(3.18)
(ii) Diluted		(0.99)	(3.18)

See accompanying notes forming part of the Financial Statements

2-44

As per our report of even date

For T R Chadha & Co LLP  
Chartered Accountants  
Firm Registration Number-006711N/N500028

Pramed Tilwani  
Partner  
Membership No- 076650

Place: Mumbai  
Date 30th September 2022



For AEON Credit Service India Private Limited

  
Keiichi Nambu  
Managing Director  
(DIN:09646771)

  
K.P. Sunil  
Executive Director  
(DIN:09199165)

  
Sanjaya Kumar Dash  
Company Secretary  
(M.No.F7043)



**AEON CREDIT SERVICE INDIA PRIVATE LIMITED**  
**Cash Flow Statement for the year ended March 31, 2022**

Amount in Rs '000

Particulars	For the year ended March, 2022	For the year ended March, 2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Loss before tax	(316,490)	(840,403)
<i>Adjustment for:</i>		
Depreciation and amortisation expense	77,332	77,472
Interest from banks on deposits	(76)	(50)
Interest income from financing activity	(193,076)	(286,574)
Interest on borrowings	54,029	79,343
Write off of Security Deposit	1,195	1,170
Loss on sale of Property, plant and equipment	-	557
Provision for retirement benefits	1,184	614
Provision for doubtful receivables under financing activity	(233,803)	182,234
Contingent provision against standard assets	301	(1,233)
Provision for unrealized Input Tax Credit	-	47,945
(Gain) / Loss on foreign exchange translation (net)	558	(32)
	<b>(292,357)</b>	<b>101,446</b>
<i>Operating Loss before Working Capital changes</i>	<b>(608,847)</b>	<b>(738,955)</b>
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Receivables under financing activity - Non current	417,245	278,921
Receivables under financing activity - Current	(520,392)	153,142
Long-term loans and advances	-	(5,905)
Other current assets	25,250	(15,058)
Short-term loans and advances	(27,398)	(26,388)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	(7,451)	(1,308)
Other current liabilities	(37,726)	(6,561)
<b>Cash used in operations after working capital changes and before adjustments for interest received and interest paid</b>	<b>(759,319)</b>	<b>(362,112)</b>
Interest received	221,997	273,057
Interest paid	(54,029)	(79,343)
<b>Cash used in operations</b>	<b>(591,350)</b>	<b>(168,400)</b>
Income-tax paid (taxes deducted at source) (net)	-	881
<b>NET CASH FLOW USED IN OPERATING ACTIVITIES (A)</b>	<b>(591,350)</b>	<b>(167,518)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Interest from banks on deposits	76	28
Purchase of Property, plant and equipment including capital advance	(17,648)	(61,059)
Proceeds from deposits not considered as cash and cash equivalents	337	529
Sale of property, plant and equipment	1,134	194
Bank balance not considered as cash and cash equivalents - Placed	1,629	(1,558)
<b>NET CASH USED IN INVESTING ACTIVITIES (B)</b>	<b>(14,474)</b>	<b>(61,865)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
(Repayment) / Proceeds from unsecured working capital demand loan	600,500	(488,000)
Proceeds from issue of share capital	-	700,000
<b>NET CASH FROM FINANCING ACTIVITIES (C)</b>	<b>600,500</b>	<b>212,000</b>
<b>NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>(5,324)</b>	<b>(17,383)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>14,192</b>	<b>31,576</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>8,869</b>	<b>14,190</b>
	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Cash in hand	-	-
Balance with banks:		
In current accounts	8,869	14,192
In other deposit accounts	1,629	1,558
<b>Cash and cash equivalents as at the end of the year</b>	<b>10,498</b>	<b>15,750</b>
<b>Reconciliation of Cash and cash equivalents with the Balance Sheet:</b>		
Cash and cash equivalents (Refer note 13)	10,498	15,750
Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3		
<i>Cash Flow Statements:</i>		
In other deposit accounts		-
- original maturity more than 3 months	1,629	1,558
<b>Net Cash and cash equivalents (as defined in AS 3 Cash Flow Statements)</b>	<b>8,869</b>	<b>14,192</b>

See accompanying notes forming part of the Financial Statements (2-44)  
In terms of our report attached

For T R Chadha & Co LLP  
Chartered Accountants  
Firm Registration Number-006711N/N500028

Pramod Tilwani  
Partner  
Membership No- 076650



Place: Mumbai  
Date: 30th September, 2022

For AEON Credit Service India Private Limited

Keiichi Nambu  
Managing Director  
(DIN:09646771)

K.P Sunil  
Executive Director  
(DIN:09199165)

Sanjaya Kumar Dash  
Company Secretary  
(M.No.F7043)





## AEON CREDIT SERVICE INDIA PRIVATE LIMITED

### NOTES FORMING PART OF THE FINANCIAL STATEMENTS

#### 1. Background of the Company

AEON Credit Service India Private Limited (the "Company") was incorporated on March 9, 2011. The Company has obtained a license from the Reserve Bank of India to carry out Non-Banking Financial activities with effect from February 4, 2013. The Company is in the business of financing the purchase of consumer durables, two-wheelers, used cars, commercial cars and granting of personal loans.

#### 2. Significant Accounting Policies

##### a) Basis for preparation of accounts

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India ("Indian GAAP") to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Accounting Standards) Rules, 2006, as amended ("Accounting Standards"). Further, the Company follows the Reserve Bank of India (RBI) Directions issued for Non-Banking Financial Companies (NBFC). The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

Current assets do not include elements which are not expected to be realized within one year and current liabilities do not include items which are due after one year.

##### b) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the reported amounts of revenue and expenses during the reporting year. Examples of such accounting estimates include employee benefits, assessment of income taxes and useful lives of fixed assets. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year or in the year of the revision and future years if the revision affects both current and future years.

##### c) Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation/amortisation. Cost comprises the purchase price and any cost directly attributable to bringing the asset to its working condition for its intended use.

##### d) Intangible assets

Intangible assets comprising of computer software are stated at cost of acquisition, including any cost attributable for bringing the same to its working condition for its intended use, less accumulated amortisation and impairment

##### e) Impairment of Property, plant and equipment

At each Balance Sheet date, the management reviews the carrying amounts of its assets to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. An impairment loss is recognised in the Statement of Profit and Loss for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's net selling price and value in use. In assessing the value in use, the estimated future cash flows expected from the continuing use of asset and from its ultimate disposal are discounted to the present value using a pre-determined discount rate that reflects the current market assessments of the time value of money and risks specific to the asset.

Reversal of impairment loss is recognized immediately as income in the Statement of Profit and Loss.

##### f) Depreciation/Amortisation

Depreciation/amortisation is provided using the Straight Line Method (SLM) at the following useful life which are higher than or equal to the useful lives specified in Schedule II to the Companies Act, 2013:

Assets	Useful Life in years
Furniture and fixtures	5
Office equipment	5
Computers	2



Server (included in Computers)	5
Computer software	5

Leasehold improvements are amortized over the unexpired period of lease.

g) Revenue Recognition

Income from loan transactions is accounted for by allocating finance income on a systematic basis over the tenure of the loan. No income is recognized on non-performing assets as per the prudential norms for income recognition by the Reserve Bank of India for Non-Banking Financial Companies (NBFCs). Interest income on such assets is recognized on receipt basis.

Upfront processing fees collected from the customer for processing loans are primarily towards documentation charges. This is accounted as income when the amount becomes due provided the recovery thereof is not uncertain.

Penalty recovered for banking instruments dishonored are recognized on receipt basis.

Interest income on fixed deposit is accounted for on accrual basis.

h) Receivables under financing activity

- i. Receivables under financing activity represent principal and matured finance charges outstanding at the close of the year net of amount provided.
- ii. The Company assesses all receivables for their recoverability and accordingly makes provisions for non-performing assets as considered necessary. The Company provides for entire receivables, where the installments are overdue for a period exceeding 3 months which includes provision on standard assets and the additional provision on moratorium cases in terms of RBI circular RBI/2019-20/220/DOR.No.BP.BC.63/21.04.048/2020-21 dated April 17, 2020. The Company ensures that the said provisions are not lower than the provisions stipulated by the Reserve Bank of India (the "RBI").
- iii. A general provision is made, as mentioned in (ii) above, by the Company on the standard assets and disclosed under "Short terms provisions" in Note 9 in the financial statements as required by the RBI.

i) Leases

Leases are classified as finance lease whenever the terms of the lease transfer substantially all the risk and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are recognized as assets of the Company at their fair value at the inception of lease or, if lower, at the present value of the minimum lease payments as determined at the inception of lease. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of liability. Finance charges are recognized in the Statement of Profit and Loss.

Lease rentals under operating lease are recognized in the Statement of Profit and Loss on a straight-line basis.

j) Foreign currency transactions and translation

Foreign currency transactions are recorded at the exchange rates prevailing on the date of such transactions. Monetary assets and liabilities as at the Balance Sheet date are translated at the rate of exchange prevailing as at the date of the Balance Sheet. Gains or losses arising on account of difference in foreign exchange rates on settlement/translation of monetary assets and liabilities are recognized in the Statement of Profit and Loss. Non-monetary foreign currency items are measured in terms of historical cost using the exchange rate at the date of the transaction and are not retranslated.

k) Taxation

Tax expense/credit comprises of current tax and deferred tax.

Current tax:

Current tax expenses are determined in accordance with the provisions of the Income-tax Act, 1961.

Deferred tax:

Deferred tax assets and liabilities are measured using the tax rates which have been enacted or substantively enacted at the Balance Sheet date. Deferred tax expenses or benefit is recognised, subject to consideration of prudence, on timing differences being the difference between the taxable incomes and accounting income that originated in one year and are capable of reversing in one or more subsequent years.

Deferred tax assets are recognised for all deductible timing differences and are carried forward to the extent there is reasonable certainty that sufficient taxable profit will be available to realise these assets.



In the event of unabsorbed depreciation and carry forward losses, deferred tax asset is recognised only to the extent there is a virtual certainty supported by convincing evidence that sufficient taxable income will be available to realise these assets.

l) Employee Benefits

i. Gratuity:

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or a part thereof in excess of six months. Vesting occurs upon completion of five years of service. The Company accounts for the liability for gratuity benefits payable in future based on an independent actuarial valuation.

ii. Provident Fund:

The eligible employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employee's salary (currently 12% of employee's salary). The contributions as specified under the law are paid to respective Regional Provident Fund.

iii. Compensated absences:

The Company's liabilities towards compensated absences are determined by an independent actuary as at the end of the reporting year, using the projected unit credit method.

m) Borrowing Costs

Borrowing costs attributable to the acquisition or construction of a qualifying asset is capitalized as a part of the cost of that asset. Other borrowing costs are recognized as expense in the year in which they are incurred.

n) Provisions and contingent liabilities

The Company recognises a provision when there is a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

o) Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

p) Cash flow statement

Cash flows are reported using the "indirect method", set out in the Accounting Standard 3 "Cash Flow Statements" and presents the cash flow by operating, investing and financing activities of the Company.

Cash and cash equivalents presented in cash flow statement consists of cash in hand and unencumbered, highly liquid bank and other balances that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

q) Earnings per share

The Company reports basic and diluted earnings per share (EPS) in accordance with the Accounting Standard 20 "Earnings per Share". Basic EPS is computed by dividing the net profit or loss for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss attributable to equity shareholders by weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.



**AEON CREDIT SERVICE INDIA PRIVATE LIMITED**  
Notes forming part of the Financial Statements as at March 31, 2022

**Note 3: Share capital**

Particulars	As at	Amount in Rs '000
	March 31, 2022	As at March 31, 2021
<b>A Authorised:</b>		
320,000,000 (2021: 320,000,000) Equity Shares of Rs. 10 each with voting rights	3,200,000.00	3,200,000.00
<b>B Issued, subscribed and fully paid-up</b>		
320,000,000 (2021: 320,000,000) Equity Shares of Rs. 10 each with voting rights	3,200,000.00	3,200,000.00

**Notes:**

**Note 3.1: Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:**

Particulars	Opening Balance	Fresh issue	Closing Balance
Equity Shares with voting rights -Issued, subscribed and fully paid-up			
Year ended March 31, 2022			
Number of shares ('000)	320,000.00	-	320,000.00
Amount in Rs '000	3,200,000.00	-	3,200,000.00
Year ended March 31, 2021			
Number of shares ('000)	320,000.00	-	320,000.00
Amount in Rs '000	3,200,000.00	-	3,200,000.00

**Note 3.2: Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates :**

Class of shares / Name of shareholder	As at March 31, 2022		As at March 31, 2021	
	Number of shares held	% holding	Number of shares held	% holding
Equity shares with voting rights				
AEON Financial Service Co., Ltd. Japan (Holding Company and promoter) ('000)	301,800.00	94%	301,800.00	94%
AEON Credit Service (M) Berhad, a subsidiary of the holding company ('000)	18,200.00	6%	18,200.00	6%

**Note 3.3: Details of shares held by each shareholder holding more than 5% shares:**

Class of shares / Name of shareholder	As at March 31, 2022		As at March 31, 2021	
	Number of shares held	% holding	Number of shares held	% holding
Equity shares with voting rights				
AEON Financial Service Co., Ltd. Japan ('000)	301,800.00	94%	301,800.00	94%
AEON Credit Service (M) Berhad ('000)	18,200.00	6%	18,200.00	6%

**Note 3.4: Rights, preferences and restrictions attached to equity shares:**

The Company has single class of equity shares. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts in proportion to their shareholding.

**Note 3.5: Disclosure of Shareholding of Promoters:**

Shares held by promoters at the end of the year	As at March 31, 2022		As at March 31, 2021
	Number of shares held	% holding	% change during the year
AEON Financial Service Co., Ltd. Japan ('000)	301,800.00	94%	No change

**Note 3.5:** Nil equity shares are reserved for issue under the employee stock option plan.

**Note 3.6:** There are no shares in the preceding 5 years allotted as fully paid up without payment being received in cash / bonus shares / bought back.



**AEON CREDIT SERVICE INDIA PRIVATE LIMITED**

Notes forming part of the Financial Statements as at March 31, 2022

	Amount in Rs '000	
	As at March 31, 2022	As at March 31, 2021
<b>Note 4: Reserves and surplus</b>		
Opening balance of Statement of Profit and Loss	(2,634,769.89)	(1,794,367.24)
Add: Loss for the year	(316,489.86)	(840,402.65)
Closing balance	<b>(2,951,259.74)</b>	<b>(2,634,769.89)</b>
<b>Note 5: Long-term provisions</b>		
Provision for employee benefits		
Gratuity	8,510.71	8,099.57
Compensated absences	6,361.68	5,859.28
<b>Total</b>	<b>14,872.39</b>	<b>13,958.84</b>
<b>Note 6: Short-term borrowings</b>		
Unsecured Working Capital demand loan from Bank*	<b>1,577,000.00</b>	<b>976,500.00</b>
* Working capital demand loan from bank are guaranteed by AEON Financial Service Co., Ltd. Japan		
<b>Note 7: Trade payables</b>		
Total outstanding dues of micro, small and medium enterprises (Refer Note 21)	-	108.81
Others- Total outstanding dues of creditors other than micro, small and medium enterprises (Refer Note 21 and Note 27)	773.40	8,115.83
<b>Total</b>	<b>773.40</b>	<b>8,224.65</b>
<b>Note 8: Other current liabilities</b>		
Other payables		
Statutory remittances	6,684.92	2,119.30
Expenses Payables	16,663.41	47,245.83
Salary and Bonus Payable to employees	3,613.33	7,880.68
Excess received from customer	12,131.25	12,971.22
Unallocated credit from customers	7,275.42	12,004.96
AEON Financial Service Co., Ltd. Japan (Refer Note 27)	-	490.74
AEON Credit Service Co., Ltd. Japan (Refer Note 27)	-	1,381.09
<b>Total</b>	<b>46,368.34</b>	<b>84,094.82</b>
<b>Note 9: Short Term Provisions</b>		
Provision for employee benefits		
Gratuity	636.41	485.05
Compensated absences	1,136.85	1,018.00
Contingent provision against standard assets (Refer Note 2(h)(iii))	3,825.54	3,524.42
<b>Total</b>	<b>5,598.80</b>	<b>5,027.47</b>





**AEON CREDIT SERVICE INDIA PRIVATE LIMITED**

Notes forming part of the Financial Statements as at March 31, 2022

**Note 10: Property, plant and equipment & Intangible Assets**

Particulars	Gross Block			Accumulated Depreciation / Amortisation				Net Block	
	As at March 31, 2021	Additions during the year	Deductions and adjustments	As at March 31, 2022	As at March 31, 2021	For the year	Deductions and adjustments	As at March 31, 2022	As at March 31, 2022
<b>Property, plant and equipment</b>									
Furniture and fixtures	11,831.42 (11,916.17)	- (224.50)	3,449.98 (309.25)	8,381.43 (11,831.42)	6,303.31 (4,238.95)	1,727.15 (2,185.35)	1,578.53 (120.99)	6,451.94 (6,303.31)	1,929.49 (5,528.10)
Office equipment	9,804.71 (9,769.79)	663.03 (43.92)	1,307.07 (8.99)	9,180.67 (9,804.71)	6,914.40 (5,489.09)	999.55 (1,426.70)	650.20 (1.39)	7,253.74 (6,914.40)	1,926.93 (2,890.32)
Leasehold improvements	49,706.48 (61,334.08)	(551.81)	18,888.75 (12,179.42)	30,817.73 (49,706.48)	30,903.36 (21,995.46)	13,415.17 (21,029.29)	17,444.18 (12,121.35)	26,874.37 (30,903.38)	3,943.36 (18,803.10)
Computers	108,146.25 (85,468.98)	9,770.49 (23,092.63)	1,300.66 (415.36)	116,615.08 (108,146.25)	82,588.11 (66,483.15)	11,346.21 (16,288.80)	861.52 (183.85)	93,072.80 (82,588.11)	23,542.28 (25,558.15)
<b>Total (A)</b>	<b>179,488.86</b> <b>(168,489.02)</b>	<b>10,453.52</b> <b>(23,912.85)</b>	<b>24,946.47</b> <b>(12,913.01)</b>	<b>164,994.91</b> <b>(179,488.86)</b>	<b>126,709.20</b> <b>(98,206.65)</b>	<b>27,479.08</b> <b>(40,930.13)</b>	<b>20,534.43</b> <b>(12,427.58)</b>	<b>133,653.85</b> <b>(126,709.20)</b>	<b>31,342.06</b> <b>(52,779.66)</b>
<b>Intangible Assets*</b>									
Computer software	212,070.49 (94,826.22)	12,787.76 (117,723.29)	517.50 (479.03)	224,340.75 (212,070.49)	73,531.37 (37,234.28)	49,852.59 (36,542.28)	(245.18)	123,383.97 (73,531.37)	100,956.78 (138,539.11)
<b>Total (B)</b>	<b>212,070.49</b>	<b>12,787.76</b>	<b>517.50</b>	<b>224,340.75</b>	<b>73,531.37</b>	<b>49,852.59</b>	<b>-</b>	<b>123,383.97</b>	<b>100,956.78</b>
Previous Year	(94,826.22)	(117,723.29)	(479.03)	(212,070.49)	(37,234.28)	(36,542.28)	(245.18)	(73,531.37)	(138,539.11)
<b>Total (A+B)</b>	<b>391,559.35</b>	<b>23,240.28</b>	<b>25,463.97</b>	<b>389,336.66</b>	<b>200,240.57</b>	<b>77,331.67</b>	<b>20,534.43</b>	<b>257,037.82</b>	<b>132,298.85</b>
Previous Year	(263,315.24)	(141,636.14)	(13,392.04)	(391,559.35)	(135,440.93)	(77,472.41)	(12,672.76)	(200,240.57)	(191,318.76)

Amount in Rs '000

The figures in bracket are the corresponding figures for the previous year.

\*There are no internally generated intangible assets.



**AEON CREDIT SERVICE INDIA PRIVATE LIMITED**

Notes forming part of the Financial Statements as at March 31, 2022

	As at March 31, 2022	Amount in Rs '000 As at March 31, 2021
<b>Note 11: Receivables under financing activity- Non current*</b>		
Outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	-	54,088.17
Unsecured, considered doubtful	-	52,507.46
	-	106,595.63
Less: Provision for doubtful receivables under financing activity	-	52,507.46
	-	54,088.17
Others		
Unsecured, considered good	698,729.60	994,103.15
Unsecured, considered doubtful	21,168.69	36,444.01
	719,898.28	1,030,547.16
Less: Provision for doubtful receivables under financing activity	6,520.36	36,444.01
	713,377.92	994,103.15
<b>Total</b>	<b>713,377.92</b>	<b>1,048,191.32</b>
<b>Note 12 : Receivables under financing activity- Current*</b>		
Outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	-	22,959.19
Unsecured, considered doubtful	-	45,261.63
	-	68,220.82
Less: Provision for doubtful receivables under financing activity	-	45,261.63
	-	22,959.19
Others		
Unsecured, considered good	831,486.54	178,493.00
Unsecured, considered doubtful	48,697.24	113,077.65
	880,183.78	291,570.65
Less: Provision for doubtful receivables under financing activity	6,967.46	113,077.65
	873,216.32	178,493.00
<b>Total</b>	<b>873,216.32</b>	<b>201,452.19</b>

\*The fair value of assets financed is not ascertainable and hence all the loans are disclosed as unsecured.



**AEON CREDIT SERVICE INDIA PRIVATE LIMITED**

Notes forming part of the Financial Statements as at March 31, 2022

Amount in Rs '000

	As at March 31, 2022	As at March 31, 2021
<b>Note 13: Cash and cash equivalents</b>		
Balances with banks: (Refer note below)		
In current accounts	8,869.20	14,192.38
In other deposit accounts	1,629.00	1,557.50
<b>Total</b>	<b>10,498.19</b>	<b>15,749.88</b>

**Note:**

Of the above, the balances that do not meet the definition of Cash and cash equivalents as per Accounting Standard ("AS") 3 Cash Flow Statements is Balances with banks- other deposits accounts aggregating Rs. 1,629 thousand(Previous year: Rs.1,557.50 thousand)

**Note 14: Short-term loans and advances**

(Unsecured, considered good, unless otherwise specified)

Advance to merchant and employees	34,170.29	6,772.78
<b>Total</b>	<b>34,170.29</b>	<b>6,772.78</b>

**Note 15: Other current assets**

Balances with government authorities	29,240.36	15,483.96
Prepaid expenses	15,628.46	22,911.13
Security deposits	12,396.09	25,862.39
Receivable from Group Companies	6.64	1,364.01
Receivable from Government of India towards Ex-gratia (Refer Note 36)	-	14,184.58
Interest accrued on deposits	26.33	21.88
Accrued interest from financing activity	28,472.06	57,393.05
Advance Income-tax (Tax deducted at source)	-	2,715.48
	<b>85,769.94</b>	<b>139,936.46</b>





**AEON CREDIT SERVICE INDIA PRIVATE LIMITED**

Notes forming part of the Financial Statements for the year ended March 31, 2022

Amount in Rs '000

	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Note 16: Revenue from operations</b>		
Interest income from financing activity	193,076.43	286,573.81
Processing fees	20,691.31	13,738.36
<b>Total</b>	<b>213,767.74</b>	<b>300,312.17</b>
<b>Note 17: Other income</b>		
Penalty recovered for banking instruments dishonoured	6,025.53	9,138.21
Recovery from written off asset	137,856.00	18,652.46
Interest from banks on deposits	75.95	49.89
Unallocated credit from customers written back	2,777.95	2,680.66
Miscellaneous income	2,351.52	3,608.03
Profit on sale of assets	394.96	
Interest Income on TA	17.53	233.46
<b>Total</b>	<b>149,499.45</b>	<b>34,362.71</b>
<b>Note 18: Employee benefits expense</b>		
Salaries, allowances and incentives (Refer Note 23 and Note 27)	188,066.82	263,721.98
Contribution to welfare fund (Refer Note 25)	11,097.97	12,603.99
Gratuity (Refer Note 25)	1,154.01	2,162.20
Staff welfare expenses (Refer Note 25)	1,429.39	3,256.99
<b>Total</b>	<b>201,748.19</b>	<b>281,745.16</b>
<b>Note 19: Finance costs</b>		
Interest on borrowings	54,028.85	79,342.55
Corporate guarantee fees (Refer Note 23 and 27)	2,179.45	2,778.14
Bank charges	460.39	440.21
Interest on delayed statutory payments	-	4.66
<b>Total</b>	<b>56,668.69</b>	<b>82,565.57</b>
<b>Note 20: Other expenses</b>		
Power and fuel	1,358.82	2,296.27
Rent including lease rentals (Refer Note 28)	31,139.30	51,843.84
Repairs and maintenance - Others	49,313.37	44,938.86
Insurance	1,621.20	1,382.13
Rates and taxes	2,227.06	6,443.38
Communication expenses	2,548.08	5,333.31
Travelling expenses	2,755.42	4,829.26
Postage and courier expenses	358.09	666.86
Printing and stationery	662.57	477.08
Legal and professional (Refer Note 23)	6,934.95	6,014.29
Agency charges	31,818.95	15,798.53
Payment to auditors (Refer Note below)	1,776.70	3,874.29
Customer credit appraisals	6,213.54	18,512.59
Transaction processing charges	2,268.78	4,225.46
Loss on sale of property, plant and equipment	3,795.88	159.43
Loss on disposal of property, plant and equipment	-	398.00
Brokerage	-	129.90
Business promotion (Refer Note 23)	9,026.13	4,413.74
Provision for doubtful receivables under financing activity	174,163.39	504,906.93
Contingent Provision against standard asset	301.12	(1,233.23)
Loss on foreign exchange translation (net)	558.22	607.93
Software expenses (Refer Note 23 and Note 27)	3,322.85	3,933.44
Security deposit written off	1,195.00	1,170.00
Office expenses	6,667.96	2,156.78
Recovery/Loss on Repossessed Assets	3,046.43	-
Provision for unutilised Input Tax Credit	-	47,945.12
Miscellaneous expenses (Refer Note 27)	934.65	1,990.19
<b>Total</b>	<b>344,008.48</b>	<b>733,294.38</b>
<b>Note:</b>		
Payments to the auditors comprises (including goods and services tax):		
As auditors-statutory audit	1,526.00	1,498.75
For taxation matters	218.00	381.50
For other services	32.70	1,994.04
<b>Total</b>	<b>1,776.70</b>	<b>3,874.29</b>



21. The identification of vendors as a "Supplier" under the Micro, Small and Medium Enterprises Development Act, 2006 has been done on the basis of the information provided by the vendors to the Company. This has been relied upon by the auditors.

Particulars	As at March 31, 2022 Rs. in '000	As at March 31, 2021 Rs. in '000
Amount remaining unpaid to any supplier as at the year end		
(i) Principal	-	10.88
(ii) Interest	-	-
Amount of interest paid in terms of Section 16 of the MSMED Act	-	-
Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year	-	-
Amount of interest accrued and remaining unpaid at the year end	-	-
Amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

22. Particulars of un-hedged foreign currency exposure as at the Balance Sheet Date:

**Exposures in foreign Currency**

Particulars	Foreign Curren cy	As at March 31, 2022			As at March 31, 2021		
		Exchange Rate	Amount in foreign currency (Rs.'000)	Amount in Rs.'000	Exchang e Rate	Amount in foreign currency (Rs.'000)	Amount in Rs.
<b>I. Assets</b>							
Receivables (trade & other)	-	-	-	-	-	-	-
<b>Total Receivable (A)</b>	-	-	-	-	-	-	-
Hedges by derivative / forward contracts (B)	-	-	-	-	-	-	-
Unhedged receivable (C=A-B)	-	-	-	-	-	-	-



Particulars	Foreign Currency	As at March 31, 2022			As at March 31, 2021		
		Exchange Rate	Amount in foreign currency (Rs.'000)	Amount in Rs.'000	Exchange Rate	Amount in foreign currency (Rs.'000)	Amount in Rs.'000
<b>II. Liabilities</b>							
Payables (trade & others)	JPY	0.6533	1,041.29	680.30	0.6613	2,830.75	1,871.83
Payables (trade & others)	USD	-	-	-	-	-	-
<b>Total Payables (D)</b>	<b>JPY</b>	<b>0.6533</b>	<b>1,041.29</b>	<b>680.30</b>	<b>0.6613</b>	<b>2,830.75</b>	<b>1,871.83</b>
<b>Total Payables (D)</b>	<b>USD</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Hedges by derivative / forward contracts (E)	-	-	-	-	-	-	-
Unhedged payables (F=D-E)	JPY	0.6533	1,041.29	680.30	0.6613	2,830.75	1,871.83
Unhedged payables (F=D-E)	USD	-	-	-	-	-	-
<b>Total Unhedged FC Exposures(G=C-F)</b>	<b>JPY</b>	<b>0.6533</b>	<b>1,041.29</b>	<b>680.30</b>	<b>0.6613</b>	<b>2,830.75</b>	<b>1,871.83</b>
<b>Total Unhedged FC Exposures(G=C-F)</b>	<b>USD</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.6613</b>	<b>2,830.75</b>	<b>1,871.83</b>

**23. Expenditure in foreign currency (on accrual basis):**

Particulars	For the year ended March 31, 2022 Rs. in '000	For the year ended March 31, 2021 Rs. in '000
Salaries, allowances and incentives	13,521.74	57,294.54
Corporate guarantee fees	2,179.45	2,778.14
Rent	1,087.66	-
Business promotion	-	-
Software expenses	8,585.02	3,933.44
Membership and Subscription	-	158.87

**24. Contingent Liabilities and Commitments:**

During the year FY 2017-2018, the CIT (Appeals), with respect to the demand of Rs. 1,051.03 thousand for income tax disallowances for AY 2012-13, had decided the matter in favour of the Company. Pursuant to the CIT (Appeals) order, the Company had received refund of Rs.1,306.93 thousand. However, the order giving effect of the appeal is pending to be received by the Company.

**25. Defined Contribution plan:**

- The Company makes Provident Fund contributions to a defined contribution plan administered by the Regional Provident Fund Commissioner. Under the scheme, the Company is required to contribute a specified percentage of payroll costs to fund the benefits. The Company has recognized Rs.9,911.78 thousand (2021: Rs. 12,603.99 thousand) for Provident Fund contribution in the Statement of Profit and Loss for the year ended March 31, 2022.



The contribution made by the Company is in accordance with the rules framed by the Government from time to time.

The Company makes contributions to Employees' State Insurance Corporation at a specified percent of basic salary. The Company has recognized Rs.1,114.10 thousand (2021: Rs.1798.10 thousand) for Employees' State Insurance Contribution under staff welfare expenses in the Statement of Profit and Loss for the year ended March 31, 2022.

- ii. The Company operates un-funded defined benefit plan for gratuity. The plan provides for a lump sum payment to employee, at retirement, death while in service or on termination of employment of an amount equivalent to 15 days salary for each completed year of service or a part thereof in excess of six months. Vesting occurs upon completion of five years of continuous service. The detail of gratuity plan is as follows:

Description	For the year ended March 31, 2022 Amount in Rs. '000	For the year ended March 31, 2021 Amount in Rs.'000
<b>1. Reconciliation of opening and closing balances of obligation</b>		
a. Opening obligation	8,584.61	7,568.15
b. Current service cost	1,914.63	2,238.82
c. Interest cost	574.76	510.49
d. Actuarial (gain) / losses	(1,335.39)	(587.11)
e. Benefits Paid	(591.50)	(1,145.73)
f. Closing obligation	9,147.12	8,584.62
<b>2. Expense recognised in the Statement of Profit and Loss</b>		
a. Current service cost	1,914.63	2,238.82
b. Interest cost	574.76	510.49
c. Actuarial (gain) / losses	(1,335.39)	(587.11)
d. Expense recognised in the year	1,154.01	2,162.20
<b>3. Amount recognised in Balance Sheet</b>		
a. Fair value of plan assets as at the year end	-	-
b. Present value of obligation as at the year end	9,147.12	8,584.61
c. Amount recognised in Balance Sheet	9,147.12	8,584.61
<b>4. Actuarial Assumptions</b>		
a. Discount rate (p.a.)	7.20%	6.70%
b. Mortality base	Indian Assured Lives Mortality (2012-14) Ult table	Indian Assured Lives Mortality (2012-14) Ult table
c. Turnover rate	3% - 10%	3% - 10%
d. Salary escalation rate	4%	4%
e. Normal retirement age	58 years	58 years

Description	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2018
	Rs. in '000	Rs. in '000	Rs. in '000	Rs. in '000	Rs. in '000
<b>5. Experience Adjustments</b>					
a. Present value of obligation	9,147.12	8,584.61	7,568.15	5,106.69	4,168.25
b. Experience adjustment on plan liabilities	(886.67)	(630.02)	342.34	(506.23)	(276.06)



The estimate of future salary increases considering the inflation, seniority, promotion and other relevant factors.

- iii. Compensated absences which are not expected to occur within twelve months after the end of the period in which an employee renders the related service are recognized as liability at the present value of defined benefit obligation as at the Balance Sheet date. Accordingly, an amount of Rs. 3948.10 thousand has been charged to the Statement of Profit and Loss for the year ended March 31, 2022 (March 31, 2021: Rs.1556.04 thousand)

26. The Company is engaged in the business of financing the purchase of consumer durables, vehicles and granting of personal loans in India, which in the context of Accounting Standard 17 "Segment Reporting" constitutes a single reportable business segment.

27. As per Accounting Standard 18 "Related Party Disclosures", the disclosure of transactions with related parties are given below:

List of related parties with whom transactions have taken place and relationship:

**(a) Related Party with whom control exists:**

Holding Company

AEON Financial Service Co., Ltd. Japan

**(b) Other Related Parties with whom the Company has transactions:**

Fellow Subsidiary

AEON Credit Service (M) Berhad

AEON Credit Service Co., Ltd. Japan

AEON Credit Service Systems (Philippines) INC.

AEON Bank Ltd.

Key Management Personnel

Daisuke Maeda (up to 30<sup>th</sup> June, 2021)

Hideo Tanaka (w.e.f. 01<sup>st</sup> July, 2021 till 1<sup>st</sup> December 2021)

Tomo Sato

Masaki Watanabe (up to 26<sup>th</sup> June 2020)

Sanjaya Kumar Dash

K. P. Sunil (w.e.f. 01<sup>st</sup> July, 2021)

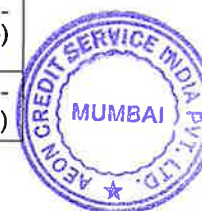




(c) Transactions with related parties during the year and balance as at the year-end:

Amount in Rs.in '000

Nature of transactions	Holding Company	Fellow Subsidiaries				Key Management Personnel
	AEON Financial Service Co., Ltd. Japan	AEON Credit Service Co., Ltd. Japan	AEON Credit Service (M) Berhad	AEON Credit Service Systems (Philippines) INC.	AEON Bank Ltd.	
<b>Remuneration:</b>						
Daisuke Maeda	- (-)	- (-)	- (-)	- (-)	- (-)	4,131.66 (24,238.65)
Tomo Sato	- (-)	- (-)	- (-)	- (-)	- (-)	11,059.10 (16,057.51)
Masaki Watanabe	- (-)	- (-)	- (-)	- (-)	- (-)	- (6,339.36)
Sanjaya Kumar Dash	- (-)	- (-)	- (-)	- (-)	- (-)	6,261.00 (5,818.50)
K. P. Sunil						8,084.97 (7,576.38)
<b>Issue of Share Capital</b>	- (700,000.00)	- (-)	- (-)	- (-)	- (-)	- (-)
<b>Purchase of software (including Capital work-in-progress)</b>	- (-)	- (-)	- (-)	- (3,669.65)	- (-)	- (-)
<b>Corporate guarantee fees</b>	2,179.45 (2,778.14)	- (-)	- (-)	- (-)	- (-)	- (-)
<b>Software Expenses</b>	3,322.85 (-)	- (-)	- (-)	5,262.17 (3,933.44)	- (-)	- (-)
<b>Reimbursement of Salaries, allowances and incentives</b>	13,521.74 (5,061.17)	- (-)	- (-)	- (-)	- (-)	- (-)
<b>Training (included in other expenses)</b>	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
<b>Staff welfare (included in employee benefits expense)</b>	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
<b>Rent</b>	1,087.66 (-)	- (-)	- (-)	- (-)	- (-)	- (-)



Nature of transactions	Holding Company	Fellow Subsidiaries				Key Management Personnel
	AEON Financial Service Co., Ltd. Japan	AEON Credit Service Co., Ltd. Japan	AEON Credit Service (M) Berhad	AEON Credit Service Systems (Philippines) INC.	AEON Bank Ltd.	
Balances as at March 31, 2022						
Other Current Liabilities:						
Payable to AEON Credit Service (M) Berhad*	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
Payable to AEON Financial Service Co., Ltd. Japan*	- (490.74)	- (-)	- (-)	- (-)	- (-)	- (-)
Payable to AEON Credit Service Co., Ltd. Japan*	- (-)	680.30 (1,381.09)	- (-)	- (-)	- (-)	- (-)
Payable to AEON Bank Ltd.*	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
Trade Payables (including payable for Property Plant and Equipment):						
Payable to AEON Credit Service Systems (Philippines) INC.	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
Other Current Assets:						
Receivable from AEON Financial Service Co., Ltd. Japan*	- (1,364.01)	- (-)	- (-)	- (-)	- (-)	- (-)
Receivable from AEON Credit Service (M) Berhad*			6.64 (-)			

\*Represents reimbursement of salary and other expenses paid on behalf of the Company.  
During the year there were no amounts written off and written back from related parties.  
Note: Figures in bracket relate to previous year.



28. (a) Disclosures in respect of assets taken on non-cancellable operating lease under Accounting Standard (AS) 19 – "Leases".

The Company has taken office premises, residential flats and software on lease. Terms of lease includes operating term for renewal, increase in rent in future period and terms for cancellation where applicable. The lease rental payments are included in "Rent including lease rentals" in Note no. 20.

The minimum lease payments to be made in future towards non-cancellable lease agreements are follows:

Estimated future minimum payments under non-cancellable operating leases	As at March 31, 2022 Rs. in '000	As at March 31, 2021 Rs. in '000
Not later than one year	21,303.00	38,112.83
Later than one year and not later than five years	940.48	30,893.67
Later than five years	-	-
<b>Total</b>	<b>22,243.47</b>	<b>69,006.50</b>

29. Earnings per equity share:

Particulars		For the year ended March 31, 2022 Rs. in '000	For the year ended March 31, 2021 Rs. in '000
Loss after Tax	A	(316,484.66)	(840,402.65)
Weighted Average number of Equity Shares	B	320,000,000	320,000,000
Basic and Diluted Earnings per share	A/B	(0.99)	(3.18)
Nominal Value of Equity Shares (Rupees)		10	10

30. Deferred tax:

Deferred tax assets in respect of timing differences have not been recognized during the period because it is not considered probable that future taxable profit will be available against which they can be realized.

31. Disclosure of details as required by Revised Para 19 of Non-Banking Financial Company – Non-Systematically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 (updated as on February 17, 2020), earlier Para 13 of Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 2007, earlier Para 9BB of Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1999.

**Liabilities Side:**

Amount in Rs.'000

Particulars	Amount Outstanding		Amount Overdue	
	March, 2022	March, 2021	March, 2022	March, 2021
1) Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:				
a) Debentures:				
Secured	-	-	-	-
Unsecured	-	-	-	-
(other than those falling within the meaning of public deposit)				
b) Deferred Credits	-	-	-	-
c) Term Loans	-	-	-	-
d) Inter-corporate loans and borrowing	-	-	-	-
e) Commercial Paper	-	-	-	-
f) Public Deposits	-	-	-	-
g) Other loans (Working capital demand loan)	1,577,000.00	976,500.00	-	-





2) Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):				
a) In the form of Unsecured debentures	-	-	-	-
b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-	-	-
c) Other public deposits	-	-	-	-

**Assets side:**

Amount in Rs. '000

Particulars	Amount Outstanding	
	March, 2022	March, 2021
3) Break-up of Loans and Advances including bills receivables (other than those included in (4) below) :		
a) Secured		-
b) Unsecured	1,586,594.24	1,249,643.51
4) Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities	-	-
i) Lease assets including lease rentals under sundry debtors:		
(a) Financial Lease	-	-
(b) Operating Lease	-	-
ii) Stock on hire including hire charges under sundry debtors:		
(a) Assets on hire	-	-
(b) Repossessed Assets	-	-
iii) Other loans counting towards asset financing activities:		
(a) Loans where assets have been repossessed	-	-
(b) Loans other than (i) above	-	-
5) Break-up of Investments		
Current Investments:		
1) <b>Quoted:</b>		
(i) Shares:		
(a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of Mutual Funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-
2) <b>Unquoted:</b>		
(i) Shares:		
(a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of Mutual Funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-
Long-Term Investments		
1) <b>Quoted:</b>		
(i) Shares:		
(a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of Mutual Funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-
2) <b>Unquoted:</b>		
(i) Shares:		



(a) Equity		
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of Mutual Funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-

6) Borrower group-wise classification of assets financed as in (3) and (4) above

Amount in Rs.'000

Particulars	Amount net of provisions					
	Secured		Unsecured		Total	
	March, 2022	March, 2021	March, 2022	March, 2021	March, 2022	March, 2021
1) Related Parties						
(a) Subsidiaries	-	-	-	-	-	-
(b) Companies in the same group	-	-	-	-	-	-
(c) Other related Parties	-	-	-	-	-	-
2) Other than related parties	-	-	1,586,594.24	1,249,643.51	1,586,594.24	1,249,643.51
<b>TOTAL</b>	-	-	<b>1,586,594.24</b>	<b>1,249,643.51</b>	<b>1,586,594.24</b>	<b>1,249,643.51</b>

7) Investor group-wise classification of all investments (current and long-term) in shares and securities (both quoted and unquoted)

Amount in Rs.'000

Particulars	Market Value/Break up or fair value or NAV		Book Value (Net of Provisions)	
	March, 2022	March, 2021	March, 2022	March, 2021
1) Related Parties				
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group	-	-	-	-
(c) Other related Parties	-	-	-	-
2) Other than related parties				
<b>TOTAL</b>	-	-	-	-

8) Other Information

Amount in Rs.'000

Particulars	March, 2022	March, 2021
a) Gross Non-Performing Assets		
1) Related parties	-	-
2) Other than related parties	69,865.92	504,986.94
b) Net Non-Performing Assets		
1) Related parties	-	-
2) Other than related parties	56,378.10	-
c) Assets acquired in satisfaction of debt	-	-

32. Asset Liability Management

Maturity pattern of certain items of assets and liabilities (based on RBI guidelines)



For the year 2022

Amount in Rs.'000

Particulars	Liabilities	Assets	
	Borrowings	Advances	Investment
1 day to 30/31 days (One month)	1,422,000.00	69,906.84	-
Over 1 month to 2 months	155,000.00	73,612.47	-
Over 2 months up to 3 months	-	76,678.63	-
Over 3 months up to 6 months	-	229,662.55	-
Over 6 months to 1 year	-	415,115.83	-
Over 1 year to 3 years	-	715,684.76	-
Over 3 years to 5 years	-	5,933.17	-
Over 5 years	-	-	-
<b>TOTAL</b>	<b>1,577,000.00</b>	<b>1,586,594.24</b>	<b>-</b>

For the year 2021

Amount in Rs.'000

Particulars	Liabilities	Assets	
	Borrowings	Advances	Investment
1 day to 30/31 days (One month)	638,000.00	73,084.28	-
Over 1 month to 2 months	338,500.00	72,797.82	-
Over 2 months up to 3 months	-	72,615.30	-
Over 3 months up to 6 months	-	210,108.65	-
Over 6 months to 1 year	-	493,520.11	-
Over 1 year to 3 years	-	303,394.26	-
Over 3 years to 5 years	-	23,958.88	-
Over 5 years	-	144.19	-
<b>TOTAL</b>	<b>976,500.00</b>	<b>1,249,643.51</b>	<b>-</b>

33. Estimated number of contracts remaining to be executed on capital account and not provided for is Rs.8,972.12 thousand (2021: Rs. 14,031.69 thousand) where purchase orders are issued.

#### 34. Trade Receivables Ageing

Amount in Rs.'000

Particulars	Outstanding for following periods from due date of payment#					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables – considered good	1,530,216.14	-	-	-	-	1,530,216.14
(ii) Undisputed Trade Receivables – considered doubtful	69,865.92	-	-	-	-	69,865.92
(iii) Disputed Trade Receivables – considered good	-	-	-	-	-	-



(iv) Disputed Trade Receivables – considered doubtful	-	-	-	-	-	-
---	---	---	---	---	---	---

### 35. Trade Payable Ageing

Amount in Rs.'000

Particulars	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	
(i)MSME	-	-	-	-	-	-
(ii)Others	773.40	-	-	-	-	773.40
(iii) Disputed dues —MSME	-	-	-	-	-	-
(iv) Disputed dues —Others	-	-	-	-	-	-

### 36. Capital Work in progress ageing as on 31<sup>st</sup> March 2022

Amount in Rs.'000

Particulars	Amount in CWIP for the period of				Total
	Less then 1 Year	1-2 years	2-3 Years	More than 3 Years	
<b>Intangible</b>					
Salesforce Application	850.20	850.20	-	-	1,700.40
Ingenico API	-	-	1,035.50	-	1,035.50
Revolving Loan Interface	864.37	1,214.96	-	-	2,079.33
App_Membership App	-	-	2,234.50	-	2,234.50
App_New Aeon Fast App	21.80	2,180.00	-	-	2,201.80
Customer and Merchant On-boarding	792.98	792.98	-	-	1,585.95
Finnone Digital PL	-	761.85	-	-	761.85
Loyalty Management	1,820.30	4,550.75	1,820.30	-	8,191.35
Revolving Loan	1,617.60	11,844.36	9,589.74	-	23,051.70
<b>Tangible</b>					
Peplink devices	1,144.50	34.80	-	-	1,179.30
<b>Total</b>					<b>44,021.68</b>

### Capital Work in progress ageing as on 31<sup>st</sup> March 2021

Amount in Rs.'000

Particulars	Amount in CWIP for the period of				Total
	Less then 1 Year	1-2 years	2-3 Years	More than 3 Years	
<b>Intangible</b>					
Salesforce Application	850.20	-	-	-	850.20
Ingenico API	-	1,035.50	-	-	1,035.50
Revolving Loan Interface	1,214.96	-	-	-	1,214.96
App_Membership App	-	2,234.50	-	-	2,234.50
App_New Aeon Fast App	12,644.00	-	-	-	12,644.00
Customer and Merchant On-board	792.98	-	-	-	792.98
Finnone Digital PL	761.85	-	-	-	761.85
Loyalty Management	4,550.75	1,820.30	-	-	6,371.05
Revolving Loan	11,844.36	9,589.74	-	-	21,434.10
Workflow Process Software	2,274.35	-	-	-	2,274.35
<b>Total</b>					<b>49,613.48</b>



### 37. Major Ratios

Ratio	Numerator	Denominator	2021-22	2020-21	% Variance	Reason for variance
(a) Current ratio	Current Assets	Current Liabilities	0.62	0.34	82%	Due to increase in current portion of Receivables under financing activity
(b) Debt-equity ratio	Total Debt	Shareholder's Equity	6.34	1.73	267%	Increase in debt and reduction in shareholder's equity due to loss for the period
(c) Debt service coverage ratio	Earnings available for debt service	Debt Service	-2%	-14%	88%	It has improved due to reduction in losses
(d) Return on equity ratio	Net Profits after taxes – Preference Dividend (if any)	Average Shareholder's Equity	-254%	-0.24%	106818%	Due to further reduction in shareholder's equity due to losses for the year
(j) Return on capital employed	Earning before interest and taxes	Capital Employed	-14%	-49%	-71%	Due to reduction in losses for the year and increase in borrowings

### 38. Restructuring in accordance with Reserve Bank of India guidelines:

The economic fall out on account of COVID-19 pandemic has led to significant financial stress for borrowers across the board. The resultant stress potentially impacted the long-term viability of many customers, otherwise having a good track record, due to their debt burden becoming disproportionate relative to their cash flow generation abilities. Such wide spread impact could impair the entire recovery process, posing significant financial stability risk.

Considering the above, RBI has issued guidelines relating to Resolution for COVID-19- related stress Regulatory Package dated August 6 2020. In accordance therewith, the Company has offered a plan for restructuring to eligible customers. All the conditions laid down by RBI has been properly complied for the implementation. The adequate provision has also been made for these restructured loan cases.

39. The Company was not required to spend any amount towards CSR as per Section 135 of the Companies Act, 2013.
40. a) The Company has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or other kind of funds) to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
b) The Company has not received any funds (which are material either individually or in the aggregate) from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
41. The disclosure on the following matters required under Schedule III as amended not being relevant or applicable in case of the Company, same are not covered:
  - a. The Company has not traded or invested in crypto currency or virtual currency during the period.
  - b. 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.
  - c. The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
  - d. The Company has not entered into any scheme of arrangement.
  - e. No satisfaction of charges are pending to be filed with ROC beyond the statutory period.
  - f. There are no transactions which are not recorded in the books of account which have been surrendered or disclosed as income during the period in the tax assessments under the Income Tax Act, 1961.
  - g. The Company does not possess any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the company during the financial period ended March 31, 2022.
  - h. The Company has not revalued its property, plant and equipment or intangible assets during the period
  - i. There are no core investment company (CIC) in the group.
42. The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 for the period ended March 31, 2022.
43. The Company have not undertaken any transactions with any company whose name is struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 in the period ended March 31, 2022.





44. Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

**For AEON Credit Service India Private Limited**



**Keiichi Nambu**  
Managing Director  
(DIN: 09646771)



**Sanjaya Kumar Dash**  
Company Secretary  
(M.No.F7043)



**K.P. Sunil**  
Executive Director  
(DIN:09199165)

Date: 30<sup>th</sup> September 2022  
Place: Mumbai

