

AEON CREDIT SERVICE INDIA PVT. LTD.

ANNUAL REPORT

30TH JUNE, 2025

MUMBAI, INDIA

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 Fourteenth Annual Report of your Company together with Audited Financial Statements for the year ended March 31, 2025. 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 2024-25 are governed by the relevant provisions, schedules, rules of the Companies Act, 2013.

FINANCIAL PERFORMANCE SUMMARY:

Particulars	Year ended 31st March, 2025 (from 1st Apr. 2024 to 31st Mar. 2025) (In Rupees)	Year ended 31st March, 2024 (from 1st Apr. 2023 to 31st Mar. 2024) (In Rupees)
Gross Income	1,323,705,484	1,191,599,303
Expenditure	1,605,233,588	1,242,284,567
Profit / (Loss) Before Depreciation & Tax	(281,528,104)	(50,685,264)
Less: Depreciation	35,851,341	39,276,594
Less: Provision for Taxation (Including Deferred Tax)	-	-
Less: Provision for Proposed Dividend (Including Dividend Tax)	-	-
Net Profit / (Loss) After Tax	(317,379,445)	(89,961,858)
Balance carried to Balance Sheet	(317,379,445)	(89,961,858)

OPERATIONS & PERFORMANCE:

As at March 2025, the Company recorded total sales of INR 3.14 billion and a revenue of INR 1.32 billion with a degrowth of 43.15 % as compared to the previous year but a 11.09 % growth was seen in revenue against the same period last year. Our sales stood at 58.38% of the budget. The management decided to slow down the sales post July 2024 to comply with leverage ratio requirements and improve portfolio quality. We were simultaneously focusing on the end-to-end digitalization of the customer journey through all touchpoints like the website, SNS, Direct and Channel partners, and automating the D0 calling process and transitioning collection activities from in-house to outsource agencies.

From November 2024 onwards, we focused more on the Personal Loan (PL) business, enrolling 72 Direct Selling Agents (DSAs), including National Channel Partners, compared to 32 DSAs in FY 2023-24. This resulted in generating a sale of INR 328.81 million from the PL business, a significant increase from INR 29.63 million as compared to the previous year. To further strengthen our PL product, we have set up an in-house call centre to generate more business from both members and non-members customers.

Regarding Two Wheeler (TW) Dealer enrolment, In the last fiscal year, we enrolled only 68 TW dealers, which is 25% of the previous year's count of 272 dealers. This lower enrolment was planned to slow down sales and comply with the leverage ratio requirement. Currently, we have a total of 1,306 TW dealers enrolled across all three regions. To comply with the leverage ratio and improve the quality of the portfolio,





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we changed the credit criteria and scheme conditions from August 2024, focusing on working with limited TA dealers who provided a strong and reliable customer base. In January 2025, we implemented TA automation for TW dealers under the Salesforce Customer Onboarding Module, reducing manual intervention and enabling the generation of accurate reports for a seamless experience for our TW dealers.

We launched the insurance business and offered credit shield insurance products to our TW and PL customers, achieving a 96% attachment ratio across all branches and products during FY 2024-25. The AEON Fast app, which was launched for customers to check loan eligibility, saw a total of 145,366 downloads by March 2025 by conducting regular digital campaigns such as the Google App Install program, WhatsApp and SNS campaigns. Our Facebook followers reached 150,528 and our Instagram followers increased from 1,311 to 2,073.

On the operations front, the contribution of e-NACH increased from 70% to 92% across all 3 regions during FY 2024-25. We also complied with RBI norms by implementing Key Fact Statement (KFS). We introduced AI-BOT-based Pre and Post due calling to enhance collection efficiency and reduce manpower costs. To generate more revenue and improve clearance through the bank, we revised penal and bounce charges.

To overcome in-house collection manpower issues and improve the overall collection ratio, we gradually outsourced collection activity starting in September 2024. This improved our D0 collection ratio to 98.50% in March 2025 from 97.23% in October 2024, D1 to 78% from 63% in October 2024, and D2 to 63% from 48% in August 2024. Another notable improvement is that we have improved penal collections to more than 5 million from less than 1-1.5 million in Q1 FY 2024-25.

Our non-performing assets (NPAs) were at INR 417 million in FY 2024-2025, up from INR 75 million last year which has increased by 454%, due to a change in company policy after settling around INR 3.14 billion in sales. Bad debt expenses were recorded at INR 32.90 million, and the company recorded a net loss of INR 317.38 million, compared to INR 89.96 million the previous year.

FUTURE OUTLOOK AND BUSINESS PLANS:

Looking forward to FY 2025-26, our focus will be on increasing high-yield Personal Loan sales to 200 million per month. The challenge is to maintain the collection ratio since the personal loan is an unsecured product and comparatively riskier than asset-based products. However, with our initiatives on the digitization of the customer journey with 3rd party APIs for documents and data verification along with a BRE system, we will be able to improve our credit assessment and portfolio quality. To strengthen our PL business, we are digitizing the customer journey with a new LOS system with end-to-end digitization, reducing manual intervention, and scaling up the PL business while improving portfolio quality. This will also help reduce personnel expenses by shifting to Digital PL. We will continue to prioritize the PL business by enrolling new local DSAs along with organized DSAs across all three regions.

We will also continue to focus on the TW business through limited dealers and TA dealers who support us with a good customer base to gradually increase the TW business. In the coming year, we aim to improve the ratio to 98.60% in D0, 75% in D1, and 65% in D2 while reducing bad debt provisions. We plan to automate the collection process further.

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.





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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 31.03.2025 (from 1 st Apr. 2024 to 31 st Mar. 2025) (Amount in Rs.)	Year ended 31.03.2024 (from 1 st Apr. 2023 to 31 st Mar. 2024) (Amount in Rs.)
Earnings in Foreign Exchange	-	-
Expenditure in Foreign Exchange	33,646,350	33,058,568

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 2024-25 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 Audit Committee and IT Strategy Committee of the Board provide leadership and guidance to the Company's management and also direct, supervise and control the performance of the Company.

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. Keiichi Nambu, Managing Director *
- 2) Mr. Sanjaya Kumar Dash, Whole Time Director and Company Secretary;
- 3) Mr. K.P. Sunil, Whole Time Director;
- 4) Mr. Junichi Doi, Whole Time Director;





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- 5) Mr. Kumar Rajagopalan, Non-Executive Director;
- 6) Mr. Shigeto Nasu, Non- Executive Director*
- 7) Mr. Hiroshi Ogonuki, Non –Executive Director.*

***Further, the following changes have taken place in the composition of the Board from 1st April, 2024 till date of this report.**

- Mr. Keiichi Nambu resigned from the post of Managing Director w.e.f. 1st November 2024.
- Mr. Shigeto Nasu resigned from the post of Non-Executive Director w.e.f. 1st July 2024.
- Mr. Hiroshi Ogonuki was appointed as a Non-Executive Director w.e.f. 6th June 2024.

MEETING OF BOARD OF DIRECTORS:

The Board of Directors have met twelve times during the financial year under review on 30th April, 2024, 5th June, 2024, 28th June, 2024, 31st July, 2024, 30th August, 2024, 30th September, 2024, 29th October, 2024, 29th November, 2024, 24th December, 2024, 31st January, 2025, 28th February, 2025 and 31st March, 2025.

AUDIT COMMITTEE OF THE BOARD:

The Audit Committee comprises of two Non-Executive Directors and one Whole Time Director. The Audit Committee have met four times during the financial year under review on 5th June, 2024, 30th August, 2024, 29th November, 2024 and 7th March, 2025.

IT STRATEGY COMMITTEE

The IT Strategy Committee comprises of one Non-Executive Director and three Whole Time Director. The IT Strategy Committee have met two times during the financial year under review on 30th April, 2024 and 29th October, 2024.

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 31st March, 2025 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;





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- 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 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 10th Annual General Meeting for a period of five years to hold office from the conclusion of Tenth Annual General Meeting (AGM) duly held on 30th 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.

SECRETARIAL AUDITOR:

The Board has appointed M/S. Sonia Bhatia & Associates, Company Secretary in Whole Time Practice (Membership No. A45029, Certificate of Practice No. 17621) to conduct Secretarial Audit for the financial year 2024-25. The Secretarial Audit Report for the financial year ended March 31, 2025 is annexed herewith and marked as **Annexure II** to the Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

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 31st March, 2025.

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.





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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 2024-25:

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

PLACE: Mumbai
DATE: 30.05.2025

SANJAYA KUMAR DASH
WHOLE TIME DIRECTOR & COMPANY SECRETARY



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, appearing to read "Sanjaya".

**PLACE: Mumbai
DATE: 30.05.2025**

**SANJAYA KUMAR DASH
WHOLE TIME DIRECTOR & COMPANY SECRETARY**



SONIA BHATIA & ASSOCIATES

PRACTICING COMPANY SECRETARIES

S.No.70, Vithal Niwas, Opposite Industrial Estate, Nangargaon, Lonavala Dist Pune
Lonavala-410401, Maharashtra

Email: csbhatiasonia@gmail.com

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year ended March 31, 2025

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,

AEON Credit Service India Private Limited

Mumbai, Maharashtra- 400070

We have conducted the Secretarial Audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by M/s AEON Credit Service India Private Limited having (CIN: U66000MH2011FTC214516) (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on March 31, 2025, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2025, according to the provisions of:

- (i) The Companies Act, 2013 ("the Act") and the rules made there under, as may be applicable.



SONIA BHATIA & ASSOCIATES

PRACTICING COMPANY SECRETARIES

S.No.70, Vithal Niwas, Opposite Industrial Estate, Nangargaon, Lonavala Dist Pune
Lonavala-410401, Maharashtra

Email: csbhatiasonia@gmail.com

- (ii) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
- (iii) Rules, Regulations and Guidelines issued by the Reserve Bank of India as are applicable to non-deposit taking NBFC as well as Base Layer NBFCs which are specifically applicable to the Company.
- (iv) Other laws applicable to the Company as per the representations made by the Management:
 - a) Income Tax Act, 1961;
 - b) Goods and Service Tax Act,
 - c) Master Direction- Reserve Bank of India (Non-Banking Financial Company-Scale Based Regulation) Directions, 2023;
 - d) Public Liability Insurance Act, 1991;
 - e) Registration Act, 1908;
 - f) Indian Stamp Act, 1899;
 - g) Indian Contract Act, 1872;
 - h) Negotiable Instrument Act, 1881;
 - i) Information Technology Act, 2000;
 - j) Prevention of Money Laundering Act, 2002;
 - k) Consumer Protection Act, 1986;

We have also examined compliance with the applicable clauses of Secretarial Standards pursuant to Section 118(10) of the Companies Act, 2013 issued by The Institute of Company Secretaries of India (ICSI), as amended from time to time, were applicable to the Company for the period under review.

During the period under review, the Company has complied with the provisions of the above-mentioned Act(s), Rules, Regulations, Directions, Guidelines, Standards, etc. mentioned above.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices were given to all Directors for the Board Meetings including Committees thereof, along with the agenda and detailed notes on agenda at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation including through Visual presence at the meeting. During the period under review, decisions

S. Bhatia



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were carried through unanimously and no dissenting views were observed, while reviewing the minutes. We further report that the Company has passed certain resolutions through circulation during the Audit period.

We further report that as per the explanations given to us and the representations made by the Management and relied upon by us there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period; the Company has filed all the relevant e-forms with the Registrar of companies within the statutory time period.

We further report that during the audit period, the Company has undertaken following significant and material corporate events/actions having a bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.:

1. The Board of Directors in its 142nd meeting held on 05th June 2024 have appointed Mr. Hiroshi Ogonuki as Additional Non-Executive Director w.e.f. 06.06.2024 and he has been regularised as a Director by the members in its 13th Annual General Meeting held on 28th June, 2024 in accordance with the provisions of the Companies Act, 2013. The Statutory e-form DIR-12 w.r.t. his appointment has been duly filed with the Ministry of Corporate Affairs, Government of India within the prescribed deadline.
2. Mr. Shigeto Nasu has tendered resignation from the post of Non-Executive Director of the Company effective from 01st July, 2024. The Board of Directors accepted his resignation during its 143rd meeting held on 28th June, 2024. The Statutory e-form DIR-12 pertaining to cessation has been duly filed with the Ministry of Corporate Affairs, Government of India within the prescribed deadline.
3. Mr. Keiichi Nambu has tendered resignation from the post of Managing Director of the Company effective from 01st November, 2024. The Board of Directors accepted his resignation during its 148th meeting held on 29th November, 2024. The Statutory e-form DIR-12 pertaining to cessation has been duly filed with the Ministry of Corporate Affairs, Government of India within the prescribed deadline.
4. The Annual Return of the Company for the financial year 2023-24 has been filed in prescribed e-form MGT-7 with the Ministry of Corporate Affairs and the Annual Accounts along with the Directors' Report has been filed in e-form AOC-4

S. Bhatia



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5. The Company in its 13th Annual General Meeting held on 28th June, 2024 has passed resolutions (Ordinary and Special) in pursuance of General Circular issued by the Ministry of Corporate Affairs, Government of India dated 05.05.2020 and the requisite e-form MGT-14 has been duly filed within the prescribed deadline.

We further report that during the audit period, there was no other event/action having major bearing on affairs of the Company

For Sonia Bhatia & Associates

CS Sonia Bhatia

Mem. No. A45029

CoP No. 17621

Firm Unique Code. S2017MH493300



Date: 30-05-2025

Place: Lonavala

UDIN: A045029G000510384



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S.No.70, Vithal Niwas, Opposite Industrial Estate, Nangargaon, Lonavala Dist Pune
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To,

The Members,
AEON Credit Service India Private Limited
Mumbai, Maharashtra-400070

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of the procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Sonia Bhatia & Associates

CS Sonia Bhatia

Mem. No. A45029

CoP No. 17621

Firm Unique Code. S2017MH493300

Date: 30-05-2025

Place: Lonavala

UDIN: A045029G000510384



**AUDITORS' REPORT
AND
FINANCIAL STATEMENT**

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, 2025, 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 net profit of the Company as at March 31, 2025, 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 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 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. 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, 2025, taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2025, 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, 2025, on its financial position in its Financial Statements - Refer Note 26 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;
 - 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.

vi Based on our examination, which includes test checks, the company has used accounting software for maintaining its loan book and books of accounts which has a feature of recording audit trail (edit log) facility and that has operated throughout the financial year for all relevant transactions recorded in the said software.

During the course of performing our procedures, we did not notice any instance of audit trail feature being tampered with, where such functionality was enabled and logs were maintained.

Further, the audit trail has been preserved by the company as per the statutory requirements for record retention.

- 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: 25076650BMJFZD5532

Place of Signature: Mumbai

Date: May 30, 2025



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, 2025;

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 42(b) of the financial statement, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2025, 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) No Loan has been sanctioned by banks or financial institution on the basis of security. The limits sanctioned to the Company are unsecured and on the basis of corporate guarantee of its Holding Company. 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

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 Base Layer 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 and advances in nature of loans, granted by the Company during the normal course of its business, having regard to the voluminous nature of the loan transactions, it is not practicable to provide an itemised list of loan assets, due date for repayment or receipt and the extent of delay in this report (as suggested in the Guidance Note on CARO 2020, issued by the Institute of Chartered Accountants of India for reporting under this clause), in respect of loans and advances which were not repaid / paid when they were due or were repaid / paid with a delay.
- (d) In respect of loans granted by the Company, the overdue amount for more than 90 days stands at Rs. 4,172.45 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

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. Further, 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, 2025, 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 42(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**
- (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 42(c) of the financial statements, the Company has not been declared as willful defaulter by any bank or financial institution or other lender.
- (c) Term loans availed by the Company during the year have been generally applied for the purpose for which they were obtained other than temporary deployment in liquid assets pending application.
- (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 the company has used funds raised on short term basis aggregating to INR 181.81 crores for long-term purposes.
- (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**
- (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) According to the information and explanations provided to us and based on the overall examination of Financial Statements, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year, other than instances of fraud noticed and reported by the management to the regulator
- (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.
- (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. 2,694.47 lakhs during the current financial year and Rs 354.47 lakhs during the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year. The previous statutory auditor completed their term in accordance with the rotation requirements prescribed under the RBI Master Circular RBI/2014-15/632. There has not been any issues, concerns or objections raised by the outgoing auditor, based on our communication with outgoing auditor as required under ICAI Code of Ethics;
- (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 43 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.

(xxi) Reporting under clause xxi of the Order is not applicable as the Company does not have any subsidiary/associates and does not required to present consolidated financial statement.

For T R Chadha & Co LLP

Chartered Accountants

Firm Registration No. 006711N/N500028



Pramod Tilwani

Partner

Membership No. 076650



UDIN: 25076650BMJFZD5532

Place: Mumbai

Date: May 30, 2025

Annexure- B to The Independent Auditor's Report of Even Date on the Financial Statements for the year ended March 31, 2025, 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, 2025 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 explanation given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, 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')

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. 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 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: 25076650BMJFZD5532

Place: Mumbai

Date: May 30, 2025

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 two-wheelers, used 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. These are part of the fixed asset schedule. Intangible asset under development is identifiable when it is separable, or when it arises from contractual or other legal rights and are developed in house / outsourced or a combination of both and require modifications for it to put to use

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:

Assets	Useful Life in years
Furniture and fixtures	5
Office equipment	5
Computers	2
Server (included in Computers)	5



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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.

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

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

Revenue arising from sale of portfolio is accounted for in line with Transfer of loan exposure policy.

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 70% 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 differences 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 basic salary). The contributions as specified under the law are paid to the 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 recognizes 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 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.



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AEON CREDIT SERVICE INDIA PRIVATE LIMITED

Balance Sheet as at March 31, 2025

Particulars	Note No.	Rs. In Lakh	
		As at March 31, 2025	As at March 31, 2024
I EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	3	42,000.00	42,000.00
(b) Reserves and surplus	4	(34,399.50)	(31,225.71)
		7,600.50	10,774.29
(2) Non-current liabilities			
(b) Long-term provisions	5	183.56	247.94
(3) Current liabilities			
(a) Short-term borrowings	6	45,850.00	54,150.00
(b) Trade payable	7		
(i) Total outstanding dues of MSME		-	-
(ii) Total outstanding dues other than MSME		-	-
(c) Other current liabilities	8	862.30	1,106.25
(d) Short-term provisions	9	144.53	184.23
		46,856.83	55,440.48
TOTAL		54,640.89	66,462.71
II ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment & Intangible Assets	10		
(i) Property, plant and equipment		164.54 ✓	255.65
(ii) Intangible assets		984.27	613.73
(iii) Intangible Assets under development		51.45	430.82
(b) Receivables under financing activity - Non-current	11	17,610.07 ✓	26,459.24
(c) Other Non Current Assets	12	167.35	158.50
		18,977.68	27,917.94
(2) Current assets			
(a) Receivables under financing activity - Current	13	32,748.59 ✓	34,744.34
(b) Cash and cash equivalents	14	939.89 ✓	765.57
(c) Short-term loans and advances	15	229.15	1,228.42
(d) Other current assets	16	1,745.58	1,806.44
		35,663.21	38,544.77
TOTAL		54,640.89	66,462.71

See accompanying notes forming part of the Financial Statements **1-47**
As per our report of even date

For T R Chadha & Co LLP

Chartered Accountants

Firm Registration Number-006711N/N500028

Pramod Tilwani

Partner

Membership No- 076650



For AEON Credit Service India Private Limited

J. K. Doi

Junichi Doi

Wholetime Director

(DIN: 09708161)

K.P. Sunil

K.P Sunil

Wholetime Director

(DIN: 09199165)

Sanjaya Kumar Dash

Sanjaya Kumar Dash

Company Secretary

(M.No.F7043)

Place: Mumbai

Date: 30th May 2025

AEON CREDIT SERVICE INDIA PRIVATE LIMITED
Statement of Profit and Loss for the year ended March 31, 2025

			Rs. In Lakh	
Particulars	Note No.	For the year ended March 31, 2025	For the year ended March 31, 2024	
I	Revenue from operations	17	12,685.94	11,212.88
II	Other income	18	551.13	703.13
III	Total Income (I+II)		13,237.07	11,916.01
	Employee benefits expense	19	3,639.82	3,878.30
	Finance costs	20	4,310.19	3,136.14
	Depreciation/Amortisation expense	10	358.51	392.77
	Impairment on Receivables under Financing Activity	21	3,289.77	2,487.84
	Other expenses	22	4,812.57	2,920.59
	Total Expenses		16,410.86	12,815.64
V	Loss before tax		(3,173.79)	(899.63)
VI	Less: Tax expense			
	(i) Current tax expense		-	-
	(ii) Deferred tax	30	-	-
VII	Loss after tax		(3,173.79)	(899.63)
VIII	Earnings per share (Face value - Rs. 10 each)	29		
	(i) Basic		(0.76)	(0.21)
	(ii) Diluted		(0.76)	(0.21)

See accompanying notes forming part of the Financial Statements **1-47**

As per our report of even date

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


Pramod Tilwani
Partner
Membership No- 076650



Place: Mumbai
Date: 30th May 2025

For AEON Credit Service India Private


Junichi Doi
Wholtime Director
(DIN: 09708161)


K.P Sunil
Wholtime 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, 2025
Rs. In Lakh

Particulars		For the year ended March, 2025	For the year ended March, 2024
A.	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Loss before tax	(3,173.79)	(899.63)
	<u>Adjustment for:</u>		
	Depreciation and amortisation expense	358.51	392.77
	Interest from banks on deposits / TA & Others	(118.41)	(18.11)
	Interest income from financing activity	(11,536.69)	(9,298.06)
	Interest on borrowings	4,190.71	3,052.83
	Loss on sale of Property, plant and equipment	(0.30)	-
	Provision for retirement benefits	(72.51)	76.78
	Provision for doubtful receivables under financing activity	1,574.09	(15,453.71)
	Write off - Receivables under financing activity	1,594.87	2,716.52
	Contingent provision against standard assets	120.81	15,238.03
	(Gain) / Loss on foreign exchange translation (net)	-	(2.67)
		(3,888.92)	(3,295.63)
	<i>Operating Loss before Working Capital changes</i>	<i>(7,062.71)</i>	<i>(4,195.25)</i>
	Changes in working capital:		
	Adjustments for (increase) / decrease in operating assets:		
	Receivables under financing activity -Non current	6,850.23	(12,820.14)
	Receivables under financing activity -Current	794.17	(16,420.40)
	Long-term loans and advances	8.86	148.39
	Other current assets	(97.88)	(389.08)
	Short-term loans and advances	999.27	(466.37)
	Adjustments for increase / (decrease) in operating liabilities:		
	Trade payables	-	(0.52)
	Other current liabilities	(243.95)	333.62
	Cash used in operations after working capital changes and before adjustments for interest received and interest paid	1,248.00	(33,809.77)
	Interest received	11,674.73	8,820.55
	Interest paid	(4,190.71)	(3,052.83)
	Cash used in operations	8,732.02	(28,042.05)
	Income-tax paid (taxes deducted at source) (net)	(26.31)	-
	NET CASH FLOW USED IN OPERATING ACTIVITIES (A)	8,705.71	(28,042.05)
B.	CASH FLOW FROM INVESTING ACTIVITIES		
	Interest from banks on deposits	5.91	2.74
	Purchase of Property, plant and equipment including capital advance	(258.56)	(104.90)
	Proceeds from deposits not considered as cash and cash equivalents	0.21	(0.07)
	Sale of property, plant and equipment	0.30	-
	Bank balance not considered as cash and cash equivalents - Placed	19.41	18.07
	NET CASH USED IN INVESTING ACTIVITIES (B)	(232.73)	(84.15)
C.	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds from unsecured working capital demand loan	5,41,461.55	1,40,874.79
	Repayment for unsecured working capital demand loan	(5,49,761.55)	(1,12,174.79)
	Proceeds from issue of share capital	-	-
	NET CASH FROM FINANCING ACTIVITIES (C)	(8,300.00)	28,700.00
	NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	172.98	573.80
	Cash and cash equivalents at the beginning of the year	747.50	173.70
	Cash and cash equivalents at the end of the year	920.48	747.50
		As at March 31, 2025	As at March 31, 2024
	Cash in hand	-	-
	Balance with banks:		
	In current accounts	920.48	747.50
	In other deposit accounts	19.41	18.07
	Cash and cash equivalents as at the end of the year	939.89	765.57
	Reconciliation of Cash and cash equivalents with the Balance Sheet:		
	Cash and cash equivalents (Refer note 13)	939.89	765.57
	Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements:		
	In other deposit accounts		
	- original maturity more than 3 months	19.41	18.07
	Net Cash and cash equivalents (as defined in AS 3 Cash Flow Statements)	920.48	747.50

See accompanying notes forming part of the Financial Statements

(1-47)

In terms of our report attached

For T R Chadha & Co LLP

Chartered Accountants

Firm Registration Number-006711N/N500028

Pramod Tiwari

Partner

Membership No- 076650



Place: Mumbai

Date: 30th May 2025

For AEON Credit Service India Private Limited

Junichi Doi

 Wholetime Director
(DIN: 09708161)

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

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

AEON CREDIT SERVICE INDIA PRIVATE LIMITED

Notes forming part of the Financial Statements as at March 31, 2025

Note 3: Share capital

Rs. In Lakh

Particulars	As at	
	March 31, 2025	March 31, 2024
A Authorised:		
420,000,000 (2024: 420,000,000) Equity Shares of Rs. 10 each with voting rights	42,000.00	42,000.00
B Issued, subscribed and fully paid-up		
420,000,000 (2024: 420,000,000) Equity Shares of Rs. 10 each with voting rights	42,000.00	42,000.00

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

Particulars	Opening Balance	Fresh issue	Closing Balance
Equity Shares with voting rights -Issued, subscribed and fully paid-			
Year ended March 31, 2025			
Number of shares	42,00,00,000		42,00,00,000
Amount in Lakh (Rupees)	42,000.00	-	42,000.00
Year ended March 31, 2024			
Number of shares	42,00,00,000	-	42,00,00,000
Amount in Lakh (Rupees)	42,000.00	-	42,000.00

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, 2025		As at March 31, 2024	
	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)	40,18,00,000	96%	40,18,00,000	96%
AEON Credit Service (M) Berhad, a subsidiary of the holding company	1,82,00,000	4%	1,82,00,000	4%

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, 2025		As at March 31, 2024	
	Number of shares held	% holding	Number of shares held	% holding
Equity shares with voting rights				
AEON Financial Service Co., Ltd. Japan	40,18,00,000	96%	40,18,00,000	96%

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

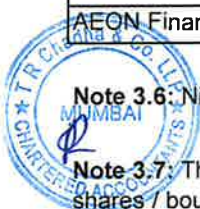
The Company has single class of equity shares. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts in proportion to their shareholding.

Note 3.5: Disclosure of Shareholding of Promoters:

Shares held by promoters at the end of the year	As at March 31, 2025		As at March 31, 2024	
	Number of shares held	% holding	Number of shares held	% change during the year
AEON Financial Service Co., Ltd. Japan	40,18,00,000	96%	40,18,00,000	96%

Note 3.6: Nil equity shares are reserved for issue under the employee stock option plan.

Note 3.7: 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, 2025

	As at March 31, 2025	Rs. In Lakh As at March 31, 2024
Note 4: Reserves and surplus		
Opening balance of Statement of Profit and Loss	(31,225.71)	(30,326.08)
Add: Loss for the year	(3,173.79)	(899.63)
Closing balance	(34,399.50)	(31,225.71)
Note 5: Long-term provisions		
Provision for employee benefits		
Gratuity	97.74	135.82
Compensated absences	85.82	112.12
Total	183.56	247.94
Note 6: Short-term borrowings		
Unsecured Working Capital demand loan from Bank*	45,850.00	54,150.00
* Working capital demand loan from bank are guaranteed by AEON Financial Service Co., Ltd. Japan for a period of one year from the date of sanction and the interest rate ranges between 7.60% to 8.30%		
Note 7: Trade payable		
Total outstanding dues of micro enterprise and small enterprises	-	-
Others- Total outstanding dues of creditors other than micro enterprise and small enterprises	-	-
Total	-	-
Note 8: Other current liabilities		
Other payables		
Statutory remittances	89.29	87.33
Expenses Payables	546.08	453.13
Salary and Bonus Payable to employees	29.03	122.03
Excess received from customer	-	-
Payable against Portfolio Sale (Refer Note 35)	-	101.47
Creditors for Capital Goods	3.48	37.65
Unallocated credit from customers	194.42	304.64
Total	862.30	1,106.25
Note 9: Short Term Provisions		
Provision for employee benefits		
Gratuity	8.88	12.13
Compensated absences	14.84	19.72
Contingent provision against standard assets (Refer Note 2(h)(iii))	120.81	152.38
Total	144.53	184.23



J. D.



AEON CREDIT SERVICE INDIA PRIVATE LIMITED

Notes forming part of the Financial Statements as at March 31, 2025

Note 10: Property, plant and equipment & Intangible Assets

Rs. In Lakh

Particulars	Gross Block			Accumulated Depreciation / Amortisation				Net Block	
	As at March 31, 2024	Additions during the year	Deductions and adjustments	As at March 31, 2025	As at March 31, 2024	For the year	Deductions and adjustments	As at March 31, 2025	As at March 31, 2024
Property, plant and equipment									
Furniture and fixtures	84.07 (83.89)	- (0.18)	5.39	78.68 (84.07)	83.33 (78.94)	(4.84) (4.39)	-	78.50 (83.33)	0.18 (0.74)
Office equipment	144.77 (139.68)	3.49 (5.09)	6.84	141.41 (144.77)	103.58 (86.16)	7.58 (17.42)	-	111.16 (103.58)	(41.19)
Leasehold improvements	356.15 (308.18)	8.36 (47.98)	-	364.51 (356.15)	309.81 (308.18)	14.84 (1.63)	-	324.64 (309.81)	(46.34)
Computers	1,280.42 (1,182.51)	74.22 (97.92)	0.53	1,354.11 (1,280.42)	1,113.04 (985.95)	146.83 (127.09)	-	1,259.87 (1,113.04)	(167.38)
Total (A)	1,865.42 (1,714.26)	86.06 (151.16)	12.77	1,938.71 (1,865.42)	1,609.76 (1,459.23)	164.41 (150.53)	-	1,774.17 (1,609.76)	164.54 (255.65)
Intangible Assets*:									
Computer software	2,399.68 (2,186.57)	551.87 (213.11)	-	2,951.55 (2,399.68)	1,785.95 (1,543.71)	181.34 (242.23)	-	1,967.28 (1,785.95)	984.27 (613.73)
Total (B)	2,399.68 (2,186.57)	551.87 (213.11)	-	2,951.55 (2,399.68)	1,785.95 (1,543.71)	181.34 (242.23)	-	1,967.28 (1,785.95)	984.27 (613.73)
Total (A+B)	4,265.10 (3,900.83)	637.93 (364.27)	12.77	4,891.26 (4,266.10)	3,395.70 (3,002.94)	345.74 (392.77)	-	3,741.45 (3,395.70)	1,148.81 (869.40)



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, 2025

	As at March 31, 2025	Rs. in Lakh As at March 31, 2024
Note 11: Receivables under financing activity- Non current		
Outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	-	-
Unsecured, considered doubtful	-	-
	-	-
Less: Provision for doubtful receivables under financing activity	-	-
	-	-
Others		
Unsecured, considered good	2,345.63	1,540.15
Unsecured, considered doubtful	25.33	27.62
	2,370.96	1,567.77
Less: Provision for doubtful receivables under financing activity	25.33	27.62
	2,345.63	1,540.15
Secured, considered good	15,264.44	24,919.09
Secured, considered doubtful	681.24	154.06
	15,945.68	25,073.15
Less: Provision for doubtful receivables under financing activity	681.24	154.06
	15,264.44	24,919.09
Total	17,610.07	26,459.24
Note 12: Other Non Current Assets		
(Unsecured, considered good)		
Prepaid expenses	12.75	0.94
Security Deposit	154.60	157.55
Total	167.35	158.50
Note 13 : Receivables under financing activity- Current		
Outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	-	-
Unsecured, considered doubtful	-	-
	-	-
Less: Provision for doubtful receivables under financing activity	-	-
	-	-
Others		
Unsecured, considered good	1,727.12	1,305.43
Unsecured, considered doubtful	47.27	23.41
	1,774.39	1,328.84
Less: Provision for doubtful receivables under financing activity	47.27	23.41
	1,727.12	1,305.43
Secured, considered good	31,021.47	33,438.91
Secured, considered doubtful	1,384.46	206.73
	32,405.93	33,645.65
Less: Provision for doubtful receivables under financing activity	1,384.46	206.73
	31,021.47	33,438.91
Total	32,748.59	34,744.34



AEON CREDIT SERVICE INDIA PRIVATE LIMITED

Notes forming part of the Financial Statements as at March 31, 2025

Rs. In Lakh

	As at March 31, 2025	As at March 31, 2024
Note 14: Cash and cash equivalents		
Cash in hand	-	-
Balances with banks: (Refer note below)		
In current accounts	920.48	747.50
Other Bank Balances: (Refer note below)		
In other deposit accounts	19.41	18.07
Total	939.89	765.57

Note:

In Other deposits accounts, the company has the Overdraft facility of Rs. 15.00 lakh with two banks against the Fixed Deposit. As on 31st March 2025, no amount of Overdraft has been utilized by the company.

**Note 15: Short-term loans and advances
(Unsecured, considered good, unless otherwise specified)**

Unsecured, considered good	-	-
Unsecured, considered doubtful	-	-
Security deposits	-	-
Less: Provision for doubtful security deposit	-	-
Capital advances	-	-
Advance to merchant	225.53	1,238.41
Less: Provision on doubtful Trade Advances	-	13.00
	225.53	1,225.41
Advance to vendors	3.37	2.99
Advance to employees	0.25	0.02
Total	229.15	1,228.42

Note 16: Other current assets
Balances with government authorities

Goods and Services Tax Credit Receivable	874.33	882.81
Less: Provision for unutilised Input Tax Credit balance	354.77	451.30
Balances with government authorities	519.56	431.51
Prepaid expenses	257.33	309.84
Security deposits	15.96	22.05
Receivable from Group Companies (Refer Note 29)	1.53	0.85
Interest accrued on deposits	0.22	0.43
Accrued interest from financing activity	903.73	1,041.76
TDS Receivable	26.31	-
Other (assets)	20.94	-
	1,745.58	1,806.44



AEON CREDIT SERVICE INDIA PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2024

Rs. In Lakh

	For the year ended March 31, 2025	For the year ended March 31, 2024
Note 17: Revenue from operations		
Interest income from financing activity	11,536.69	9,298.06
Processing fees	559.41	810.41
Penalty recovered for banking instruments dishonoured	447.58	178.14
Recovery from written off asset	142.26	926.27
Total	12,685.94	11,212.88
Note 18: Other income		
Gain on foreign exchange translation (net)	-	2.67
Profit on sale of written off portfolio	256.57	520.00
Interest from banks on deposits	1.21	1.11
Servicing Fee on sold portfolio	133.66	90.29
Unallocated credit from customers written back	42.18	72.05
Miscellaneous income	69.44	0.02
Profit on sale of property, plant and equipment	0.30	-
Repossession Charges Income	43.07	15.35
Interest Income on TA	4.70	1.64
Total	551.13	703.13
Note 19: Employee benefits expense		
Salaries, allowances and incentives (Refer Note 27)	3,406.63	3,610.28
Contribution to welfare fund (Refer Note 27)	195.20	178.35
Gratuity (Refer Note 27)	4.84	53.25
Staff welfare expenses	33.15	36.42
Total	3,639.82	3,878.30
Note 20: Finance costs		
Interest on borrowings	4,190.71	3,052.83
Corporate guarantee fees (Refer Note 25 and 29)	114.22	78.50
Bank charges	5.26	4.81
Total	4,310.19	3,136.14
Note 21: Impairment on Receivables under Financing Activity		
Provision / (Reversal) for doubtful receivables under financing activity	1,574.09	(381.06)
Contingent Provision against standard asset	120.81	152.38
Write off - Receivables under financing activity	1,594.87	2,716.52
Total	3,289.77	2,487.84
Note 22: Other expenses		
Power and fuel	22.98	15.02
Rent including lease rentals (Refer Note 30)	403.78	333.01
Repairs and maintenance - Others	876.33	694.31
Insurance	41.27	27.04
Rates and taxes	65.11	116.77
Communication expenses	31.40	21.11
Travelling expenses	143.66	129.75
Postage and courier expenses	12.32	15.39
Printing and stationery	30.64	27.10
Legal and professional	134.29	94.70
Agency charges	870.75	384.52
Payment to auditors (Refer Note below)	24.65	36.61
Rating Expenses	143.39	119.74
Transaction processing charges	27.23	33.99
Repossession Charges Expense	0.94	0.83
Brokerage	3.49	12.69
Business promotion	341.23	483.22
Provision for doubtful Trade Advances	-	13.00
Recovery/Loss on Repossessed Assets	1,541.64	298.99
Loss on foreign exchange translation (net)	10.84	-
Office expenses	47.32	42.60
Miscellaneous expenses	39.31	20.20
Total	4,812.57	2,920.59
Note: Payments to the auditors comprises (excluding goods and services tax):		
As Auditors - Statutory Audit Fees	17.50	17.50
For taxation matters - Tax Audit Fees	2.00	2.00
For Other Services - Including out of pocket expenses	5.15	17.11
Total	24.65	36.61



23. 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, 2025 Rs. In Lakh	As at March 31, 2024 Rs. In Lakh
1. Amount remaining unpaid to any supplier as at the year end (i) Principal (ii) Interest	-	-
2. Amount of interest paid in terms of Section 16 of the MSMED Act	-	-
3. Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year	-	-
4. Amount of interest accrued and remaining unpaid at the year end	-	-
5. Amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

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

Particulars	Foreign Currency	As at March 31, 2025			As at March 31, 2024		
		Exchange Rate	Amount in foreign currency Rs. Lakh	Amount in Rs. Lakh	Exchange Rate	Amount in foreign currency Rs. Lakh	Amount in Rs. Lakh
I. Assets							
Receivables (trade & other)	-	-	-	-	-	-	-
Total Receivable (A)	-	-	-	-	-	-	-
Hedges by derivative / forward contracts (B)	-	-	-	-	-	-	-
Unhedged receivable (C=A-B)	-	-	-	-	-	-	-

Particulars	Foreign Currency	As at March 31, 2025			As at March 31, 2024		
		Exchange Rate	Amount in foreign currency Rs. Lakh	Amount in Rs. In Lakh	Exchange Rate	Amount in foreign currency Rs. Lakh	Amount in Rs. In Lakh
II. Liabilities							
Payables (trade & others)	JPY	0.5816	10,600.027	6,164.61	0.5607	127.504	71.495
Payables (trade & others)	USD	-	-	-	-	-	-
Total Payables (D)	JPY	0.5816	10,600.027	6,164.61	0.5607	127.504	71.495
Total Payables (D)	USD	-	-	-	-	-	-
Hedges by derivative / forward contracts (E)		-	-	-	-	-	-
Unhedged payables (F=D-E)	JPY	0.5816	10,600.027	6,164.61	0.5607	127.504	71.495
Unhedged payables (F=D-E)	USD	-	-	-	-	-	-
Total Unhedged FC Exposures(G=C-F)	JPY	0.5816	10,600.027	6,164.61	0.5607	127.504	71.495
Total Unhedged FC Exposures(G=C-F)	USD	-	-	-	-	-	-

25. Expenditure in foreign currency (on accrual basis):

Particulars	For the year ended March 31, 2025 Rs. in Lakh	For the year ended March 31, 2024 Rs. In Lakh
Salaries, allowances, and incentives	181.06	232.95
Corporate guarantee fees	113.95	78.50
Traveling Expenses	12.75	6.27
Software expenses	9.23	10.99
Training, Membership and Subscription	19.47	1.88
Total	336.46	330.59



26. Contingent Liabilities and Commitments:

During the year FY 2017-2018, the CIT (Appeals), with respect to the demand of Rs. 10.51 Lakh 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 received refund of Rs.13.07 Lakh. However, the order giving effect of the appeal is pending to be received by the Company.

One of our customers has launched a complaint against the company for deficiency of service and unfair trade practices and complaint has prayed for Rs.10.50 Lakh for mental Agony and Physical hardship along with cost. Though the above claims are sub-judice, any comments on the outcome of the case results shall be appropriate. The Hon'ble Court shall decide on the same based on the merits of the case. The Company is confident of winning the said case.

The Company has received DRC07 for the financial year 2018 – 2019 and 2019 – 2020 with respect to GST audit that was conducted. The GST Department, after lot of deliberations has issued any order against the Company to pay GST of Rs. 52.52 Lakh along and interest & penalty for Rs. 57.25 Lakh for Rs. 109.76 Lakh for FY 2018-2019 and GST of Rs. 65.83 Lakh along and interest & penalty for Rs. 57.93 Lakh for Rs. 123.76 Lakh for FY 2019-2020. The Company has paid the initial demand of Rs. 52.52 Lakh and Rs. 6.58 lakhs under protest and is contesting the order with the higher authorities and the Company is confident that the outcome will be in the Company's favor. Furthermore, for FY 2020 – 2021, we have received a favorable order with regard to secondment of employees and the same has been closed. We are hopefully a similar order from the appellate authority will also follow.

27. Defined Contribution plan:

i. 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. 178.64 Lakh (2024: Rs. 165.72 Lakh) for Provident Fund contribution in the Statement of Profit and Loss for the year ended March 31, 2025. 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 percentage of basic salary. The Company has recognized Rs. 14.95 Lakh (2024: Rs. 11.76 Lakh) for Employees' State Insurance Contribution under staff welfare expenses in the Statement of Profit and Loss for the year ended March 31, 2025.

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, 2025 Rs. In Lakh	For the year ended March 31, 2024 Rs. In Lakh
1. Reconciliation of opening & closing bal. of obligation		
a. Opening obligation	147.95	107.77
b. Current service cost	24.24	27.72
c. Interest cost	10.64	8.08
d. Actuarial (gain) / losses	(34.01)	17.45
e. Benefits Paid	(42.20)	(13.07)
f. Closing obligation	106.62	147.95
2. Expense recognised in the Profit and Loss		
a. Current service cost	24.24	27.72
b. Interest cost	10.64	8.08
c. Actuarial (gain) / losses	(34.01)	17.45
d. Expense recognised in the year	0.87	53.25
3. Amount recognised in Balance Sheet		
a. Fair value of plan assets as at the year end	-	-
b. Present value of obligation as at the year end	106.63	147.95
c. Amount recognised in Balance Sheet	106.63	147.95
4. Actuarial Assumptions		
a. Discount rate (p.a.)	6.80%	7.20%



b. Mortality base	Indian Assured Lives Mortality (2012-14) Ult table	Indian Assured Lives Mortality (2012-14) Ult table
c. Turnover rate	1.5% - 5.0%	3% - 10%
d. Salary escalation rate	2%	4%
e. Normal retirement age	58 years	58 years

Description	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh
5. Experience Adjustments					
a. Present value of obligation	106.63	147.95	107.77	91.47	85.85
b. Experience adjustment on plan liabilities	(4.16)	13.62	1.98	(8.87)	(6.30)

The estimate of future salary increases considering 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. 24.54 Lakh has been charged to the Statement of Profit and Loss for the year ended March 31, 2025 (March 31, 2024: Rs. 59.06 Lakh)
28. 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.
29. 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 Bank Ltd. (Japan)
Key Management Personnel Sanjaya Kumar Dash
K. P. Sunil
Keiichi Nambu
Junichi Doi

Nature of transactions	Holding Company	Fellow Subsidiaries	Key Management Personnel
	Rs. In Lakh	Rs. In Lakh	
	AEON Financial Service Co. L. Japan	AEON Bank Ltd. (Japan)	
Remuneration:			
Sanjaya Kumar Dash	(-)	(-)	82.11 (78.72)
K. P. Sunil	(-)	(-)	117.54 (107.78)
Keiichi Nambu	(-)	(-)	52.93 (104.88)
Junichi Doi	(-)	(-)	81.54 (101.19)
Corporate guarantee fees	114.22 (78.50)	- (-)	- (-)
Reimbursement of Salaries, allowances and bonus	109.65 (149.37)	71.41 (91.98)	- (-)



Training & Seminar expenses	17.56 (0.08)	- (-)	- (-)
Travelling Expenses	12.75 (6.27)	- (-)	- (-)
Software	2.80 (-)	- (-)	- (-)

Nature of transactions	Holding Company	Fellow Subsidiaries	Key Management Personnel
	AEON Financial Service Co. L. Japan	AEON Bank Ltd.	
Balances as at March 31, 2025			
Other Current Liabilities:			
Payable to AEON Financial Service Co., Ltd. Japan*	18.87 (9.17)	- (-)	- (-)
Payable to AEON Bank Ltd.*	- (-)	17.06 (16.32)	- (-)
Other Current Assets:			
Receivable from AEON Financial Service Co., Ltd. Japan*	1.53 (0.85)	- (-)	- (-)

Note: During the previous year AEON Credit Service Co., Ltd. Japan has merged with AEON Financial Service Co., Ltd. Japan and hence the figures have been regrouped.

* 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. Figures in bracket relate to previous year.

30. (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. 21.

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, 2025 Rs. in Lakh	As at March 31, 2024 Rs. in Lakh
Not later than one year	356.87	384.40
Later than one year and not later than five years	721.29	1,069.19
Later than five years	0.00	0.00
Total	1,078.16	1,453.59

31. Earnings per equity share:

Particulars		For the year ended March 31, 2025 Rs. in Lakh	For the year ended March 31, 2024 Rs. in Lakh
Loss after Tax	A	(3,173.79)	(899.62)
Weighted Average number of Equity Shares	B	420,000,000	420,000,000
Basic and Diluted Earnings per share	A/B	(0.76)	(0.21)
Nominal Value of Equity Shares (Rupees)		10	10

32. 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.

33. Disclosure of details as required by Para 31 of Master Direction – Reserve Bank of India Non-Banking Financial Company (Equalization Regulation) Directions, 2023



33.1. Liabilities Side:

Rs. In Lakh

Particulars	Amount Outstanding		Amount Overdue	
	March, 2025	March, 2024	March, 2025	March, 2024
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	45,850.00	54,150.00	-	-
Working capital demand loan				
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	-	-	-	-

33.2. Assets side:

Rs. In Lakh

Particulars	Amount Outstanding	
	March, 2025	March, 2024
3) Break-up of Loans and Advances including bills receivables (other than those included in (4) below) :		
a) Secured	48,351.61	58,688.69
b) Unsecured	4,145.35	2,926.72
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) Quoted:		
(i) Shares:		
(a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of Mutual Funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-
2) Unquoted:		
(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) Quoted:							
(i) Shares:							
(a) Equity							
(b) Preference							
(ii) Debentures and Bonds							
(iii) Units of Mutual Funds							
(iv) Government Securities							
(v) Others (please specify)							
2) Unquoted:							
(i) Shares:							
(a) Equity							
(b) Preference							
(ii) Debentures and Bonds							
(iii) Units of Mutual Funds							
(iv) Government Securities							
(v) Others (please specify)							

33.3. Borrower group-wise classification of assets financed as in (3) and (4) above (net of provision)

Rs. In Lakh

Particulars	Amount net of provisions					
	Secured		Unsecured		Total	
	March, 2025	March, 2024	March, 2025	March, 2024	March, 2025	March, 2024
1) Related Parties						
(a) Subsidiaries	-	-	-	-	-	-
(b) Companies in the same group	-	-	-	-	-	-
(c) Other related Parties	-	-	-	-	-	-
2) Other than related parties	46,175.19	58,192.39	4,062.66	2,858.81	50,237.85	61,051.20
TOTAL	46,175.19	58,192.39	4,062.66	2,858.81	50,237.85	61,051.20

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

Particulars	Market Value/Break up or fair value or NAV		Book Value (Net of Provisions)	
	March, 2025	March, 2024	March, 2025	March, 2024
1) Related Parties				
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group	-	-	-	-
(c) Other related Parties	-	-	-	-
2) Other than related parties				
TOTAL	-	-	-	-

33.5. Other Information

Rs. In Lakh

Particulars	March, 2025	March, 2024
a) Gross Non-Performing Assets		
1) Related parties	-	-
2) Other than related parties	4,172.45	752.79
b) Net Non-Performing Assets		
1) Related parties	-	-
2) Other than related parties	1,975.04	288.47
c) Assets acquired in satisfaction of debt	-	-



33.6. Sectoral exposure

Sectors	Current Year			Previous Year		
	Total exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1. Industry						
i. Two Wheeler	46,646	3,865	8.29%	56,444	623	1.10%
ii. Used Two Wheeler	1,588	175	10.99%	1,768	19	1.05%
iii. Others	118	25	21.14%	477	23	4.84%
Total of Industry	48,352	4,064	8.41%	58,689	665	1.13%
2. Personal Loans						
i. Personal Loan	4,145	108	2.61%	2,924	87	2.98%
ii. Others	0	-	0.00%	3	1	29.96%
Total of Personal Loans	4,145	108	2.61%	2,927	88	3.01%
Total for the Company	52,497	4,172	7.95%	61,615	753	1.22%

Note: Due to change in write off policy of the company the Gross NPA are higher than last year and hence are not comparable in nature

33.7. Related party Disclosure

Related Party Items	Parent (as per ownership/control)		Subsidiaries		Associates / Joint ventures		Key Management		Relatives of KMP		Others		Total	
	CY	PY	CY	PY	CY	PY	CY	PY	CY	PY	CY	PY	CY	PY
Borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Placement of deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of fixed / other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest received	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-

33.8. Disclosure requirements under Scale Based Regulation for NBFCs in regard to 'Disclosure of Complaints'

Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

Sr. No	Particulars	Current Year	Previous Year
	Complaints received by the NBFC from its customers		
1.	Number of complaints pending at beginning of the year	1	0
2.	Number of complaints received during the year	60	83
3.	Number of complaints disposed during the year	59	82
3.1	Of which, number of complaints rejected by the NBFC	0	0
4.	Number of complaints pending at the end of the year	2	1
	Maintainable complaints received by the NBFC from Office of Ombudsman		



5.*		Number of maintainable complaints received by the NBFC from Office of Ombudsman	36	24
	5.1	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	36	24
	5.2	Of 5, number of complaints resolved through conciliation / mediation / advisories issued by Office of Ombudsman	0	0
	5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	0	0
6.*		Number of Awards unimplemented within the stipulated time (other than those appealed)	0	0

Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (Previously the Ombudsman Scheme for NBFC, 2018) and covered within the ambit of the Scheme.
* It shall only be applicable to NBFCs which are included under The Reserve Bank - Integrated Ombudsman Scheme, 2021

Top five grounds of complaints received by the NBFCs from customers:

Grounds of complaints, (i.e., complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase / decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
Current Year					
Ground 1 – Incorrect Contact Number update	0	4	1600%	0	0
Ground 2 – Unprofessional Behavior	0	19	-37%	0	0
Ground 3 – Payment done but not updated	0	15	-31%	0	0
Ground 4 – Document Misused	1	6	40%	0	0
Ground 5 – Incorrect Presentation Done	0	4	-25%	0	0
Others	0	12	14%	2	2
Total	1	60	12%	2	2
Previous Year					
Ground 1 – Incorrect Contact Number update	0	17	1600%	0	0
Ground 2 – Unprofessional Behavior	0	12	-37%	0	0
Ground 3 – Payment done but not updated	0	9	-31%	0	0
Ground 4 – Document Misused	0	7	40%	0	0
Ground 5 – Incorrect Presentation Done	0	6	-25%	1	1
Others	0	32	14%	0	0
Total	0	83	12%	1	1

34. Disclosure under liquidity risk management framework as per note 1.9 (Public Disclosure)

Funding Concentration based on significant counterparty (both deposits and borrowings) (Rs. in Lakh)

Sr.	No. of Significant Counterparties*	As on 31 st March 2025	As on 31 st March 2024
1	Borrowings from Bank % Of Total Liabilities	45,850 97.47%	54,150 97.24%

Top 10 borrowings (amount in INR crore and % of total borrowings)

Borrowing Institution	Amount (Rs. Lakh) of Borrowings from Top 10 Lenders as on 31 st March 2025 along with % of Total		Amount (Rs. Lakh) of Borrowings from Top 10 Lenders as on 31 st March 2024 along with % of Total	
MUFG Bank	15,700	34.24 %	10,500	19.39 %
Mizuho Bank	10,350	22.57 %	41,150	75.99 %
SMBC Bank	10,000	21.81 %	800	1.48 %
Deutsche Bank	09,800	21.37 %	1,700	3.14 %

35. Portfolio sale

During the financial year, the Company has sold its NPA portfolio to an ARC company twice. The Company had approached many ARCs / NBFCs those who are interested in buying the desired portfolio and of the successful bids received, it has shortlisted three entities for further negotiation and was awarded to the highest bidder. The Company has sold 4,698 loan accounts having principal outstanding (POS) of Rs. 2,581.89 Lakh at a value of Rs. 424 Lakh fetching 16.42% of the POS to ASREC India Limited (an ARC Company).

Details of stressed loans transferred during the year

Particulars (Rs. in Lakh)	To ARCs	To permitted transferees	To other Transferees



Number of accounts (count)	4,698	NA	NA
Aggregate principal outstanding of loans transferred	2,581.89 lakhs	NA	NA
Weighted average residual tenor of the loans transferred	Nonperforming and written off loans	NA	NA
Net book value of loans transferred (at the time of transfer)	Nil	NA	NA
Aggregate consideration	424 lakhs	NA	NA
Additional consideration realized in respect of accounts transferred in earlier years	Nil	NA	NA

36. Asset Liability Management

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

For the year 2025

Rs. In Lakh

Particulars	Liabilities		Assets	
	Borrowings	Advances	Investment	
1 day to 30/31 days (One month)	43,450.00	3,116.88	-	
Over 1 month to 2 months	2,400.00	3,068.14	-	
Over 2 months up to 3 months	0.00	2,964.63	-	
Over 3 months up to 6 months	0.00	11,447.77	-	
Over 6 months to 1 year	0.00	13,718.81	-	
Over 1 year to 3 years	0.00	17,923.05	-	
Over 3 years to 5 years	0.00	254.16	-	
Over 5 years	0.00	3.51	-	
TOTAL	45,850.00	52,496.95	-	

For the year 2024

Rs. In Lakh

Particulars	Liabilities		Assets	
	Borrowings	Advances	Investment	
1 day to 30/31 days (One month)	29,800.00	2,908.73	-	
Over 1 month to 2 months	11,700.00	2,875.20	-	
Over 2 months up to 3 months	8,700.00	2,984.46	-	
Over 3 months up to 6 months	3,950.00	11,193.55	-	
Over 6 months to 1 year	0.00	15,012.55	-	
Over 1 year to 3 years	0.00	26,223.90	-	
Over 3 years to 5 years	0.00	417.03	-	
Over 5 years	0.00	0.00	-	
TOTAL	54,150.00	61,615.42	-	

37. Estimated number of contracts remaining to be executed on capital account and not provided for is Rs. 52.01 Lakh (2024: Rs. 230.65 Lakh) where purchase orders are issued.

38. Trade Receivables Ageing

Rs. In Lakh

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	48,936.55 (61,203.58)	1,301.29 0.00	-	-	-	50,237.85 (61,203.58)
(ii) Undisputed Trade Receivables – considered doubtful	700.42 (411.83)	1,558.69 0.00	-	-	-	2,259.11 (411.83)
(iii) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered doubtful	-	-	-	-	-	-

Note: Figures in bracket relate to previous year

39. Trade Payable Ageing

Rs. In Lakh

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) MSME	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-



(iii) Disputed Dues – MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-

40. Intangible Assets under development ageing as on 31st March 2025

Rs. In Lakh

Particulars	< 1 Year	1-2 Years	2-3 Years	> 3 Years	Grand Total
CWIP-Customer and Merchant On-boarding.	26.53	-	-	24.93	51.47
Total	26.53	-	-	24.93	51.47

Intangible Assets under development ageing as on 31st March 2024

Rs. In Lakh

Particulars	< 1 Year	1-2 Years	2-3 Years	> 3 Years	Grand Total
CWIP Revolving Loan Interface	-	10.22	8.64	12.15	31.01
CWIP-Revolving Loan	13.31	11.95	16.18	214.34	255.77
CWIP-FinnOne Digital PL	-	-	-	7.62	7.62
CWIP-Loyalty Management	3.49	9.10	18.20	63.71	94.50
CWIP-Customer and Merchant On-boarding.	5.29	-	16.43	16.43	38.15
CWIP-Software	-	3.77	-	-	3.77
	22.09	35.04	59.45	314.25	430.82

41. Major Ratios

Ratio	Numerator	Denominator	2024-25	2023-24	Variance	Reason for variance
(a) Current ratio	Current Assets	Current Liabilities	0.76	0.70	9%	Ratio has increased from previous year majorly due to decrease in current liabilities than the decrease in current assets
(b) Debt-equity ratio	Total Debt	Shareholder's Equity	6.03	5.03	20%	Ratio has deteriorated from previous year as the Company has decreased debt, but shareholders equity has reduced more on account of the loss
(c) Debt service coverage ratio	Earnings available for debt service	Debt Service	0.01%	-0.16%	-105%	Ratio has improved from the previous year on account of lower debt service amount
(d) Return on equity ratio	Net Profits after taxes – Preference Dividend (if any)	Average Shareholder's Equity	-84%	-17%	400%	Due to increase in losses the ratio has deteriorated
(j) Return on capital employed	Earnings before interest and taxes	Capital Employed	1.90%	3.32%	-43%	Due to increase in adjusted losses for the year and decrease in borrowings, the ratio has deteriorated

42. Details of Provision as the Company policy and Reserve Bank of India

Rs. in Lakh

Particulars	31st March 2025	31st March 2024
Regular (Standard) Loans	48,324.51	60,862.60
Doubtful (NPA) Loan	4,172.45	752.80
Total Loan	52,496.50	61,615.40
Total Provision	2,197.41	564.20
Provision considered towards standard	61.70	99.90
Provision considered towards Doubtful	2,197.41	464.30
Total Provision Required as per RBI – Standard and NPA	120.81	218.70



43. The Company was not required to spend any amount towards CSR as per Section 135 of the Companies Act, 2013.
- 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;
 - 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.
44. 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:
- The Company has not traded or invested in crypto currency or virtual currency during the period.
 - 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.
 - The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
 - The Company has not entered any scheme of arrangement.
 - No satisfaction of charges are pending to be filed with ROC beyond the statutory period.
 - 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.
 - 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, 2023.
 - The Company has not revalued its property, plant and equipment or intangible assets during the period.
 - There are no core investment company (CIC) in the group.
45. 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, 2025.
46. 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, 2025.
47. Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

For T R Chadha & Co LLP
Chartered Accountants
Reg. No. 006711N/N500028

For AEON Credit Service India Private Limited


Pramod Tilwani
Partner
M. No. 076650


Junichi Doi
Wholtime Director
DIN: 09708161


Sanjaya Kumar Dash
Company Secretary
M. No. F7043


K.P Sunil
Wholtime Director
DIN: 09199165

Date: 30th May 2025
Place: Mumbai

