

AVON MERCANTILE LIMITED

Date: 02.09.2025

To,
The Listing Manager,
Bombay Stock Exchange Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

Sub. : Filing of Annual Report pursuant to Regulation 34 of SEBI (LODR) Regulations, 2015

Scrip Code: 512265

Dear Sir,

Please find attached herewith a copy of the notice and Annual Report as issued to the members of the Company for the purpose of forthcoming 40th Annual General Meeting of the Company scheduled to be held on Friday, the 26th September, 2025 at 1:30 p.m. through Video Conferencing (VC) / Other Audio-Visual means (OAVM).

Please take the same on records

Thanking You,

For Avon Mercantile Limited



Disha Soni
Company Secretary

M. No.: A42944

Website: avonmercantile.co.in



avonsecretarial@gmail.com

Ph: 0120-3355131, 3859000

CIN L17118UP1985PLC026582



Upper Basement, Smart
Bharat Mall, Plot No. I-2,
Sector-25A, Gautam
Buddha Nagar, Noida-
201301 (U.P.)

AVON MERCANTILE LIMITED

YOUR SMALL BUSINESS FINDING SCHEME

ANNUAL REPORT 2024-2025

AVON MERCANTILE LIMITED

Upper Basement, Smart Bharat Mall, Secto-25A, Gautam Budh Nagar, Noida,
Uttar Pradesh-201301

CIN: L17118UP1985PLC026582, Website: www.avonmercantile.co.in
Email id: avonsecretarial@gmail.com / compliance@avonmercantile.co.in



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OVERVIEW OF THE COMPANY

Avon Mercantile Limited is one of the NBFCs, promoted by its promoters, Smart Bharat Private Limited and Oasis Cineplex Private Limited. The Company since its incorporation is engaged in the activities of investment, providing inter-corporate deposits, short-term loans and advances to its group companies.

Avon Mercantile Limited is a Public Limited Company listed with BSE Limited and Calcutta Stock Exchange Limited. The Company was established on January 21, 1985 and is registered under Section 45-IA of the Reserve Bank of India Act, 1934, as Non-Banking Financial Company.

The Company has always been an innovator par excellence that enabled it to lead the way and stay ahead in the game. The Company does not accept public deposits.

THE VISION

The Company is incorporated with the main objects to carry on all or any of the business of buyers, sellers, producers, manufactures, to act as financiers with the object of financing by bridge loans, inter corporate deposits, to lend or deal with the money either with or without interest or security and to arrange, negotiate loans.

Avon Mercantile Limited as on date do not have any Subsidiary Company(ies)

LOOKING AHEAD

As a company focused on providing loans, AVON MERCANTILE LIMITED is prone to the concentration risk. Financial sector regulators in India have been expressing concern over the concentration risk inherent in the mono-line business model. To assuage their concerns, the company has always initiated bold moves to become a multi-product company.

CORPORATE Information

Details of the Board of Directors and Management

<u>Whole -time Key Managerial Personnel</u> Mr. Gaurav Aggarwal (Manager) Mr. Ajay Singh (Chief Financial Officer) (Resigned w.e.f 31st July, 2025)	<u>Internal Auditor</u> M/s Garg Gagan & Associates Chartered Accountants G-19, Second Floor Shakarpur , Delhi- 110092 Email Id: ggarg1989@yahoo.co.in
<u>Non- Executive Director</u> Mr. Gurvinder Pal Singh <u>Indepenent Directors</u> Ms. Himani Aneja Mr. Siddheshwar Kumar Upadhyay	<u>Secretarial Auditor</u> M/s. Roni Soni & Associates Company Secreatries Second Floor, RZ7A/29, Puram Nagar, Palam Colony, Street No. 3, New Delhi- 110045, Near Palam Mtro Station Gate No. 3 Email: csronisoni@gmail.com
<u>Company Secretary & Compliance Officer</u> Ms. Disha Soni	<u>Registrar & Share Transfer</u> MCS Share Transfer Agent Limited 1st Floor, Okhla Industrial Area, Phase- I, New Delhi -110020 Ph-011041406149, Fax: 011-41709881 Email: helpdeskdelhi@mcsregisters.com Website: www.mcsregistrars.com
<u>Committees of the Board</u> <u>Audit Committee</u> Mr. Siddheshwar Kumar Upadhyay Ms. Himani Aneja Mr. Gurvinder Pal Singh <u>Nomination & Remuneration Committee</u> Ms. Himani Aneja (w.e.f 29.08.2024) Mr. Siddheshwar Kumar Upadhyay Mr. Gurvinder Pal Singh <u>Stakeholder's Relationship Committee</u> Mr. Gurvinder Pal Singh Mr. Siddheshwar Kumar Upadhyay Ms. Himani Aneja	<u>Bankers:</u> IndusInd Bank Limited, New Delhi State Bank of Delhi <u>Registered / Corporate Office:</u> Upper Basement, Smart Bharat Mall, Sector-25A, Gautam Buddha Nagar, Noida, Uttar Pradesh-201301 <u>Statutory Auditors</u> M/s Gupta Garg & Agrawal, Chartered Accountants G-55, Royal Palace, IInd Floor, Laxmi Nagar, Vikas Marg, Delhi-110092

AVON MERCANTILE LIMITED

Registered Office:

Upper Basement, Smart Bharat Mall,
Plot No.I-2, Sector - 25A,
Gautam Buddha Nagar, Noida,
Uttar Pradesh- 201301 India
CIN: L17118UP1985PLC026582
Phone: 0120-3355131, 3859000
Website: www.avonmercantile.co.in
Email id: avonsecretarial@gmail.com

NOTICE of the 40th ANNUAL GENERAL MEETING

Notice is hereby given that the 40th Annual General Meeting of AVON MERCANTILE LIMITED will be held on Friday, 26th September, 2025 at 1:30 P.M. through Video Conference / Other Audio Visual Means, to transact the following business. The registered office of the Company shall be the deemed venue of the meeting.

ORDINARY BUSINESS**Item No. 1**

To receive, consider and adopt the Audited Financial Statements of the Company including the Balance Sheet as at 31st March 2025, the statement of Audited Profit and Loss Account and statement of Cash Flow for the year ended 31st March, 2025 together with the notes, Directors Reports and Auditors Report thereon.

Item No. 2

To consider re-appointment of Mr. Gurvinder Pal Singh (DIN: 05207077) as a Director of the Company who retires by rotation and being eligible offers himself for reappointment.

SPECIAL BUSINESS:**Item No. 3**

Appointment of Secretarial Auditor of the Company for the financial year 2025-26 to 2029-2030.

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

"RESOLVED THAT pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the applicable Rules made thereunder and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and such other applicable provisions, if any, consent of the members of the Company be and is hereby accorded to appoint M/s. Roni & Associates, Practicing Company Secretaries, as the Secretarial Auditor of the Company for a period of five (5) consecutive financial years commencing from FY 2025-26 till FY 2029-30, to conduct the Secretarial Audit of the Company on such terms and conditions including scope of work, duration, remuneration, etc., as may be mutually agreed between the Board of Directors and the Secretarial Auditor.

RESOLVED FURTHER THAT any Director or the Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be necessary, proper or expedient to give effect to this resolution including filing of necessary e-forms with the Registrar of Companies and other statutory authorities as may be required in this regard."

By Order of the Board

For Avon Mercantile Limited

Place: Noida

Sd/-

Date: 02.09.2025

(Disha Soni)

Company Secretary & Compliance Officer

M. No.: A42944

NOTES:

1. In compliance with the provisions of Companies Act, 2013 read with the Ministry of Corporate Affairs ("MCA") General Circular No. 10/2022 dated 28th December, 2022, read with General Circular Nos. 02/2022 dated 05th May, 2022, 21/2021 dated 14th December, 2021, 19/2021 dated 08th December, 2021, 02/2021 dated 13th January, 2021 and 20/2020 dated 05th May, 2020 (Collectively referred to as "the MCA Circulars") and Securities Exchange Board of India ("SEBI") Circulars dated 05th January, 2023 read with circulars dated 13th May, 2022, 15th January, 2021 and 12th May, 2020 (Collectively referred to as "the SEBI Circulars") the 40th Annual General Meeting of the Company is being conducted through Video Conferencing ("VC") (hereinafter referred to as "AGM" or "e-AGM"). The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed Venue of the "AGM" or "e-AGM".
2. A statement giving relevant details of the directors seeking appointment/ reappointment under Item No. 2 of the accompanying notice, as required under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 is annexed herewith as Annexure-A.
3. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. In terms of MCA Circulars, since physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility for appointment of proxies by the Members under Section 105 of the Act, will not be available for the AGM and, hence, the Proxy Form and Attendance Slip are not annexed to this Notice. The Board of Directors has appointed Mr. Dinkar Sharma (FCS), a Practicing Company Secretary (M. No. No. 27298) as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
4. Corporate members intending to attend the AGM through authorised representatives are requested to send a scanned copy of duly certified copy of the board or governing body resolution authorizing the representatives to attend and vote at the Annual General Meeting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to csdinkar@gmail.com with a copy marked to evoting@nsdl.co.in
5. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

6. Members can login and join the AGM 30 minutes prior to the scheduled time to start the AGM and the window for joining shall be kept open till the expiry of 15 minutes after the scheduled time to start the AGM. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members, on first-come-first-served basis. However, the participation of large members (members holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee and Auditors can attend the AGM without restriction of first-come-first served basis. Instructions and other information for members for attending the AGM through VC/OAVM are given in this Notice.
7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the aforesaid MCA and SEBI Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.
9. For ease of conduct, members who would like to ask questions/express their views on the items of the business to be transacted at the meeting can send in their questions/ comments in advance mentioning their name, demat account number/ folio number, e-mail id, mobile number at avonsecretarial@gmail.com. The same will be replied by the Company suitably. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
10. In accordance with SEBI LODR (Listing Obligations and Disclosure Requirements) (4th amendment) Regulations, 2018 notified on June 07, 2018 and further notification dated 30/11/2018 any request for physical transfer of shares shall not be processed w.e.f. April 01, 2019

Further, in compliance with SEBI vide its circular SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January 2022, the following requests received by the Company in physical form will be processed and the shares will be

issued in dematerialization form only:-

- i. Issue of duplicate share certificate
- ii. Claim from unclaimed suspense account
- iii. Renewal/Exchange of securities certificate
- iv. Endorsement
- v. Sub-division / splitting of securities certificate
- vi. Consolidation of securities certificates/folios
- vii. Transmission
- viii. Transposition

For this purpose, the securities holder/claimant shall submit a duly filled up Form ISR-4 which is hosted on the website of the company as well as on the website of MAS Services Ltd, Registrar and share transfer agent (RTA) The aforementioned form shall be furnished in hard copy form.

Members holding shares in physical form are requested to dematerialize their holdings at the earliest.

11. Pursuant to Securities & Exchange Board of India vide its circulars SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3rd November, 2021, SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated 14th December, 2021 and SEBI/HO/MIRSD/MIRSD_POD-1/P/CIR/2023/37 dated 16th March, 2023 it is mandatory for holders of physical securities to furnish valid PAN (where the PAN is linked with Aadhaar), full KYC details (address proof, email address, mobile number, bank account details) and nomination (for all the eligible folios).

Freezing of Folios without valid PAN, KYC details, Nomination

- a. In case, any of the aforesaid documents/details are not available in a Folio, on or after 01st October, 2024, the same shall be frozen by RTA.
- b. Similarly, in case the PAN(s) in a folio is/are not valid as on the cut-off date specified by The Central Board of Direct Taxes (CBDT) then also the folio shall be Frozen as above.
- c. A member/claimant will be eligible to lodge grievance or avail service request from the RTA or eligible for any payment including dividend only after furnishing the complete documents or details as aforesaid.

In case the folio continues to remain frozen as on 31st December, 2026, the RTA / Company shall refer such frozen folios to the Administering Authority under the Benami Transactions (Prohibitions) Act, 1988 and or Prevention of Money Laundering Act, 2002.

We would further like to draw your attention to SEBI Notification dated 24th January, 2022 and SEBI Circular SEBI/ HO/MIRSD/ MIRSD_RTAMB/P/CIR/2022/8 dated 25th January, 2022. Accordingly, while processing service requests in relation to; 1) Issue of duplicate securities certificate; 2) Claim from Unclaimed Suspense Account; 3) Renewal/Exchange of securities certificate; 4) Endorsement; 5) Sub-division / Splitting of securities certificate; 6) Consolidation of securities certificates/folios; 7) Transmission and 8) Transposition, the Company shall issue securities only in dematerialised form. For processing any of the aforesaid service requests the securities holder/claimant shall submit duly filled up Form ISR-

We hereby request to holders of physical securities to furnish the documents/details, as per the table below for respective service request, to the Registrars & Transfer Agents i.e., M/s. MCS Services Limited.

A member needs to submit Form ISR-1 for updating PAN and other KYC details to the RTA of the Company. Member may submit Form SH-13 to file Nomination. However, in case a Member do not wish to file nomination 'declaration to Opt-out' in Form ISR-3 shall be submitted.

S r. N o.	Particulars	Please furnish details in
1.	PAN	Form No.: ISR-1
2.	Address with PIN Code	
3.	Email address	
4.	Mobile Number	
5.	Bank account details (Bank name and Branch, Bank account number, IFS Code)	
6.	Demat Account Number	
7.	Specimen Signature	Form No.: ISR-2
8.	Nomination details	Form No.: SH-13

9.	Declaration to opt out nomination	Form No.: ISR-3
10.	Cancellation or Variation of Nomination	Form No.: SH-14
11.	Request for issue of Securities in dematerialized form in case of below:	Form No.: ISR-4
	Issue of duplicate securities certificate	
	Claim from Unclaimed Suspense Account	
	Renewal / Exchange of securities certificate	
	Endorsement	
	Sub-division / Splitting of securities certificate	
	Consolidation of securities certificates/folios	
	Transmission	
	Transposition	

In case of major mismatch in the signature of the members(s) as available in the folio with the RTA and the present signature or if the signature is not available with the RTA, then the member(s) shall be required to furnish Banker's attestation of the signature as per Form ISR- 2 along-with the documents specified therein. Hence, it is advisable that the members send the Form ISR-2 alongwith the Form ISR-1 for updating of the KYC Details or Nomination. All the aforesaid forms can be downloaded from the website of the Company and from the website of the RTA at <https://www.mcsregistrars.com/>.

A separate communication has already been sent to the respective shareholders.

12. In compliance with the aforesaid MCA and SEBI Circulars, the Notice of the AGM along with the Annual Report 2024-25 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice calling AGM alongwith the explanatory statement and Annual Report 2024-25 are available on the website of the Company at <https://avonmercantile.co.in/> and on the website of the Stock Exchange i.e. BSE Limited at www.bseindia.com and on the website of National Securities Depository Limited (NSDL) i.e. www.evoting.nsdl.com (the Authorised agency for providing voting through electronic means and AGM through VC/OAVM). Company's web-link on the above will also be provided in advertisement being published in Financial Express (English edition) and Jansatta (Hindi edition).
13. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from 1st April, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio

management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company Secretary or Mas Services Limited, Company's Registrar and Share Transfer Agents ("RTA") (Tel. No. 011 26387281/82/83) for assistance in this regard.

14. Members who have not yet registered their e-mail addresses are requested to register the same with their Depository Participants ("DP") in case the shares are held by them in electronic form and with the Company/RTA in case the shares are held by them in physical form.
15. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone / mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, etc., to their DPs if the shares are held by them in electronic form and to the Company/RTA if the shares are held by them in physical form.
16. For receiving all future correspondence (including Annual Report) from the Company electronically-

In case you have not registered your email ID with the Company/ Depository, please follow below instructions to register your email ID for obtaining Annual Report for FY 2024-2025 and login details for e-voting.

Physical Holding

Send a signed request letter to Registrar and Transfer Agents of the Company, MCS Share Transfer Agent Limited at admin@mcsregistrars.com providing Folio Number, Name of the Shareholder, scanned copy of the Share Certificate (Front and Back), PAN(Self attested scanned copy of PAN Card), AADHAR (Self attested scanned copy of Aadhar Card) with subject line (Register E-mail ID Folio No (Mention Folio No) of Avon Mercantile Limited.

Demat Holding

Please contact your Depository Participant (DP) and register your email address as per the process advised by DP.

17. In compliance with the aforesaid MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report 2024-2025 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories. Further, those members who have not registered their e-mail addresses and mobile nos. and in

consequence could not be served the Notice of the AGM and Annual Report may temporarily get themselves registered with RTA by emailing for obtaining the same. Members are requested to support our commitment to environmental protection by choosing to receive the Company's communications through e-mail going forward.

Members may note that the Notice and Annual Report 2024-2025 will also be available on the Company's website <https://avonmercantile.co.in/>, websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and on the website of NSDL <https://www.evoting.nsdl.com>.

18. In case a person has become a member of the Company after dispatch of the AGM Notice, but on or before the cut-off date for e-voting i.e. **Friday, September, 19, 2025**, such person may obtain the User ID and Password from RTA by e-mail request on admin@mcsregistrars.com
19. With a view to helping us serve the members better, members who hold shares in identical names and in the same order of names in more than one folio are requested to write to the Company to consolidate their holdings in one folio.
20. In terms of Section 72 of the Companies Act, 2013 and the applicable provisions, the shareholders of the Company may nominate a person in whose name the shares held by him/them shall vest in the event of his/their death. Shareholders desirous of availing this facility may submit the requisite nomination form.
21. Shareholders of the Company are informed that pursuant to the provisions of the Act and the relevant rules the amount of dividend which remains unpaid/unclaimed for a period of 7 years is transferred to the 'Investor Education & Protection Fund (IEPF)' constituted by the Central Govt. Accordingly the amount of dividend which remained unpaid/unclaimed for a period of 7 years for the year 2014-15 has already been transferred to IEPF. Shareholders who have not encashed their dividend warrant(s), for the years 2016-17 to 2022- 23 are requested to make claim with the Registrar & Share Transfer Agent of the Company immediately.

Further, pursuant to the provisions of Section 124(6) of the Act read with the relevant Rules made thereunder, shares on which dividend has not been paid or claimed for seven (7) consecutive years or more shall be transferred to the IEPF as notified by the Ministry of Corporate Affairs.

In accordance with the IEPF Rules, the Company has sent notices to all the Shareholders whose shares are due for transfer to the IEPF and has also published the details thereof in notices published in newspapers.

The Members whose dividend/shares are transferred to the IEPF may claim the dividend/shares by making an application to the IEPF by following the procedure as detailed in the IEPF Rules and as enumerated on the website of IEPF at <http://www.iepf.gov.in/IEPF/refund.html>.

22. In terms of SEBI Circular dated 09/12/2020, the depository shall send SMS/email alerts regarding the details of the upcoming AGM to the demat holders atleast 2 days prior to the date of commencement of e-voting. Hence members are requested to update the mobile no./email ID with their respective depository participants.
23. The documents referred to in the proposed resolutions are available for inspection at its Registered Office of the Company during normal business hours on any working day except Saturdays, upto the date of meeting.
24. Instructions for e-voting and joining the AGM are as follows:

In terms of the provisions of section 108 of the Act, read with rule 20 of the Companies (Management and Administration) Rules, 2014, as amended (hereinafter called 'the Rules' for the purpose of this section of the Notice) and regulation 44 of the SEBI Listing Regulations, the Company is providing facility of remote e-voting to exercise votes on the items of business given in the Notice 40th Annual General Meeting (AGM) through electronic voting system, to members holding shares as on **Friday, September 19, 2025** (end of day), being the cut-off date fixed for determining voting rights of members, entitled to participate in the remote e-voting process, through the e-voting platform provided by NSDL or to vote at the e-AGM.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE ASUNDER:-

The remote e-voting period begins on Tuesday, September, 23, 2025 at 9:00 A.M. and ends on Thursday, September 25, 2025 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Friday, September 19, 2025, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Friday, September 19, 2025.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system**A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under “IDeAS” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider – NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com/. Select “Register Online for IDeAS” Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/

	either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in demat mode with CDSL	- Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/loginorwww.cdslindia.com and click on New System Myeasi. - After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. - If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration - Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.

Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
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Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**
6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
 - a) Click on "[Forgot User Details/Password?](#)" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) [Physical User Reset Password?](#)" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to bskashtwal@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Amit Vishal at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to admin@mcsregistrars.com or avonsecretarial@gmail.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to admin@mcsregistrars.com or avonsecretarial@gmail.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. [Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.](#)
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH

VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join General meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, at disha@smartbharatgroup.com or avonsecretarial@gmail.com or compliance@avonmercantile.co.in . The same will be replied by the company suitably.

General Instructions

- i. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- ii. CS. DINKAR SHARMA, Practicing Company Secretary (Membership No. FCS- 7383), has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- iii. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, for all those members who are present VC / OAVM at the AGM but have not cast their votes by availing the remote e-voting facility.
- iv. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make,

not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

- v. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.avonmercantile.co.in and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing and communicated to the BSE Limited.

EXPLANATORY STATEMENT**[Pursuant to Sections 102 and 110 of the Companies Act, 2013]**

As required by Section 102 of the Companies Act, 2013, the explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 3, of the accompanying Notice dated 1st September, 2025.

Item No. 3

In accordance with Section 204 of the Companies Act 2013, read with the rules framed thereunder, and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR) 2015"), every listed entity is required to undertake Secretarial Audit by a Peer Reviewed Secretarial Auditor who shall be appointed by the Members of the Company, on the recommendation of the Board of Directors, for a period of five consecutive years.

Based on the recommendation of the Audit Committee, the Board, at its Meeting held on August 13, 2025, subject to the approval of the Members of the Company, approved the appointment of M/s. Roni & Associates, Practicing Company Secretaries (Firm Registration Number: S2019DE671300) as the Secretarial Auditors of the Company, for a term of five (5) consecutive years, to hold office of the Secretarial Auditor from the Financial Year 2025-26 upto Financial Year 2029-30.

M/s. Roni & Associates, established in 2018 and based at Delhi, is a reputed and dynamic firm offering a broad spectrum of professional services. The firm specializes in corporate laws, SEBI regulations, FEMA compliances, and conducts various statutory and regulatory audits, including secretarial, due diligence, and compliance audits. Backed by a team of experienced professionals, the firm is committed to delivering timely, practical, and strategic solutions tailored to client needs. It is a peer-reviewed firm by the Institute of Company Secretaries of India (ICSI), reflecting its adherence to the highest standards of professional excellence and ethical practice.

M/s. Roni & Associates, Practicing Company Secretaries had consented to their appointment as the Secretarial Auditors of the Company and have confirmed that they fulfill the criteria as specified in Clause (a) of regulation 24A (1A) of the SEBI (LODR), 2015 and have not incurred any of disqualifications as specified by the Securities and Exchange Board of India.

The proposed remuneration to be paid to M/s. Roni & Associates, Practicing Company Secretaries, for the financial year 2025-26 is Rs. 70,000/- (Rupees Seventy Thousand only)

plus out of pocket expenses and applicable taxes. For the subsequent years, the Board of Directors will decide the remuneration based on recommendations of Audit Committee. In addition to the secretarial audit, M/s. Roni & Associates, Practicing Company Secretaries may provide such other permissible services from time to time as may be approved by the Board of Directors.

Accordingly, consent of the Members is sought for approval of the aforesaid appointment of the Secretarial Auditors.

None of the Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the proposed Resolution.

By Order of the Board
For Avon Mercantile Limited

Place: Noida

Date: 02.09.2025

Sd/-
(Disha Soni)
Company Secretary & Compliance Officer
M. No.: A42944

ANNEXURE - A

The details of Directors seeking re-appointment as per Regulation 36(3) of the SEBI (LODR) 2015 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India is appended below:

PARTICULARS	Mr. Gurvinder Pal Singh
Designation	Non-Executive Director
DIN	05207077
Date of Birth	12-09-1961
Age	63
Date of first Appointment	21/07/2019
Qualifications and Experience	Mr. Gurvinder Pal Singh is a member of Institute of The Institute of Chartered Accountants of India.
Expertise in specific functional area	He is having experience of more than three decades in finance.
Directorships held in Other Companies in India	4
Chairman/ Member of Committee of the Board of other Companies in which they are director	None
Shareholding in the Company	None
Inter-se Relationship between Directors/ Mangers/Key Managerial Personnel	None
Terms and Conditions of Appointment / Re-appointment and Remuneration	As mentioned in the Resolution.
Remuneration Last Drawn	None
Number of Board Meetings Attended during the Financial Year 2024-25	6

AVON MERCANTILE LIMITED

DIRECTOR'S REPORT

FINANCIAL YEAR 2024-2025

BOARD'S REPORT**To****The Members****AVON MERCANTILE LIMITED**

Your Board of Directors has pleasure in presenting the Fortieth Annual Report of your Company for the Financial Year ended on 31st March, 2025. The Company has duly made appropriate disclosures in this Board report with the objective of accountability and transparency in the working of the Company and to make you aware about the working and future perspective of the Company.

1. FINANCIAL SUMMARY OF HIGHLIGHTS/ PERFORMANCE OF THE COMPANY

The performance of the Company for the Financial Year ended 31st March, 2025 pursuant to requirement under Section 134(1) of the Companies Act, 2013 ("Act") read along with Rule 8(5)(1) of Companies (Accounts) Rules, 2014 is tabulated below:

RESULTS OF OUR OPERATIONS**(Amount in 'lakhs)**

PARTICULARS	March 31, 2025	March 31, 2024
Revenue from Operations	NIL	NIL
Interest Incomes	255.22	433.64
Other Incomes	1.73	31.15
Total Incomes	256.95	464.79
Finance Costs	161.11	340.47
Employee benefits expenses	48.15	71.36
Depreciation, amortization and impairment	0.86	0.58
Other Expenses	48.24	38.12
Total Expenses	258.36	450.53
Profit/(Loss) before exceptional Items and tax	(1.41)	14.26
Exceptional Items	NIL	NIL
Profit/Loss Before Tax	(1.41)	14.26
Tax Expenses	NIL	NIL

Profit/ Loss After Tax	(1.41)	14.26
Earnings per Equity Share- Basic	(0.02)	0.19
Earnings per Equity Share- Diluted	(0.02)	0.19

**The amount shown in bracket () are negative or decrease in value.*

FINANCIAL ANALYSIS

During the year under review, the revenue generated from operations i.e, from interest is INR 255.22 Lakhs & revenue from other sources is INR 1.73 Lakhs during the year, which was however INR 433.64 Lakhs and INR 31.15 Lakhs during the preceding financial year. The loss incurred during the year under review was 1.41 Lakhs as compared to the profit earned 14.26 Lakhs during the previous Financial Year 2023-2024.

2. STATE OF AFFAIRS OF THE COMPANY AND FUTURE OUTLOOK

The Company has been registered with the Reserve Bank of India as a Non-Banking Financial Institution (Non-Deposit taking). During the year, the Company has categorized as a Non- Systemically Important Non-Deposit taking Non-Banking Financial Company'' as the main activity of the Company is of lending funds. The Company intends to continue the same line of business in future as well.

3. CHANGE(S) IN NATURE OF BUSINESS, IF ANY

There is no change in the nature in the business of the Company during the financial year ended March 31, 2025.

4. DIVIDEND

Based on Company's performance in the current year, the Board of Directors of the Company does not recommend any dividend on Equity Shares of the Company.

5. UNCLAIMED DIVIDEND

The shareholders who have not uncashed their dividend for the FY 2018-19 onwards are requested to claim the amount from registered office of the company. Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, if the dividend transferred to the Unpaid Dividend Account of the Company remains unpaid or unclaimed for a period of seven years i.e., till September 19, 2025, then such

unclaimed or unpaid dividend shall be transferred by the Company along with interest accrued, if any, to the Investor Education and Protection Fund (the IEPF), a fund established under sub-section (1) of section 125. The details of unclaimed/unpaid dividend are available on the website of the Company viz. www.avonmercantile.co.in.

6. TRANSFER OF RESERVES

During the Financial Year 2024-2025, Nil amount was transferred to the General Reserve in terms of Section 45-IC of the Reserve Bank of India Act, 1934 as the company has suffered losses during the financial year.

7. CHANGES IN SHARE CAPITAL

The paid up equity share capital of the Company as on 31 March 2025 was 74,773.90 Thousands. There has been no change in the Equity Share Capital of the Company during the year. The Authorized Share Capital of the Company is 750 Lakhs divided into 75,00,000 (Seventy Five Lakhs Only) Equity Shares of Rs. 10/- (Rupees Ten Only) each. The Company has no other type of securities except equity shares forming part of Equity share capital.

8. DEPOSIT

The company is a Non-Deposit Taking–Non-Systematically Important NBFC (NBFC). As per the Reserve Bank Guidelines, the company is NBFC ND-ICC as the Company is not holding or accepting deposits as on the date of Balance Sheet. Further, the company being Loan Company falls in the category of Investment and Credit Company (NBFC-ICC) as per classification notified by RBI.

9. LISTING ON STOCK EXCHANGE

The shares of the Company are listed on main platform of BSE Limited. The International Securities Identification Number (ISIN) of company is INE471D01019 and the Scrip code is 512265.

The suspension in trading of equity shares of the company was revoked w.e.f. July 03, 2025 by BSE.

The Company had voluntarily applied for delisting of its equity shares from Calcutta

Stock Exchange and the same has been granted w.e.f. 10th June, 2025.

10. ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company has designed and implemented its internal financial controls system considering the fundamental parts of various critical processes, physical and operational which include its design, implementation and maintenance along with periodical internal review of operational effectiveness and sustenance. This ensures orderly and efficient conduct of its business, including adherence to Company's policies, safeguarding of its assets, prevention of errors, accuracy and completeness of the accounting records and the timely preparation of reliable financial information. The internal financial controls with reference to the financial statements were adequate and operating effectively.

The Audit Committee of the Board reviews the adequacy and effectiveness of the internal controls and checks and suggests desired improvements from time to time.

11. DIRECTORS AND KEY MANAGERIAL PERSONNELS

At present the Board of Directors of the Company comprise inter-alia of two independent Directors, viz., Ms. Himani Aneja and Mr. Siddheshwar Kumar Upadhyay, both of whom have submitted a declaration that each of them meets the criteria of independence as provided in Section 149(6) of the Act and there has been no change in the circumstances which may affect their status as independent director during the year and one Non-Executive Director i.e., Mr. Gurvinder Pal Singh. Mr. Gopal Singh Negi resigned from the position of the Chief Financial Officer (CFO) w.e.f 24th January, 2025 and Mr. Ajay Singh was appointed as CFO w.e.f 17th March, 2025 and further he resigned w.e.f 31st July, 2025 of the Company.

Ms. Disha Soni continues to be the Company Secretary of the Company w.e.f. 30th June 2021.

Mr. Gaurav Aggarwal continues to be the Manager of the Company w.e.f. 9th November, 2023.

The brief resume and details of Directors who are to be re-appointed are furnished in the Notice for the Annual General Meeting as **ANNEXURE-B**.

i. Changes in the composition of the Board of Directors / Key Managerial Personnel.

As required under the provisions of Section 134(q) read with Rule 8(5) (iii) of the Companies (Accounts) Rules, 2014, the details of Directors or Key Managerial Personnel who were appointed or have resigned during the year 2024-2025 under review are as follows:

Sr. No.	Name of Director or Key Managerial Person	Designation	Date of Appointment/ Change in Designation	Date of Resignation/ Cessation
1.	Mr. Gurvinder Pal Singh	Non-Executive Non Independent Director	21/07/2019	-
2.	Ms. Seema Salwan	Non-Executive Independent Director	14/08/2019	29/08/2024
3.	Mr. Siddheshwar Kumar Upadhyay	Non-Executive Independent Director	28/09/2019 (Second Tenure)	-
4.	Ms. Himani Aneja	Non-Executive Independent Director	29/08/2024	-
4.	Ms. Disha Soni	Company Secretary	30/06/2021	-
5.	Mr. Gopal Singh Negi	Chief Financial Officer	01/03/2019	24/01/2025
6.	Mr. Ajay Singh	Chief Financial Officer	17/03/2025	31/07/2025
7.	Mr. Gaurav Aggarwal	Manager	09/11/2023	-

As on March 31, 2025, your Company's Board had a strength of 3 (Three) Directors. The Composition of the Board is as below:

Category	No. of Directors	% of Total nos. of Directors
Non-Executive Director	3	100%

S. No.	Name of the Director	Date of Appointment	Status
1.	Mr. Gurvinder Pal Singh	Director (since 21st July, 2019)	Non-Executive
2.	Ms. Himani Aneja	Director (since 29th August, 2024)	Non-Executive Independent
3.	Mr. Siddheshwar Kumar Upadhyay	Director (Since 28th September, 2019)	Non-Executive Independent

12. STATEMENT OF DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SUB- SECTION (6) OF SECTION 149

All Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations. In the opinion of the Board, the Independent Directors, fulfil the criteria of independence specified in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations. The Independent Directors have also confirmed that they have complied with the Company's Code of Business Conduct & Ethics laid down for the Board of Directors, Senior Management Personnel and Other Employees

13. INDEPENDENT DIRECTORS' MEETING

As per Section 149, Schedule IV of the Companies Act, 2013, and Rules made thereunder, read with the Listing Regulations, the Independent Directors of the Company met amongst themselves without the presence of Non-Independent Directors and members of Management on its meeting 24th January, 2025.

14. NUMBER OF MEETINGS OF THE BOARD

During the Financial Year 2024-25, 6 (Six) Board Meetings were held. The Board periodically evaluates the need for change in its composition and size. Details of Board Meetings held and attended by the directors during the financial year 2023-24 are:-

Meeting Number	Date of the Meeting	Percentage of Attendance
First Meeting	13 th May ,2024	100%
Second Meeting	12 th August, 2024	100%
Third Meeting	29 th August, 2024	66.66%
Fourth Meeting	11 th November, 2024 (Original Meeting)	33.33%
Fourth Meeting	12 th November, 2024 (Adjourned Meeting)	100%
Fifth Meeting	24 th January, 2025	100%
Sixth Meeting	17 th March, 2025	100%

15. COMMITTEES OF BOARD

1. AUDIT COMMITTEE

In compliance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations, as on 31 March 2025, the Audit Committee of Avon Mercantile Limited comprises of following 3 (Three) Members, 2(Two) members are Independent Non-Executive Directors.

Name	Designation	Category
Mr. Siddheshwar Kumar Upadhyay	Chairman	Independent Non-Executive Director
Ms. Himani Aneja	Member	Independent Non-Executive Director
Mr. Gurvinder Pal Singh	Member	Non-Executive Director

The recommendation made by the Audit Committee from time to time was accepted by the Board of Directors.

2. NOMINATION AND REMUNERATION COMMITTEE

The details pertaining to composition of Nomination and Remuneration Committee ("NRC") and the Company's policy on Directors, Key Managerial Personnel and other Employees' appointment and remuneration and other matters provided in Section 178(3) and (4) of the Act. NRC while determining and / or recommending the criteria for remuneration / remuneration for Directors, Senior Management / KMPs and other employees ensure that:

The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully; Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and remuneration to Directors, Senior Management / KMPs involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

During the year under review, no changes except those required under regulatory provisions were carried out to the Policy.

3. STAKEHOLDERS RELATIONSHIP COMMITTEE

The details pertaining to composition of Stakeholders Relationship Committee in accordance with Section 178(5) of the Act are mentioned in the Corporate Information section of the Annual Report.

4. RISK MANAGEMENT COMMITTEE

This committee has been constituted for monitoring and managing the different types of risks, pursuant to the requirement of Scale Based Regulations issued by Reserve Bank of India.

5. CREDIT COMMITTEE

This committee has been constituted for analyzing and sanctioning of loans to the potential borrowers, review the repayment schedules and default made by borrower in the repayment of loans.

16. SUBSIDIARIES, JOINT-VENTURES OR ASSOCIATE COMPANIES

During the year under review, no Company has become or ceased to be its Subsidiary, Joint Venture or Associate Company.

17. INTER-SE TRANSFER OF PROMOTERS' SHAREHOLDINGS

During the year under review, there was no change in inter-se-transfer of shares between promoter's Groups.

18. STATEMENT INDICATING THE MANNER IN WHICH FORMAL ANNUAL EVALUATION HAS BEEN MADE BY THE BOARD OF ITS OWN PERFORMANCE AND THAT OF IT COMMITTEES AND INDIVIDUAL DIRECTORS

Pursuant to the provisions of the Act and the SEBI Listing Regulations and the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017, the Board has carried out an annual evaluation of its own performance, performance of the Directors individually and the Committees of the Board.

Manner of Evaluation:

The Nomination and Remuneration Committee and the Board have laid down the manner in which formal annual evaluation of the performance of the Board, its Committees and individual directors has to be made. It includes circulation of evaluation forms separately for evaluation of the Board and its Committees, Independent Directors / Non-Executive Directors / Manager and Chairperson of the Company.

The process of the annual performance evaluation broadly comprises:

Board and Committee Evaluation:

- Evaluation of Board as a whole and the Committees is done by the individual directors / members, followed by submission of collation to NRC and feedback to the Board.

Independent / Non-Executive Director Evaluation:

- Evaluation done by Board members excluding the Director being evaluated is submitted to the Chairperson of the Company and individual feedback provided to each Director.

Manager & Chief Executive Officer Evaluation:

- Evaluation as done by the individual directors is submitted to the Chairperson of the Nomination and Remuneration Committee who further provides feedback to the Nomination and Remuneration Committee and subsequently to the Board.

In a separate meeting of Independent Directors held on 24th January, 2025 performance of Non-Independent Director, performance of the Board as a whole considering the views of Non-Executive Director was done.

The performance of all the directors during the year was satisfactory and towards the growth prospects.

Personnel relations with all employees remained cordial and harmonious throughout the year. Your Directors wish to place on record their sincere appreciation for the devoted services of all employees of the Company.

19. CORPORATE GOVERNANCE & COMPLIANCE CERTIFICATE (Not Applicable)

According to the provisions of Regulation 27(2) of the SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015, read with Regulation 15(2) of Chapter IV of SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015, the paid up

capital of Avon Mercantile Limited ("the Company") having the registered office at Upper Basement, Smart Bharat Mall Plot No.I-2, Sector - 25A, Gautam Buddha Nagar, Noida, Uttar Pradesh- 201301, is less than Ten Crores i.e. INR 7,47,73,900.00 (Indian Rupees Seven Crores Forty Seven Lakhs Seventy Three Thousands Nine Hundred Only) and the Net Worth of the Company is less than Twenty Five Crores i.e. INR 5,12,38,243/- (Five Crore Twelve Lakhs Thirty Eight Thousand Two Hundred Forty Three Only) as per latest audited Financial Statements as on financial year ended 31st March, 2025.

Hence, as per Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Corporate Governance provisions as specified in Regulation 17, 17 A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and Para C, D and E of Schedule V is not applicable on the Company.

Further, Avon Mercantile Limited received a Non – Applicability Certificate of Corporate Governance Report from M/s. Roni Soni & Associates, Company Secretaries in Practice (C.P. No. 21854) regarding compliance with Corporate Governance norms as stipulated in Part C of Schedule V of the Listing Regulations for the financial year ended 31st March, 2025. The certificate confirming Non – Applicability of Corporate Governance Report on the Company is annexed as '**ANNEXURE – VII**' and form integral part of this report.

20. AUDITORS AND AUDITORS' REPORT

At the 37th Annual General Meeting held on September 25, 2022, M/s. Gupta Garg & Agrawal, Chartered Accountants (Firm Registration No. 505762C), were appointed as Statutory Auditors of the Company to hold office for a term of 5 years, and they continue to hold their office during the year under review.

Pursuant to Section 139 and all the other applicable provisions of the Companies Act, 2013 read with relevant rules thereunder, M/s Gupta, Garg & Agrawal, Chartered Accountants (ICAI FRN: 505762C), having their office at G-55, Royal Palace, IInd Floor Laxmi Nagar, Vikas Marg, Delhi – 110092, were appointed as Statutory Auditors from the conclusion of the 37th AGM in the year 2022 until the conclusion of the AGM in the year 2027.

There are no qualifications, reservations or adverse remarks made by M/s Gupta, Garg & Agrawal, Chartered Accountants, Statutory Auditors, in their report for the financial year ended March 31, 2025. The notes on financial statement referred to in

the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

Pursuant to provisions of the Section 143(12) of the Companies Act, 2013, the Statutory Auditors has not reported of any incident of fraud to the Audit Committee during the year under review.

21. SECRETARIAL AUDIT REPORT

As required under Section 204(1) of the Companies Act, 2013 read with rules framed thereunder, the Company has appointed M/s. Roni & Associates, Company Secretaries in Practice (C.P. No. 21854) to conduct the Secretarial Audit for the financial year 2024-25. The Secretarial Audit Report submitted by M/s. Roni Soni & Associates, in the prescribed form **MR- 3** is attached as '**Annexure IV**' and forms part of this Report

As per the observations given by the Secretarial Auditors, the explanation to the same has been given to them which form part of the Secretarial Audit Report. The Company is taking all necessary steps to comply with the observations given by the secretarial auditors.

22. CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

A Certificate of Non-Disqualification of Directors pursuant to Regulation 34(3) and Schedule V para C of Clause (10) (i) of SEBI LODR, 2015 has been attached as '**ANNEXURE-IVa**' obtained from M/s. Roni Soni & Associates, Company Secretaries in Practice (C.P. No. 21854) forms part of this Report.

23. COST RECORDS

Pursuant to Section 148 of the Companies Act, 2013, the maintenance of Cost Records has not been specified by the Central Government for the business activities carried out by the Company. Thus report under Clause 3 (vi) of the Order is not applicable to your Company.

24. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As required under Schedule V(B) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis Report is presented in the separate section and is marked as

ANNEXURE - VIII and forms an integral part of this report.

25. SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards - 1 and Secretarial Standards - 2 issued by the Institute of Company Secretaries of India and approved by the Central Government.

26. DISCLOSURE ON VIGIL MECHANISM (WHISTLE BLOWER POLICY)

Pursuant to Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 read with Section 177(9) of the Act, the Company has adopted a Vigil Mechanism Framework and duly uploaded on the website of the Company URL: <http://avonmercantile.co.in/images/uploads/whistle-blower-policy-mar2023.pdf>. The objective of the framework is to establish a redressal forum, which addresses all concerns raised on questionable practices and through which the Directors and employees can raise actual or suspected violations directly to the Chairman of the Audit Committee of the Company.

The role of Chairman of the Audit Committee of the Company is to review the grievance at the initial stage and in case the grievance is material, the same is investigated through appropriate delegation. After investigation, the complaint with investigation report is forwarded to Audit Committee. The Committee takes necessary actions to maintain confidentiality within the organization on matters brought to its attention.

27. RISK MANAGEMENT POLICY

A key factor in determining a Company's capacity to create sustainable value is the risks that the Company is willing to take and its ability to manage them efficiently. Many risks exist in a Company's Risk Management process and they emerge on a regular basis. A Risk Management Policy is formed to frame, implement, and monitor the risk management plan for the Company and ensuring its effectiveness. The sole purpose of this policy shall be to assist the Board in fulfilling its corporate governance oversight responsibilities with regards to the identification, evaluation and mitigation of operational, strategic and external environmental risks.

Keeping in view the Risks associated with the Company being NBFC and the need to mitigate those risks, as per the requirements of Scale based Regulations of RBI, the Company has formed a Risk Management Committee during the year under review with the following Composition of Directors:

Name	Designation	Category
Mr. Gurvinder Pal Singh	Chairman	Non-Executive Director
Mr. Ajay Singh (resigned w.e.f 31 st July, 2025)	Vice Chairman	CFO
Mr. Siddheshwar Kumar Upadhyay	Member	Independent Non-Executive Director

28. EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) and Section 134(3)(a) of the Companies Act, 2013, the Company has placed a copy of annual return of the financial year 2024-25 on its website at <https://avonmercantile.co.in/investors.php>.

29. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitments affecting the financial position of the Company occurred between the end of the Financial Year to which financial statements relates and the date of this Report.

30. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/COURTS/TRIBUNALS

The Company has not received any significant or material orders passed by any Regulatory Authority, Court or Tribunal which shall impact the going concern status and Company's operations in future.

31. INTERNAL FINANCIAL CONTROL SYSTEM

According to Section 134(5) (e) of the Companies Act, 2013, the term Internal Financial Control means the policies and procedure's adopted by the Company for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detention of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information.

The Company has a well-placed, proper and adequate internal financial control

systems which ensure that all assets are safeguarded and protected and that the transactions are authorized recorded and reported correctly. It provides for adequate checks and balances and is meant to ensure that all transactions are authorized, reported correctly. The Internal Financial controls with reference to the Financial Statements are adequate commensurate with the size and nature of its business.

The Board has appointed M/s Garg Gagan & Associates, Chartered Accountants, as the Internal Auditors of the Company for the Financial Year 2025-2026. The Internal Audit Report along with observations and recommendations contained therein was placed before the Audit Committee in its meeting held on 13TH August, 2025 and was taken note of.

32. **DISCLOSURE ON EMPLOYEE STOCK OPTION/PURCHASE SCHEME**

The Company has not provided any Employee Stock Option Scheme or Purchase Scheme to the employees.

33. **DEPOSITS**

The Company has neither accepted nor renewed any deposits during the Financial Year 2024-25 in terms of Chapter V of the Companies Act, 2013. Further, the Company is not having any Unpaid or Unclaimed Deposits at the end of the Financial Year.

34. **PARTICULARS OF EMPLOYEES**

Disclosures with respect to the remuneration of directors and employees as required under Section 197(12) of the Companies Act read with Rule 5(1) and Rules 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 "Remuneration Rules" and "the names of the top ten employees in terms of remuneration drawn" are provided in the **ANNEXURE-III** to Board's Report and there are no employees/ Directors who were in receipt of remuneration in excess of the limit provided in Section 197(12).

35. **PARTICULARS OF LOAN(S), GUARANTEE(S) OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

During the financial year ended March 31, 2025, the Company lays down the details of the particulars of loans, guarantees and investments covered under Section 186 of the Act have been disclosed in the financial statements forms part of this Annual Report.

36. **CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES UNDER SECTION 188 (1) OF THE COMPANIES ACT, 2013**

During the financial year 2024-25, your Company has not entered into any transaction with related parties as defined under Section 2(76) of the Companies Act, 2013, read with Companies (Specification of Definition Details) Rules, 2014, all of which were in the ordinary course of business and on arm's length basis and in accordance with the provisions of Section 188 (1) of the Companies Act, 2013, read with the applicable Rules issued thereunder is attached in Form **AOC-2 as "ANNEXURE-I"** which forms part of this report.

37. **PREVENTION OF SEXUAL HARASSMENT POLICY**

Your Company has constituted Internal Complaints Committee under the "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013" in order to provide a protective environment at workplace for all its women employees. The framework of the policy for reporting sexual harassment cases at workplace ensures complete anonymity and confidentiality of information. Adequate workshops and awareness programs against the sexual harassment are conducted across the organization.

The Company is committed to provide a safe and conducive work environment to its employees. Your Directors further state that during the year under review, no case of sexual harassment was filed with the Company under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The details of sexual harassment complaints for the financial year ended 31st March, 2024 are as follows:

Particulars	FY 2023-24
Complaints filed during the year	0
Complaints disposed of during the year	0
Complaints pending > 90 days	0
Complaints pending at end of the year	0

38. **MATERNITY BENEFIT COMPLIANCE**

The Company has complied with the provisions of the Maternity Benefit Act, 1961,

including provision of maternity leave, nursing breaks, and crèche facilities (where applicable), ensuring a supportive work environment for women employees.

39. **ENERGY CONSERVATION, RESEARCH AND DEVELOPMENT TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS OUTGO**

Pursuant to provisions of Section 134 of the Companies Act, 2013 read with Rules 8(3) of the Companies (Accounts) Rules, 2014 the details of the activities in the nature of Energy Conservation, Research and Developments, Technology Absorption and Foreign Exchange Earnings and Outgo is attached as “**ANNEXURE- II**” which forms part of this report.

40. **DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

Pursuant to Section 135 of the Companies Act, 2013, and the relevant rules, the Company has not developed and implemented any Corporate Social Responsibilities' initiatives, as the said provisions are not applicable on your Company.

41. **DIRECTOR'S RESPONSIBILITY STATEMENT**

Pursuant to Section 134(5) of the Act, the Board of Directors confirms that:

- a. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b. they have 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 financial year and of the loss of the company for that period;
- c. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities;
- d. they have prepared the annual accounts on a going concern basis; and
- e. they have devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

42. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY & BANKRUPTCY CODE, 2016 DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR

During the year under review, there was no application made and proceeding initiated/pending under the Insolvency and Bankruptcy Code, 2016, by any Financial and/or Operational Creditors against your Company. As on the date of this report, there is no application or proceeding pending against your Company under the Insolvency and Bankruptcy Code, 2016.

43. THE DETAILS OF DIFFERENCE BETWEEN THE AMOUNT OF VALUATION AT THE TIME OF ONE-TIME SETTLEMENT AND THE VALUATION DONE AT THE TIME OF TAKING A LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

The Company has not taken any term loan from any Bank(s).

44. ACKNOWLEDGEMENT

The Board acknowledges with gratitude the co-operation and assistance provided to the Company by its bankers, financial institutions, and government as well as Non-Government agencies. The Board wishes to place on record its appreciation to the contribution made by employees of the company during the year under review. Your Directors give their sincere gratitude to the customers, clients, vendors and other business associates for their continued support for the Company's growth. The Board also takes this opportunity to express its deep gratitude for the continued co-operation and support received from its valued shareholders.

**For and on behalf of the Board of Directors
AVON MERCANTILE LIMITED**

Date: 02.09.2025

Place: Noida

**Sd/-
(Siddheshwar Kumar Upadhyay)
Director
DIN: 07871728**

**Sd/-
(Gurvinder Pal Singh)
Director
DIN: 05207077**

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)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.- None

SL. No.	Particulars	Details
1	Name (s) of the related party & nature of relationship	Not Applicable
2	Nature of contracts/arrangements/transaction	
3	Duration of the contracts/arrangements/transaction	
4	Salient terms of the contracts or arrangements or transaction including the value, if any	
5	Justification for entering into such contracts or arrangements or transactions'	
6	Date of approval by the Board	
7	Amount paid as advances, if any	
8	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

2. Details of contracts or arrangements or transactions at Arm's length basis. – None

SL. No.	Particulars	Details
1	Name (s) of the related party & nature of relationship	Not Applicable
2	Nature of contracts/arrangements/transaction	
3	Duration of the contracts/arrangements/transaction	
4	Salient terms of the contracts or arrangements or transaction including the value, if any	
5	Date of approval by the Board	
6	Amount paid as advances, if any	

INFORMATION AS PER SECTION 134(3)(m) OF THE ACT READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH 2025:

FORM- "B"

(A) Conservation of Energy

Since the Company is not engaged in business activity, this clause is not applicable.

S. No.	Particulars	Applicability
I	the Steps taken or impact on conservation of energy:	Not Applicable
II	the Steps taken by the company for utilizing alternate sources of energy:	Not Applicable
III	the capital investment on energy conservation equipment's:	Not Applicable

(B) Technology Absorption

S. No.	Particulars	Applicability
I	the efforts made towards technology absorption:	NIL
II	the benefits derived like product improvement, cost reduction, product development or import substitution	NIL
III	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year):	NIL
IV	the expenditure incurred on Research and Development:	NIL

(C) Foreign Exchange Earnings and Outgo

NIL

Information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year ending 31st March, 2025:

Not Applicable as none of the Directors of the Company has received any remuneration from the Company except for sitting fees by the Independent Directors

2. Percentage increase in remuneration of each director, Chief Financial officer, Chief Executive officer, company secretary or manager, if any in the financial year:

Name of Key Managerial Personnel	Designation	Remuneration for F/Y ended 31 st March 2025 (in thousands)	Remuneration for F/Y ended 31 st March 2024 (in thousands)	% increase in remuneration
Mr. Mr. Gaurav Agarwal (w.e.f. 09.11.2023)	Manager	662.51	223.56	196.34%
Mr. Disha Soni	Company Secretary	1552.68	1805.56	-14.01%
Mr. Gopal Singh Negi (resigned w.e.f. 24.01.2025)	Chief Financial Officer	2766.19	2053.01	34.74%
Mr. Ajay Singh (w.e.f. 17.03.2025)	Chief Financial Officer	28.20	-	-

3. Percentage increase in median remuneration of employees in the financial year

Not Applicable since there is no employee except Key Managerial Personnel employed during the financial year 2024-25.

4. The number of permanent employees on the rolls of the company:

During the financial year ending 31st March, 2025, there were 3 (Three) employees (i.e. Key Managerial Personnel) on the role of the Company.

5. Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year:

Not Applicable as the Company's shares are not frequently traded.

6. Comparison of each remuneration of the Key Managerial Personnel against the performance of the Company:

	Mr. Gopal Singh Negi (CFO) (resigned w.e.f. 24.01.2025)	Ms. Disha Soni (Company Secretary)	Mr. Gaurav Aggarwal (Manager) (w.e.f. 09.11.2023)	Mr. Ajay Singh (CFO) (w.e.f. 17.03.2025)
Remuneration of Key Managerial Personnel (in Thousands)	2766.19	1552.68	662.51	28.20
Revenue (in Thousands)	25695.36	25695.36	25695.36	25695.36
Remuneration of KMPs (as a % of	10.77%	6.04%	2.58%	0.11%
Profit/(Loss) before Tax (in Thousands)	(141.14)	(141.14)	(141.14)	(141.14)
Remuneration of KMP (as a % of PBT) (in Thousands)	-1959.89	-1100.10%	-469.40%	-19.98%

7. Key parameters of variable component of remuneration availed by directors:

Not Applicable as no remuneration was paid to any of the Director (except for sitting fees to Independent Directors).

8. Affirmation that the remuneration is as per the remuneration policy of the Company:

It is hereby affirmed that remuneration was recommended by Nomination and remuneration committee based on the Policy of Remuneration committee.



Company Secretaries

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

For the Financial Year Ended 31.03.2025

[Pursuant to section 204(1) of the Companies Act, 2013 and rule no. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
AVON MERCANTILE LIMITED
Reg. Address: Upper Basement, Smart Bharat Mall Plot No.I-2,
Sector - 25A, Gautam Buddha Nagar, Noida, Uttar Pradesh- 201301

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **AVON MERCANTILE LIMITED** (hereinafter called “the Company”) for the Financial Year ended on 31st March 2025. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of the secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year commencing from 1st April, 2024 and ended on 31st March, 2025 complied with 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 hereafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2025 according to the provisions of:
 - i. The Companies Act, 2013 (**the Act**) and the rules made there under;
 - ii. The Securities Contract (Regulation) Act, 1956 (‘SCRA’) and the rules made there under;
 - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
 - iv. The Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of the Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
2. Compliance status in respect of the provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI ACT’) is furnished hereunder for the financial year 2024-25: -
 - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **Complied with yearly and event-based disclosures, wherever applicable.**

Company Secretaries

- ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and Amended Regulations 2018; **The Company has framed code of conduct for regulating & reporting trading by insiders and for fair disclosure and displayed the same on the Company's website i.e., <https://www.avonmercantile.co.in/>**
- iii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **Not applicable as the Company has not issued any Capital during the year under review.**
- iv. The Securities and Exchange Board of India (Share based Employee Benefits & Sweat Equity) Regulations, 2021; **Not applicable as the Company has not issued any Employee Stock Options during the year under review.**
- v. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **Not applicable as the Company has not issued any non-convertible securities during the year under review.**
- vi. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **Not applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the year under review. However, the Company has MCS Share Transfer Agent Limited as its Share Transfer Agent.**
- vii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **During the year, the Company had applied for voluntary delisting of its equity shares from The Calcutta Stock Exchange Limited. Subsequent to the end of the financial year, the Company received a letter dated June 9, 2025, from The Calcutta Stock Exchange Limited confirming that the equity shares of Avon Mercantile Limited have been delisted from the Exchange with effect from June 10, 2025. The Company has complied with all requirements relating to the said delisting. Further, the equity shares of the Company continue to remain listed on BSE Limited.**
- viii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not applicable as the Company has not bought back/ proposed to buy-back any of its securities during the year under review.**
- ix. **Other applicable laws include the following**
 - 1. Reserve Bank of India Act, 1934 and its circulars, Master Circulars and notifications as prescribed for Non-Banking Finance Companies;
 - 2. Prevention of Money Laundering Act, 2002;
 - 3. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2003
 - 4. The Indian Contract Act, 1872;
 - 5. Negotiable Instrument Act, 1881

Company Secretaries

We have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS- 2) issued by The Institute of Company Secretaries of India.
- ii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 were complied with to the extent applicable.

During the period under review the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc mentioned above including the following:

- a) As per the information and explanations provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit we report that:
 - i) The provisions of the Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of:
 - External Commercial Borrowings were not attracted to the Company under the financial year under report;
 - Foreign Direct Investment (FDI) was not attracted to the Company under the financial year under report;
 - Overseas Direct Investment (ODI) was not attracted to the Company under the financial year under report.
 - ii) As per the information and explanations provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit we report that the Company has not made any GDRs/ADRs or any Commercial Instrument under the Financial Year under report.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following remarks:

- The current composition of the Board of Directors does not include an Executive Director, which is not in compliance with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- During the financial year 2024-25, the Company was in the process of dematerializing the entire shareholding of the Promoter. Accordingly, subsequent to the end of the financial year, the Promoter's shareholding was fully dematerialized in the first quarter of the financial year 2025-26.
- There was a delay in filing of the Certificate under Regulation 74(5) of the SEBI (Depositories and Participants) Regulations, 2018, for the quarter ended March 31, 2025.

We further report that:

- The Board of Directors of the Company is currently composed of non-executive directors and Independent Directors including one-woman director in compliance with the provisions of the

Company Secretaries

Companies Act, 2013. However, as per my understanding, there should be at least one executive director on the Board to maintain a proper balance, in line with governance requirements.

- During the year, the Board of Directors witnessed the following changes: Ms. Himani Aneja was appointed as a Non-Executive Independent Director with effect from August 29, 2024; Ms. Seema Salwan resigned from the position of Non-Executive Independent Director on the same date; and Mr. Siddheshwar Kumar Upadhyay was re-appointed as a Non-Executive Independent Director. Except for the above, there were no other changes in the composition of the Board during the year.
- During the financial year, Mr. Gopal Singh Negi has been resigned from the position on CFO of the Company with effect from 24th January, 2025 and Mr. Ajay Singh was appointed as the Chief Financial Officer of the Company with effect from March 17, 2024. Subsequently, he resigned from his position on July 31, 2025, i.e., after the closure of the financial year. Accordingly, the position of Chief Financial Officer remains vacant as on date. Except the above there is no change in KMP of the Company.
- During the year under review, the Board of Directors, at its meeting held on August 29, 2024, approved the proposal for voluntary delisting of the Company's equity shares from the Calcutta Stock Exchange. Subsequently, the Company received a letter dated June 9, 2025, from The Calcutta Stock Exchange Limited, informing that the equity shares of Avon Mercantile Limited have been delisted from the official list of the Exchange with effect from June 10, 2025. The delisting has been effected pursuant to the approval granted under the SEBI (Delisting of Equity Shares) Regulations, 2021, for voluntary delisting.
- The Company received In-Principle Approval for revocation of suspension in trading from BSE vide letter dated February 4, 2025, and the suspension has since been revoked.
- Adequate notice is given to all directors to schedule the Board Meetings, Agenda and detailed notes on the agenda were sent 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 at the meeting. Majority decisions are carried through while the dissenting members' views are captured and recorded as part of the minutes.
- In my opinion there is scope to improve the systems and processes in the Company and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- I further report that during the audit period the company has no specific events/actions having a major bearing on the company's affairs in pursuance of the laws, rules, regulations, guidelines, standards, etc.

Company Secretaries

- The compliance by the Company with applicable financial laws like Direct and Indirect tax laws has not been reviewed in this audit since the same has been subject to review by the statutory financial auditor and other designated professionals.

Place: Delhi
Date: 13/08/2025

For Roni & Associates

Sd/-
Roni Soni
Practicing Company Secretary
M. No.: F11600
C.P. No.: 21854
UDIN: F011600G000998839
Peer Review Cert. No.: 3471/2023

This report is to be read with my letter of even date which is annexed as Annexure A and forms an integral part of this report.



Company Secretaries

ANNEXURE-A

To,
The Members,
AVON MERCANTILE LIMITED

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

1. Maintenance of secretarial records and other records under the scope/ambit of Secretarial Audit (hereinafter called 'Record') is the responsibility of the management of the Company. My responsibility is to express an opinion on these records based on my audit.
2. I 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. I believe that the processes and practices, I followed, provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Roni & Associates

Date: 13.08.2025
Place: Delhi

Sd/-
Roni Soni
Practicing Company Secretaries
M. No.: F11600
C.P. No.: 21854
UDIN: F011600G000998839
Peer Review Cert. No.: 3471/2023



Roni & Associates

(Practicing Company Secretaries)

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015)

TO THE MEMBERS OF

AVON MERCANTILE LIMITED

**Reg. Address: Upper Basement, Smart Bharat Mall Plot No.I-2,
Sector - 25A, Noida, Gautam Buddha Nagar, Uttar Pradesh, 201301**

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **AVON MERCANTILE LIMITED** (hereinafter referred to as 'the Company') having CIN **L17118UP1985PLC026582** and having Registered Office at **Upper Basement, Smart Bharat Mall Plot No.I-2, Sector - 25A, Noida, Gautam Buddha Nagar, Uttar Pradesh, 201301**, produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on March 31, 2025 has been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

DIN/DPIN/PAN	Full Name	Designation	*Date of Appointment
05207077	Gurvinder Pal Singh	Non-Executive Non-Independent Director	21/07/2019
07871728	Siddheshwar Kumar Upadhyay	Non-Executive Independent Director	28/09/2019
09009974	Himani Aneja	Non-Executive Independent Director	29/08/2024

*The date of appointment is as per the MCA Portal.



Roni & Associates

(Practicing Company Secretaries)

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the Management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Place: Delhi

Date: 13.08.2025

For Roni & Associates

Practicing Company Secretaries

SD/-

Roni Soni

Practicing Company Secretaries

M.NO.: F11600

C.PNO.: 21854

UDIN: F011600G000998795

PR. CERT NO.: 3471/2023

CERTIFICATION BY MANAGER OF AVON MERCANTILE LIMITED AS ON 31ST MARCH, 2025 (IN TERMS OF REGULATION 17 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015)

I, Mr. Gaurav Aggarwal, Manager of the Company heading the finance function and discharging that function, to the best of our knowledge and belief, certify to the Board that:

- A. I have reviewed Balance Sheet as at 31st March 2025 and the Profit and Loss Account and all its Schedules and Notes to the Accounts as well as Cash Flow Statement for the year ended on 31st March 2025 and that to the best of my knowledge and belief:
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. As per my my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. I accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. I have indicated to the Auditors and the Audit Committee
1. significant changes in internal control over financial reporting during the year;
 2. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 3. instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial.
- E. I further declare that all Board members have affirmed compliances with the code of conduct for the year under review.

FOR AVON MERCANTILE LIMITED

Sd/-

**Gaurav Aggarwal
(Manager)**

Place: Noida

Date: 02.09.2025

DECLARATION OF CODE OF CONDUCT

**To,
The Members of
Avon Mercantile Limited**

This is to inform that the Board has laid down a code of conduct for all Board Members and Senior Management of the Company. The code of conduct has also been posted on the website of the Company <http://avonmercantile.co.in/policies.php>

It is further confirmed that all the Directors and Senior Management Personnel of the Company have affirmed compliance with the code of conduct of the Company for the year ended 31st March 2025.

**By Order of the Board
For AVON MERCANTILE LIMITED**

**Sd/-
(Gaurav Aggarwal)
Manager**

**Place: Noida
Date: 02.09.2025**



Roni & Associates

(Practicing Company Secretaries)

CERTIFICATE FROM PRACTICING COMPANY SECRETARY
NON-APPLICABILITY/NON-SUBMISSION OF CORPORATE GOVERNANCE REPORT FOR
THE FINANCIAL YEAR ENDED 31ST MARCH, 2025

TO WHOMSOEVER IT MAY CONCERN

Scrip Code: 512265

This is to certify that in order to comply with the provisions of Regulation 27(2) of the SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015, read with Regulation 15(2) of Chapter IV of SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015, the paid up capital of **Avon Mercantile Limited** ("the Company") having the registered office at Upper Basement, Smart Bharat Mall Plot No.I-2, Sector - 25A, Gautam Buddha Nagar, Noida, Uttar Pradesh- 201301, is less than Ten Crores i.e. INR 7,47,73,900.00 (Indian Rupees Seven Crores Forty Seven Lakhs Seventy Three Thousands Nine Hundred Only) and the Net Worth of the Company is less than Twenty Five Crores i.e. INR 5,12,38,243/- (Five Crore Twelve Lakhs Thirty-Eight Thousand Two Hundred Forty Three Only) as per latest audited Financial Statements as on financial year ended 31st March, 2025.

Hence, as per Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Corporate Governance provisions as specified in Regulation 17, 17 A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and Para C, D and E of Schedule V are not applicable on the Company.

Therefore, it is not required to submit Corporate Governance Report for the Financial Year ended 31st March, 2025.

The Company also undertakes that whenever this regulation becomes applicable to our Company at a later date, it will comply with the requirements of the above regulations within six months from the date on which the provision becomes applicable to the Company.

Place: Delhi

Date: 13.08.2025

For Roni & Associates
Practicing Company Secretaries

SD/-
Roni Soni
Practicing Company Secretaries
M.NO.: F11600
C.PNO.: 21854
UDIN: F011600G000998828
PR. CERT NO.: 3471/2023

MANAGEMENT DISCUSSION ANALYSIS REPORT

Industry Structure and Developments: -

The funds of Avon Mercantile Ltd are deployed in loans, investments and bank fixed deposits.

Outlook/Projections for 2025-26:

The Company hopes to increase its income in near future.

Internal Control systems and their adequacy:

During the year under review, Company has an internal control system in place and was periodically reviewed for effectiveness.

Financials:

Financial performance has been given separately in the Directors' Report.

Cautionary Statement

Statements in the 'Management Discussion and Analysis Report describing the Company's Objectives, projections, estimates, expectations or predictions may be forward-looking statement within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed in the statement. Important factors that could make a difference to the Company's operations include, among others, the performance of the other Companies in which Company has made investments and the interest rates, changes in the Government regulations, tax laws and other statutes and incidental factors.

Place : Noida
Date: 02.09.2025

By Order of the Board
For Avon Mercantile Limited
Sd/-

(Gaurav Aggarwal)
Manager

AVON MERCANTILE LIMITED

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AVON MERCANTILE LIMITED

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GUPTA GARG & AGRAWAL

Chartered Accountants

G-55, Royal Palace, IInd Floor,
Laxmi Nagar, Vikas Marg,
Delhi – 110 092
Phone – 22502455 / 43016663

INDEPENDENT AUDITORS' REPORT

To,
The Members of Avon Mercantile Limited

Report on the Audit of the Ind AS financial statements

Opinion

We have audited the Ind AS financial statements of Avon Mercantile Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2025, the statement of Profit and Loss and Statement of cash flow for the year ended and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and its losses, and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS 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 Ind AS financial statements under the provision of the Companies Act, 2013 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 Ind AS financial statements.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion on these matters. We have no key audit matters to be communicated in our report.

S. No.	Key Audit Matter	Auditor's Response
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AVON MERCANTILE LIMITED

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1	NA	NA
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Other Information – Board of Directors' Report

- A. The Company's Board of Directors is responsible for the preparation and presentation of its Board Report which comprises various information required under section 134(3) of the Companies Act 2013 but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance/conclusion thereon.

- B. 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 Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement in this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Ind AS financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS 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, including the Accounting Standards specified under section 133 of the Act. 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, the Board of Directors 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the Audit of the Ind AS financial statements

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatements, 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 Ind AS 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing our opinion on whether the Company has adequate internal Financial control systems 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 made by management
- Conclude on the appropriateness of management's 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Ind AS 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 Ind AS 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure '1' a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143 (3) of the Act, we report that:

(a) 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.

(b) 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;

(c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;

(d) in our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

AVON MERCANTILE LIMITED

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(e) on the basis of the written representations received from the directors as on 31st March, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequate internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report; and

(g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i) the company does not have any pending litigations which would impact its financial position.
- 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)
 - (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds 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;
 - (ii) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds 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

AVON MERCANTILE LIMITED

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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

(iii) Based on audit procedures which we 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) contain any material mis-statement.

v) The company has neither declared nor paid any dividend during the year.

vi) Based on our examination which included test checks. The company has used accounting software for maintaining its books of accounts which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further during the course of our audit we did not come across any instance of audit trail feature being tempered with. Additionally, the audit trail of previous year has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the previous year.

(h) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, no remuneration was paid by the Company to its directors during the year.

For GUPTA GARG & AGRAWAL

CHARTERED ACCOUNTANTS

Firm Registration No. 505762C

(AMIT KUMAR JAIN)

PARTNER

Membership No. 509349

UDIN: 25509349BMOHVO3662

Place: Noida

Date: 15.05.2025

RE: Avon Mercantile Limited

ANNEXURE "1" REFERRED TO IN PARAGRAPH OF OUR REPORT OF EVEN DATE

The comments are in serialim of the order:

- (i) (a) (A) The Company is maintaining proper records showing full particulars including quantitative details and situation of Property Plant & Equipment.
(B) The company does not have intangible assets; hence the clause is not applicable
- (b) As per the information given by the management, the physical verification of Property Plant & Equipment was carried out at the end of the financial year. No discrepancy on such verification noticed by the management and reported to us.
- (c) As per books of accounts verified by us and according to the information and explanations given by the management the company does not have immovable properties and as such the sub clause is not applicable.
- (d) The company has not revalued its Property Plant & Equipment during the year under consideration
- (e) No proceedings have been initiated or are pending against the company as at 31.03.2025 for holding any benami property under the Benami Transaction (Prohibition) Act 1988 (as amended in 2016) and rules made there under.
- (ii) (a) The Company does not have inventory; as such the clause is not applicable.
- (b) During the year under consideration, the company has not been sanctioned working capital limits in excess of Rs. 5 crore, in aggregate, at any points of times during the year, from banks or financial institutions on the basis of security of current assets; as such the clause is not applicable.
- (iii) During the year the company has made investments in a company and granted unsecured loans to companies and other entities, during the year, in respect of which:
 - (a) The company's principal business is to give loans and hence reporting under clause 3(iii) (a) of the order is not applicable.
 - (b) In our opinion, the investments made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company's interest.
 - (c) In respect of loan granted by the Company, the schedule of repayment of the principal and payment of interest has been stipulated and receipts of the principal amount and the interest are generally regular.
 - (d) According to the information and explanation given to us, no amount is overdue in these respect.
 - (e) 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

AVON MERCANTILE LIMITED

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repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.

- (iv) According to the information and explanation given to us, the company has complied with requirements of section 185 and 186 in respect of loans, investments, guarantees or security made by it during the year under audit. The Company being a non-banking financial company, nothing contains in section 186, except sub section (1), is applicable to it.
- (v) The Company has not accepted any deposits from the public and as such the clause is not applicable.
- (vi) To the best of our knowledge and as per information and explanations given to us by the management, the central government has not prescribed maintenance of cost records under section 148(1) of the Companies Act, 2013.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues such as goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other applicable statutory dues. According to information and explanations given to us, no undisputed statutory dues payable was in arrears as at March 31, 2025, for a period of more than six months from the date they became payable;

(b) There are no dues in respect of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues that have not been deposited with the appropriate authorities on account of any dispute;
- (viii) During the year under consideration, the company has neither surrendered any non recorded transaction nor disclosed as income in tax assessment under the Income Tax Act.
- (ix) (a) In our opinion, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year;

(b) Company is not declared willful defaulter by any bank or financial institution or other lender;

(c) On an overall examination of the financial statements of the company, term loans were applied for the purpose for which the loans were obtained;

(d) On an overall examination of the financial statements of the company, funds raised on short term basis have, prima facie, not been utilized during the year for long term purposes by the company;

(e) On an overall examination of the financial statements of the company, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures;

AVON MERCANTILE LIMITED

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(f) The company does not have any subsidiaries, joint ventures or associate companies Accordingly, and hence reporting under paragraph 3(ix)(f) of the Order is not applicable to the Company;

(x) (a) As per the information and explanations given to us by the management, the Company has not raised any money by way of initial public offer / further public offer / debt instruments and term loans hence; there are no comments in this regard.

(b) During the year under consideration, the company has not made any preferential allotment or private placement or convertible debenture and as such the clause is not applicable.

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the company and no material fraud on the company has been noticed and reported during the year.

(b) No report under sub section (12) of section 143 of the Companies Act has been filed by the auditors under rule 13 of Companies (Audit and Auditor's) Rule-2014 and as such the clause is not applicable.

(c) During the year under consideration, no whistle-blower complaint has been received and as such the question of its consideration by the auditors does not arises.

(xii) The company is not a Nidhi Company and as such the sub clauses (a) (b) (c) are not applicable;

(xiii) The transactions with related parties are in compliance with sections 177 and 188 on the Companies Act 2013 and full disclosure has been made in financial statement;

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

(xv) As per the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with them and hence provisions of section 192 of the Act are not applicable to the Company;

(xvi) (a) The company is duly registered under section 45-1A of the Reserve Bank of India Act, 1934. Reporting under clause 3(xiv)(b) of the order is not applicable.
(b) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
(c) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3 (xvi)(d) of the order is not applicable.

AVON MERCANTILE LIMITED

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- (xvii) During the year under consideration, the company has suffered cash losses of Rs. 54.70 thousand as compared to cash profits of Rs. 1,483.38 thousand in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year, however there is rotation of auditors during the year. Accordingly, reporting under paragraph 3(xviii) of the Order is not applicable to the Company;
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Ind AS 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 Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period 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 period of one year from the balance sheet date, will get discharged by the Company as and when they fall due; and
- (xx) Section 135 of the Companies Act 2013 is not applicable to company. Accordingly, reporting under paragraph 3(xx)(a) and (xx)(b) of the Order is not applicable.

For GUPTA GARG & AGRAWAL
CHARTERED ACCOUNTANTS
Firm Registration No. 505762C

(AMIT KUMAR JAIN)
PARTNER
Membership No. 509349
UDIN : 25509349BMOHVO3662

Place: Noida
Date: 15.05.2025

GUPTA GARG & AGRAWAL

Chartered Accountants

G-55, Royal Palace, IInd Floor,
Laxmi Nagar, Vikas Marg,
Delhi – 110 092
Phone – 22502455 / 43016663

INDEPENDENT AUDITORS' REPORT

To,

The Members of Avon Mercantile Limited

Report on the Audit of the Ind AS financial statements

Opinion

We have audited the Ind AS financial statements of Avon Mercantile Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2025, the statement of Profit and Loss and Statement of cash flow for the year ended and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and its losses, and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS 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 Ind AS financial statements under the provision of the Companies Act, 2013 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 Ind AS financial statements.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion on these matters. We have no key audit matters to be communicated in our report.

S. No.	Key Audit Matter	Auditor's Response
1	NA	NA



Other Information – Board of Directors’ Report

- A. The Company’s Board of Directors is responsible for the preparation and presentation of its Board Report which comprises various information required under section 134(3) of the Companies Act 2013 but does not include the Ind AS financial statements and our auditor’s report thereon.
Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance/conclusion thereon.
- B. 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 Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement in this other information; we are required to report that fact. We have nothing to report in this regard.

Management’s Responsibility for the Ind AS financial statements

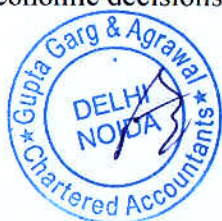
The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, the Board of Directors 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company’s financial reporting process.

Auditor’s responsibilities for the Audit of the Ind AS financial statements

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatements, 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 Ind AS 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing our opinion on whether the Company has adequate internal Financial control systems 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 made by management
- Conclude on the appropriateness of management's 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Ind AS 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 Ind AS 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure '1' a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.



2. As required by Section 143 (3) of the Act, we report that:

(a) 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.

(b) 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;

(c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;

(d) in our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

(e) on the basis of the written representations received from the directors as on 31st March, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequate internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report; and

(g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i) the company does not have any pending litigations which would impact its financial position.
- 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) (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds 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;



(ii) The management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds 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

(iii) Based on audit procedures which we 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) contain any material mis-statement.

- v) The company has neither declared nor paid any dividend during the year.
- vi) Based on our examination which included test checks. The company has used accounting software for maintaining its books of accounts which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further during the course of our audit we did not come across any instance of audit trail feature being tempered with. Additionally, the audit trail of previous year has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the previous year.

(h) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, no remuneration was paid by the Company to its directors during the year.

For GUPTA GARG & AGRAWAL
CHARTERED ACCOUNTANTS

Firm Registration No. 505762C

(AMIT KUMAR JAIN)
PARTNER

Membership No. 509349

UDIN: 25509349 BM0HV03662



Place: Noida

Date: 15/05/2025

RE: Avon Mercantile Limited

ANNEXURE "1" REFERRED TO IN PARAGRAPH OF OUR REPORT OF EVEN DATE

The comments are in seriatim of the order:

- (i) (a) (A) The Company is maintaining proper records showing full particulars including quantitative details and situation of Property Plant & Equipment.
(B) The company does not have intangible assets; hence the clause is not applicable
- (b) As per the information given by the management, the physical verification of Property Plant & Equipment was carried out at the end of the financial year. No discrepancy on such verification noticed by the management and reported to us.
- (c) As per books of accounts verified by us and according to the information and explanations given by the management the company does not have immovable properties and as such the sub clause is not applicable.
- (d) The company has not revalued its Property Plant & Equipment during the year under consideration
- (e) No proceedings have been initiated or are pending against the company as at 31.03.2025 for holding any benami property under the Benami Transaction (Prohibition) Act 1988 (as amended in 2016) and rules made there under.
- (ii)(a) The Company does not have inventory; as such the clause is not applicable.
- (b) During the year under consideration, the company has not been sanctioned working capital limits in excess of Rs. 5 crore, in aggregate, at any points of times during the year, from banks or financial institutions on the basis of security of current assets; as such the clause is not applicable.
- (iii) During the year the company has made investments in a company and granted unsecured loans to companies and other entities, during the year, in respect of which:
 - (a) The company's principal business is to give loans and hence reporting under clause 3(iii) (a) of the order is not applicable.
 - (b) In our opinion, the investments made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company's interest.
 - (c) In respect of loan granted by the Company, the schedule of repayment of the principal and payment of interest has been stipulated and receipts of the principal amount and the interest are generally regular.
 - (d) According to the information and explanation given to us, no amount is overdue in these respect.
 - (e) 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. Hence, reporting under clause 3(iii)(f) is not applicable.
- (iv) According to the information and explanation given to us, the company has complied with requirements of section 185 and 186 in respect of loans, investments, guarantees or security made by it during the year under audit. The Company being a non-banking financial company, nothing contains in section 186, except sub section (1), is applicable to it.
- (v) The Company has not accepted any deposits from the public and as such the clause is not applicable.



- (vi) To the best of our knowledge and as per information and explanations given to us by the management, the central government has not prescribed maintenance of cost records under section 148(1) of the Companies Act, 2013.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues such as goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other applicable statutory dues. According to information and explanations given to us, no undisputed statutory dues payable was in arrears as at March 31, 2025, for a period of more than six months from the date they became payable;
- (b) There are no dues in respect of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues that have not been deposited with the appropriate authorities on account of any dispute;
- (viii) During the year under consideration, the company has neither surrendered any non recorded transaction nor disclosed as income in tax assessment under the Income Tax Act.
- (ix) (a) In our opinion, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year;
- (b) Company is not declared willful defaulter by any bank or financial institution or other lender;
- (c) On an overall examination of the financial statements of the company, term loans were applied for the purpose for which the loans were obtained;
- (d) On an overall examination of the financial statements of the company, funds raised on short term basis have, prima facie, not been utilized during the year for long term purposes by the company;
- (e) On an overall examination of the financial statements of the company, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures;
- (f) The company does not have any subsidiaries, joint ventures or associate companies Accordingly, and hence reporting under paragraph 3(ix)(f) of the Order is not applicable to the Company;
- (x) (a) As per the information and explanations given to us by the management, the Company has not raised any money by way of initial public offer / further public offer / debt instruments and term loans hence; there are no comments in this regard.
- (b) During the year under consideration, the company has not made any preferential allotment or private placement or convertible debenture and as such the clause is not applicable.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the company and no material fraud on the company has been noticed and reported during the year.
- (b) No report under sub section (12) of section 143 of the Companies Act has been filed by the auditors under rule 13 of Companies (Audit and Auditor's) Rule-2014 and as such the clause is not applicable.
- (c) During the year under consideration, no whistle-blower complaint has been received and as such the question of its consideration by the auditors does not arises.



- (xii) The company is not a Nidhi Company and as such the sub clauses (a) (b) (c) are not applicable;
- (xiii) The transactions with related parties are in compliance with sections 177 and 188 on the Companies Act 2013 and full disclosure has been made in financial statement;
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) As per the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with them and hence provisions of section 192 of the Act are not applicable to the Company;
- (xvi) (a) The company is duly registered under section 45-1A of the Reserve Bank of India Act, 1934. Reporting under clause 3(xiv)(b) of the order is not applicable.
- (b) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- (c) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3 (xvi)(d) of the order is not applicable.
- (xvii) During the year under consideration, the company has suffered cash losses of Rs. 54.70 thousand as compared to cash profits of Rs. 1,483.38 thousand in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year, however there is rotation of auditors during the year. Accordingly, reporting under paragraph 3(xviii) of the Order is not applicable to the Company;
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Ind AS 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 Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period 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 period of one year from the balance sheet date, will get discharged by the Company as and when they fall due; and
- (xx) Section 135 of the Companies Act 2013 is not applicable to company. Accordingly, reporting under paragraph 3(xx)(a) and (xx)(b) of the Order is not applicable.

For GUPTA GARG & AGRAWAL
CHARTERED ACCOUNTANTS

Firm Registration No. 505762C

(AMIT KUMAR JAIN)
PARTNER

Membership No. 509349

UDIN : 25509349B MOH NO 3662

Place: Noida

Date: 15/05/2025



ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF AVON MERCANTILE LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

To the members of Avon Mercantile Limited

We have audited the internal financial controls over financial reporting of Avon Mercantile Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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. 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 the 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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 as specified under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting 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 over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgement, including the assessment of the risks of material misstatement of the Ind AS 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 internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting 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 authorisations 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 Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, 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.

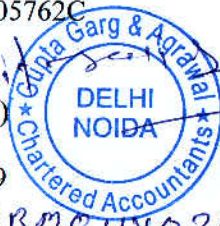
For GUPTA GARG & AGRAWAL
CHARTERED ACCOUNTANTS

Firm Registration No. 505762C

(AMIT KUMAR JAIN)
PARTNER

Membership No. 509349

UDIN: 2509349BMOHY03662



Place: Noida

Date: 15/05/2025

AVON MERCANTILE LIMITED

Regd. Address: UPPER BASEMENT, SMART BHARAT MALL, PLOT NO. I-2, SECTOR-25A,
NOIDA, UTTAR PRADESH - 201301
CIN:L17118UP1985PLC026582
Balance Sheet as at March 31, 2025

Particulars	Notes	Amount as at 31-03-2025 (Amount in ₹'000)	Amount as at 31-03-2024 (Amount in ₹'000)
ASSETS			
Financial Assets			
(a) Cash and cash equivalents	2	618.49	4,543.41
(b) Loans	3	3,70,950.00	54,000.00
(c) Investments	4	-	-
(d) Other Financial Assets	5	22,987.00	1,080.46
Sub - Total Financial assets		3,94,555.49	59,623.87
Non-Financial Assets			
(a) Property, plant and equipment	6	208.05	163.26
(b) Current tax assets (net)	7	2,552.19	4,336.13
Sub Total Non-Financial assets		2,760.24	4,499.38
TOTAL ASSETS		3,97,315.73	64,123.25
LIABILITIES AND EQUITY			
Financial Liabilities			
(a) Borrowings	8	3,26,925.47	8,075.47
(b) Other Financial Liabilities	9	17,346.44	3,771.56
Sub - Total Financial Liabilities		3,44,271.91	11,847.03
Non - Financial Liabilities			
(a) Provisions	10	1,805.58	896.83
Sub - Total Non-Financial Liabilities		1,805.58	896.83
EQUITY			
(a) Equity Share Capital	11	74,773.90	74,773.90
(b) Other Equity	12	(23,535.66)	(23,394.51)
Sub - Total Equity		51,238.24	51,379.39
TOTAL - LIABILITIES AND EQUITY		3,97,315.73	64,123.25
Summary of significant accounting policies	1		

The accompanying notes are an integral part of the financial statements.

As per our attached report of even date

For Gupta Garg & Agrawal
Chartered Accountants

Firm Registration No. 505762C

(Amit Kumar Jain)

Partner

Membership No. 509349

U DINI-25503345 BMOHVO 3662

Place : Noida

Date : 15.05.2025

For and on behalf of the Board of Directors

(Gurvinder Pal Singh)

Director

DIN: 05207077

(Ajay Singh)

CFO

PAN:GYFPS4945M

(Siddheshwar Kumar Upadhyay)

Director

DIN: 07871728

(Disha Soni)

(Company Secretary)

M No.: A42944

AVON MERCANTILE LIMITED

Regd. Address: UPPER BASEMENT, SMART BHARAT MALL, PLOT NO. I-2, SECTOR-25A,
NOIDA, UTTAR PRADESH - 201301
CIN:L17118UP1985PLC026582

Statement of Profit & Loss for the period ended March 31, 2025

Particulars	Notes	Amount for the year ended 31-03-2025 (Amount in ₹ '000)	Amount for the year ended 31-03-2024 (Amount in ₹ '000)
Revenue from Operations			
Interest Income	13	25,521.91	43,363.77
Other income	14	173.45	3,115.14
Total Income		25,695.36	46,478.90
Expenses			
Finance costs	15	16,110.81	34,047.12
Employees benefits expenses	16	4,814.89	7,136.05
Depreciation, amortisation and impairment	6	86.44	57.61
Other expenses	17	4,824.36	3,812.35
Total		25,836.50	45,053.13
Profit / (Loss) before execeptional items and tax		(141.14)	1,425.77
(i) Excess provision of income tax w. back			
(i) Prior period Incomes		-	-
Exceptional items		-	-
Provision for Doubtful Debts reversed		-	-
Profit / (Loss) before tax		(141.14)	1,425.77
Tax Expenses :			
(i) Current Tax		-	-
(ii) Deferred Tax		-	-
(iii) Income Tax for earlier years		-	-
Profit / (Loss) for the peiod		(141.14)	1,425.77
Other Comprehensive Income			
Items that will not be reclassified to profit or loss		-	-
Income tax relating to items that will not be reclassified to profit or loss		-	-
Subtotal (a)		-	-
Items that will be reclassified to profit or loss		-	-
Income tax relating to items that will be reclassified to profit or loss		-	-
Subtotal (b)		-	-
Other Comprehensive Income (a+b)		-	-
Total Comprehensive Income for the period (Comprising Profit (Loss) and other Comprehensive Income for the period)		(141.14)	1,425.77
Earnings Per Equity Share	18		
Basic (In Rs.)		(0.02)	0.19
Diluted (In Rs.)		(0.02)	0.19

Summary of significant accounting policies 1

The accompanying notes are an integral part of the financial statements.

As per our attached report of even date

For Gupta Garg & Agrawal
Chartered Accountants

Firm Registration No. 505762C

(Amit Kumar Jain)

Partner

Membership No. 509349

U.DIN:-25509349 BMDHYD3662

Place : Noida

Date : 15.05.2025

For and on behalf of the Board of Directors

(Gurvinder Pal Singh)

Director

DIN: 05207077

(Ajay Singh)

CFO

PAN:GYFPS4945M

(Siddheshwar

Kumar Upadhyay)

Director

DIN: 07871728

(Disha Soni)

(Company Secretary)

M No.: A42944

AVON MERCANTILE LIMITED

Regd. Address: UPPER BASEMENT, SMART BHARAT MALL, PLOT NO. I-2, SECTOR-25A,

NOIDA, UTTAR PRADESH - 201301

CIN:L17118UP1985PLC026582

Cash Flow Statement for the year ended March 31, 2025

Particulars	31-Mar-25 (Amount in ₹ '000)	31-Mar-24 (Amount in ₹ '000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax	(141.14)	1,425.77	
Adjustments for:			
Depreciation/ amortization	86.44	57.61	
Operating profit before working capital changes	(54.70)	1,483.38	
Movements in working capital :			
Increase/(Decrease) in Borrowings	3,18,850.00	(3,20,026.44)	
Increase/ (Decrease) in Other Financial/Non-Financial liabilities	14,483.62	(63,733.39)	
(Increase)/Decrease in Loans & Advances, Other Financial/Non-Financial Assets	(3,37,072.61)	3,86,351.22	
Net Cash Used in Operations	(3,793.68)	4,074.77	
Direct taxes paid (net of refunds)	-	-	
Net cash flow from/ (used in) operating activities	A	(3,793.68)	4,074.77
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Property Plant and Equipment / Capital Advance	(131.24)	(189.69)	
Net cash flow from/ (used in) investing activities	B	(131.24)	(189.69)
CASH FLOWS FROM FINANCING ACTIVITIES			
Net cash flow from/ (used in) in financing activities	C	-	-
Net increase/(decrease) in cash and cash equivalents	A+B+C	(3,924.92)	3,885.08
Cash and cash equivalents at the beginning of the year		4,543.41	658.33
Cash and cash equivalents at the end of half year		618.49	4,543.41
Components of cash and cash equivalents			
With banks- on current account		618.49	4,543.41
Total cash and cash equivalents (Refer Note No.2)		618.49	4,543.41

Notes :

1. Negative figures have been shown in brackets.

Summary of significant accounting policies

1

The accompanying notes are an integral part of the financial statements.

As per our attached report of even date

For Gupta Garg & Agrawal**Chartered Accountants****Firm Registration No. 505762C****(Amit Kumar Jain)**

Partner

Membership No. 509349

For and on behalf of the Board of Directors**(Gurvinder Pal Singh)**

Director

DIN: 06207077

(Ajay Singh)

CFO

PAN:GYFPS4945M

(Siddheshwar Kumar Upadhyay)

Director

DIN: 07871728

(Disha Soni)

(Company Secretary)

M No.: A42944

Place : Noida

Date : 15.05.2025

A. Equity Share Capital

1) Current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period	(Amount in ₹ '000)
	74,773.90	-	-	-	74,773.90

2) Previous reporting period

Balance at the beginning of previous reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity share capital during the previous year	Balance at the end of the previous reporting period	(Amount in ₹ '000)
74,773.90	-	-	-	-	74,773.90

B. Other Equity

1) Current reporting period

SNo.	Particulars	Reserves and Surplus						Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements	Other items of Other Comprehensive Income (specify nature)	Money received against share warrants	Total
		Share application in money pending allotment	Equity component of compound financial instruments	Capital Reserve	Securities Premium	Reserves Fund US 451C of The RBI Act	Retained Earnings							
1	Balance at the beginning of the current reporting period	-	-	60,352.09	-	1,178.11	(84,924.72)	-	-	-	-	-	-	(23,394.52)
2	Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Restated balance at the beginning of the current reporting period	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Total Comprehensive Income for the current year	-	-	60,352.09	-	1,178.11	(84,924.72)	-	-	-	-	-	-	(23,394.52)
5	Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Transfer to retained earnings	-	-	-	-	-	(141.14)	-	-	-	-	-	-	(141.14)
7	Any other change (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Balance at the end of the current reporting period	-	-	60,352.09	-	1,178.11	(85,065.86)	-	-	-	-	-	-	(23,535.66)

2) Previous reporting period

SNo.	Particulars	Reserves and Surplus						Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements	Other items of Other Comprehensive Income (specify nature)	Money received against share warrants	Total
		Share application in money pending allotment	Equity component of compound financial instruments	Capital Reserve	Securities Premium	Reserves Fund US 451C of The RBI Act	Retained Earnings							
1	Balance at the beginning of the previous reporting period	-	-	60,352.09	-	1,178.11	(86,350.49)	-	-	-	-	-	-	(24,820.29)
2	Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Restated balance at the beginning of the previous reporting period	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Total Comprehensive Income for the previous year	-	-	60,352.09	-	1,178.11	(86,350.49)	-	-	-	-	-	-	(24,820.29)
5	Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Transfer to retained earnings	-	-	-	-	-	1,425.77	-	-	-	-	-	-	1,425.77
7	Any other change (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Balance at the end of the previous reporting period	-	-	60,352.09	-	1,178.11	(84,924.72)	-	-	-	-	-	-	(23,394.51)



AVON MERCANTILE LIMITED

Regd. Address: UPPER BASEMENT, SMART BHARAT MALL, PLOT NO. I-2, SECTOR-25A, NOIDA, UTTAR PRADESH - 201301

CIN:L17118UP1985PLC026582

Note to financial statements for the year ended March 31, 2025

1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

i) Basis of Accounting

The financial statements are prepared under the historical cost convention on the concept of a going concern, in accordance with Division III of the Schedule III of the Companies Act, 2013 i.e. "General Instructions for preparation of financial statements of a Non-Banking Financial Company (NBFC) that is required to comply with Indian Accounting Standards (Ind AS)" and as per the provisions and presentational requirements of the Companies Act, 2013.

ii) Changes in Accounting policies

The accounting policies adopted are consistent with those of previous financial year. The management assures that there has been no change in accounting policies as compared to that of previous year which would have any significant effect on these financials.

iii) Recognition of Income

Income is recognised and accounted for on accrual basis unless otherwise stated.

iv) 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 the disclosure of contingent assets and liabilities on the date of the financial statements and the results of operations during the reporting year. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

v) Investments

Long-term investments are valued at cost being the purchase price plus direct costs. Provision is made for permanent diminution, if any, in the value of the investments.

vi) Taxes on Income

Current tax is determined and provided for on the amount of taxable income at the applicable rates for the relevant financial year. Deferred Tax Assets and Liabilities (DTA/ DTL) are recognised, subject to consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and is capable of reversal in one or more subsequent periods. The DTA is recognised only to the extent that there is reasonable certainty of sufficient future profits against which such DTA can be realised.

vii) Contingent Liability

The contingent liabilities, if any, are disclosed in the Notes to Accounts. Provision is made in the accounts, if it becomes probable that there will be outflow of resources for settling the obligation.

viii) Events occurring after the balance sheet date

Adjustments to assets and liabilities are made for events occurring after the balance sheet date to provide additional information materially affecting the determination of the amounts of assets or liabilities relating to conditions existing at the balance sheet date.

ix) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year/ period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year/ period.

x) Tangible Assets & Depreciation

Tangible assets are measured on the basis of cost model. According to cost model, tangible assets should be carried at its cost less any accumulated depreciation and any impairment losses. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire an asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset.

xi) Depreciation

Depreciation on property, plant & equipment was provided on the basis of useful lives prescribed under Schedule II of the Companies Act, 2013.

Depreciation on addition to assets is calculated pro-rata from the date of such addition to the end of the year. The company assumes residual value to be Nil and assets costing Rs. 5000/- or less are fully depreciated in the year of purchase.



AVON MERCANTILE LIMITED

Regd. Address: UPPER BASEMENT, SMART BHARAT MALL, PLOT NO. I-2, SECTOR-25A, NOIDA, UTTAR PRADESH - 201301

CIN:L17118UP1985PLC026582

Note to financial statements for the year ended March 31, 2025

1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

xii) Reserve Fund

Company is required to create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year as disclosed in the profit and loss account and before any dividend is declared as per section 451C of the Reserve Bank of India Act, 1934.

XIII) Retirement Benefits

Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expenses'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the statement of financial position represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.



AVON MERCANTILE LIMITED

Regd. Address: UPPER BASEMENT, SMART BHARAT MALL, PLOT NO. I-2, SECTOR-26A, NOIDA, UTTAR PRADESH - 201301

CIN:L17118UP1985PLC026582

Notes to Financial Statements as at March 31, 2025

Particulars	Amount as at 31-03-2025 (Amount in ₹ '000)	Amount as at 31-03-2024 (Amount in ₹ '000)
2. Cash and cash equivalents		
Balances with banks:		
Current Accounts		
- IndusInd Bank	498.99	4,423.91
- Forex in Hand	119.50	119.50
	618.49	4,543.41
5. Other Financial Assets		
Interest due but not received	22,969.71	1,017.49
Prepaid expenses	17.29	62.46
Other Advances	-	0.51
	22,987.00	1,080.46
7. Current tax assets (net)		
TDS recoverable	2,552.19	4,336.13
	2,552.19	4,336.13
9. Other Financial Liabilities		
Audit Fee Payable	70.20	70.20
TDS Payable	1,626.20	2,198.87
GST Payable	9.65	-
Expenses Payable & Others	971.17	1,126.84
Salary & Wages Payable	169.50	264.10
Interest Payable	14,499.72	111.55
	17,346.44	3,771.56
10. Provisions		
Long term provisions		
Provision for leave encashment	128.03	324.44
Provision for Gratuity	95.47	238.03
Short term provisions		
Provision for leave encashment	6.25	55.33
Provision for Gratuity	0.15	58.96
Provision for standard asset	1,575.68	220.07
	1,805.58	896.83
11. Equity Share Capital		
Authorized shares		
75,00,000 (75,00,000) Equity Shares of Rs. 10/- each	75,000.00	75,000.00
Issued, subscribed and fully paid-up shares		
74,77,390 (74,77,390) Equity Shares of Rs. 10/- each	74,773.90	74,773.90
Total issued, subscribed and fully paid-up share capital	74,773.90	74,773.90

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year
Equity shares

Particulars	As at 31-03-2025		As at 31-03-2024	
	No. of Shares	Amount In Rs. '000	No. of Shares	Amount In Rs. '000
At the beginning of the year	74,77,390	74,773.90	74,77,390	74,773.90
Issued during the year – Bonus issue	-	-	-	-
Issued during the year – ESOP	-	-	-	-
Outstanding at the end of the year	74,77,390	74,773.90	74,77,390	74,773.90

(b) Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates

Out of equity shares issued by the company, shares held by its holding company are stated below:

NIL

NIL

(c) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

NIL

NIL



Notes to Financial Statements as at March 31, 2025

Particulars	Amount as at 31-03-2025 (Amount in ₹ '000)	Amount as at 31-03-2024 (Amount in ₹ '000)
-------------	---	---

(d) Details of shareholders holding more than 5% shares in the company

Name of the shareholder	As at 31-03-2025		As at 31-03-2024	
	No. of shares	% holding in the class	No. of shares	% holding in the class
Smart Bharat Private Limited (Formerly known as Smart Entertainment Private Limited)	14,70,750	19.67%	14,70,750	19.67%
Oasis Cineplex Private Limited	4,89,250	6.54%	4,89,250	6.54%
LCC Infotech Ltd	4,94,500	6.61%	4,94,500	6.61%

(e) Details of shareholding by promoters

NIL

NIL

(ii) Disclosure of shareholding of promoters as at 31st March, 2025 is as follows:

Promoter name	As at 31st March, 2025		As at 31st March, 2024		% Change during the year
	No. of shares	% of total shares	No. of shares	% of total shares	
Mr. Bir Bahadur Mishra	10	0.0001%	10	0.0001%	0.00%
Mr. Haridas Nambiar	10	0.0001%	10	0.0001%	0.00%
Mr. Deepak Chakrawati	10	0.0001%	10	0.0001%	0.00%
Mr. Azad Singh	10	0.0001%	10	0.0001%	0.00%
Mr. L N Maheshwari	10	0.0001%	10	0.0001%	0.00%
Mr. Sudhir Kumar	10	0.0001%	10	0.0001%	0.00%
Mr. Ashok Kumar	10	0.0001%	10	0.0001%	0.00%
Oasis Cineplex Private Limited	4,89,250	6.5431%	4,89,250	6.5431%	0.00%
Smart Bharat Private Limited	14,70,750	19.6693%	14,70,750	19.6693%	0.00%
Total	19,60,070	26.21%	19,60,070	26.21%	0.00%

(ii) Disclosure of shareholding of promoters as at 31st March, 2024 is as follows:

Promoter name	As at 31st March, 2024		As at 31st March, 2023		% Change during the year
	No. of shares	% of total shares	No. of shares	% of total shares	
Mr. Bir Bahadur Mishra	10	0.0001%	10	0.0001%	0.00%
Mr. Haridas Nambiar	10	0.0001%	10	0.0001%	0.00%
Mr. Deepak Chakrawati	10	0.0001%	10	0.0001%	0.00%
Mr. Azad Singh	10	0.0001%	10	0.0001%	0.00%
Mr. L N Maheshwari	10	0.0001%	10	0.0001%	0.00%
Mr. Sudhir Kumar	10	0.0001%	10	0.0001%	0.00%
Mr. Ashok Kumar	10	0.0001%	10	0.0001%	0.00%
Oasis Cineplex Private Limited	4,89,250	6.5431%	4,89,250	6.5431%	0.00%
Smart Bharat Private Limited	14,70,750	19.6693%	14,70,750	19.6693%	0.00%
Total	19,60,070	26.21%	19,60,070	26.21%	0.00%

(f) The above information (from (a) to (e)) is as per records of the company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest. The above shareholding represents both legal and beneficial ownerships of shares.

12. Other Equity

Reserves Fund U/S 45IC of The RBI Act

Balance at the beginning of the year

1,463.27

1,178.11

ADD : Addition during the year

-

285.15

Closing Balance

1,463.27

1,463.27

Surplus/ (deficit) in the statement of profit and loss

Balance as per last financial statements

(85,209.87)

(86,350.49)

Profit/(Loss) for the year

(141.14)

1,425.77

Less : Appropriation

Transfer to NBFC Reserve Fund u/s 45IC of RBI Act

-

(285.15)

Net surplus/(deficit) in the statement of profit and loss

(85,351.01)

(85,209.87)

Special Reserve

60.76

60.76

Amalgamation Reserve

60,291.33

60,291.33

Total Reserves and Surplus

(23,535.66)

(23,394.51)

Contingent liabilities and commitments

(1) Contingent Liabilities

a) Claims against the company not acknowledged as debts

NIL

NIL

b) Guarantees

NIL

NIL

c) other money for which company is contingently liable

NIL

2.21

- amount payable against TDS default

(2) Commitments

a) Estimated amounts of contracts to be executed on capital account not provided for

NIL

NIL

b) Uncalled liability on partly paid shares

NIL

NIL

c) Other commitments

NIL

NIL



AVON MERCANTILE LIMITED

Regd. Address: UPPER BASEMENT, SMART BHARAT MALL, PLOT NO. I-2, SECTOR-25A, NOIDA, UTTAR PRADESH - 201301
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Notes to Financial Statements as at March 31, 2025

Note 3: Loans

The carrying value and fair value of Loans by categories as of 31 Mar 2025 are as follows.

(Amount in ₹ '000)

Particulars	Amortised cost	At Fair Value			Sub-total	Total
		through OCI	through profit or loss	Designated at fair value through profit or loss		
Loans (Refer Note No.24)						
(A) (i) Term Loans	3,70,950.00	-	-	-	-	3,70,950.00
(ii) Others	-	-	-	-	-	-
Total (A) Gross	3,70,950.00	-	-	-	-	3,70,950.00
Less: Impairment Loss Allowance	-	-	-	-	-	-
Less: Expected Credit Loss (ECL)	-	-	-	-	-	-
Total (A) Net	3,70,950.00	-	-	-	-	3,70,950.00
(B) (i) Secured by intangible assets	3,51,450.00	-	-	-	-	3,51,450.00
(ii) Unsecured	19,500.00	-	-	-	-	19,500.00
Total (B) Gross	3,70,950.00	-	-	-	-	3,70,950.00
Less: Impairment Loss Allowance	-	-	-	-	-	-
Less: Expected Credit Loss (ECL)	-	-	-	-	-	-
Total (B) Net	3,70,950.00	-	-	-	-	3,70,950.00
(C) (I) Loans in India						
(i) Public Sector	-	-	-	-	-	-
(ii) Others	3,70,950.00	-	-	-	-	3,70,950.00
Total (C) Grosss	3,70,950.00	-	-	-	-	3,70,950.00
Less: Impairment Loss Allowance	-	-	-	-	-	-
Less: Expected Credit Loss (ECL)	-	-	-	-	-	-
Total (C) (I) Net	3,70,950.00	-	-	-	-	3,70,950.00
(C) (II) Loans outside India	-	-	-	-	-	-
Less: Impairment Loss Allowance	-	-	-	-	-	-
Total (C) (II) Net	-	-	-	-	-	-
Total (C) (I) and (C) (II)	3,70,950.00	-	-	-	-	3,70,950.00

The carrying value and fair value of Loans by categories as of 31 March 2024 are as follows.

(Amount in ₹ '000)

Particulars	Amortised cost	At Fair Value			Sub-total	Total
		through OCI	through profit or loss	Designated at fair value through profit or loss		
Loans (Refer Note No.24)						
(A) (i) Term Loans	54,000.00	-	-	-	-	54,000.00
(ii) Others	-	-	-	-	-	-
Total (A) Grosss	54,000.00	-	-	-	-	54,000.00
Less: Impairment Loss Allowance	-	-	-	-	-	-
Less: Expected Credit Loss (ECL)	-	-	-	-	-	-
Total (A) Net	54,000.00	-	-	-	-	54,000.00
(B) (i) Secured by intangible assets	43,300.00	-	-	-	-	43,300.00
(ii) Unsecured	10,700.00	-	-	-	-	10,700.00
Total (B) Grosss	54,000.00	-	-	-	-	54,000.00
Less: Impairment Loss Allowance	-	-	-	-	-	-
Less: Expected Credit Loss (ECL)	-	-	-	-	-	-
Total (B) Net	54,000.00	-	-	-	-	54,000.00
(C) (I) Loans in India						
(i) Public Sector	-	-	-	-	-	-
(ii) Others	54,000.00	-	-	-	-	54,000.00
Total (C) Grosss	54,000.00	-	-	-	-	54,000.00
Less: Impairment Loss Allowance	-	-	-	-	-	-
Less: Expected Credit Loss (ECL)	-	-	-	-	-	-
Total (C) (I) Net	54,000.00	-	-	-	-	54,000.00
(C) (II) Loans outside India	-	-	-	-	-	-
Less: Impairment Loss Allowance	-	-	-	-	-	-
Total (C) (II) Net	-	-	-	-	-	-
Total (C) (I) and (C) (II)	54,000.00	-	-	-	-	54,000.00



AVON MERCANTILE LIMITED

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Notes to Financial Statements as at March 31, 2025

Note 4: Investments

The carrying value and fair value of Investments by categories as of 31 March 2025 are as follows.
(Amount in ₹ '000)

Particulars	Amortised cost	At Fair Value			Sub-total	Total
		through OCI	through profit or loss	Designated at fair value through profit or loss		
Equity Instruments (27,60,000 Shares of Modikem Private Limited)	27,808.00	-	-	-	-	27,808.00
Others	-	-	-	-	-	-
Total (A) Grosss	27,808.00	-	-	-	-	27,808.00
(i) Investment outside India	-	-	-	-	-	-
(ii) Investment in India	27,808.00	-	-	-	-	27,808.00
Total (B) Grosss	27,808.00	-	-	-	-	27,808.00
Less: Allowance for Impairment	27,808.00	-	-	-	-	27,808.00
Total (C) (I) Net	-	-	-	-	-	-

The carrying value and fair value of Investments by categories as of 31 March 2024 are as follows.
(Amount in ₹ '000)

Particulars	Amortised cost	At Fair Value			Sub-total	Total
		through OCI	through profit or loss	Designated at fair value through profit or loss		
Equity Instruments (27,60,000 Shares of Modikem Private Limited)	27,808.00	-	-	-	-	27,808.00
Others	-	-	-	-	-	-
Total (A) Grosss	27,808.00	-	-	-	-	27,808.00
(i) Investment outside India	-	-	-	-	-	-
(ii) Investment in India	27,808.00	-	-	-	-	27,808.00
Total (B) Grosss	27,808.00	-	-	-	-	27,808.00
Less: Allowance for Impairment	27,808.00	-	-	-	-	27,808.00
Total (C) (I) Net	-	-	-	-	-	-



AVON MERCANTILE LIMITED

Regd. Address: UPPER BASEMENT, SMART BHARAT MALL, PLOT NO. I-2, SECTOR-25A,
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Notes to financial statements as at 31 March 2025

Note 6. Property, Plant and Equipment				(Amount in ₹ '000)
Particulars	Office equipments	Computers	Furniture & Fixtures	Total
Cost				
At 1st April 2023	250.04	188.15	36.35	474.54
Additions	-	189.69	-	189.69
Disposal	-	-	-	-
At 31st March 2024	250.04	377.84	36.35	664.23
Additions	8.03	123.21	-	131.24
Disposal	-	-	-	-
At 31st March 2025	258.07	501.05	36.35	795.46
Depreciation				
At 1st April 2023	244.66	176.63	22.08	443.37
Depreciation	5.38	48.77	3.46	57.61
Depreciation on Disposals	-	-	-	-
At 31st March 2024	250.04	225.40	25.54	500.97
Depreciation	1.38	81.62	3.45	86.44
Depreciation on Disposals	-	-	-	-
At 31st March 2025	251.42	307.01	28.99	587.42
Net Block				
At 1st April 2023	5.38	11.52	14.27	31.17
At 31st March 2024	(0.00)	152.45	10.81	163.26
At 31st March 2025	6.65	194.04	7.36	208.05



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Notes to Financial Statements as at March 31, 2025

Note 8: Borrowings

The carrying value and fair value of Borrowings by categories as of 31 March 2025 are as follows.
(Amount in ₹ '000)

Particulars	Amortised cost	At Fair Value			Sub-total	Total
		through OCI	through profit or loss	Designated at fair value through profit or loss		
a) Term Loans						
i) from Banks	-	-	-	-	-	-
ii) from Other parties (unsecured)						
Smart Bharat Pvt Ltd (ROI @ 9.5%, Due date - 25.03.2027)	1,27,950.00	-	-	-	-	1,27,950.00
Global Mobile Infrastructure Pvt. Ltd. (ROI @ 9.5%, Due date - 31.03.2025)	975.47	-	-	-	-	975.47
Bougainvillea Multiplex & Entertainment Center Pvt. Ltd. (ROI @ 10%, Due date - 23.01.2028)	1,98,000.00					1,98,000.00
Total (A) Grosss	3,26,925.47	-	-	-	-	3,26,925.47
(i) Borrowings in India	3,26,925.47	-	-	-	-	3,26,925.47
(ii) Borrowings outside India	-	-	-	-	-	-
Total (B) Grosss	3,26,925.47	-	-	-	-	3,26,925.47

The carrying value and fair value of Borrowings by categories as of 31 March 2024 are as follows.
(Amount in ₹ '000)

Particulars	Amortised cost	At Fair Value			Sub-total	Total
		through OCI	through profit or loss	Designated at fair value through profit or loss		
a) Term Loans						
i) from Banks	-	-	-	-	-	-
ii) from Other parties (unsecured)						
Smart Bharat Pvt Ltd (ROI @ 9.5%, Due date - 25.03.2027)	7,000.00	-	-	-	-	7,000.00
Global Mobile Infrastructure Pvt. Ltd. (ROI @ 9.5%, Due date - 31.03.2025)	1,075.47	-	-	-	-	1,075.47
Total (A) Grosss	8,075.47	-	-	-	-	8,075.47
(i) Borrowings in India	8,075.47	-	-	-	-	8,075.47
(ii) Borrowings outside India	-	-	-	-	-	-
Total (B) Grosss	8,075.47	-	-	-	-	8,075.47



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Notes to Financial Statements for the year ended March 31, 2025

Particulars	Amount for the year ended 31-03-2025 (Amount in ₹ '000)	Amount for the year ended 31-03-2024 (Amount in ₹ '000)
13. Interest Income		
Interest on loan	25,521.91	43,316.90
Interest on fixed deposit	-	44.30
Interest on Staff Loan	-	2.56
	25,521.91	43,363.77
14. Other Income		
Provision written back	-	2,823.23
Interest income on Income tax refund	173.45	291.91
	173.45	3,115.14
15. Finance costs		
Interest on borrowings	16,110.81	34,047.12
	16,110.81	34,047.12
16. Employee benefits expenses		
Salaries, wages and bonus	4,397.79	6,332.47
Leave encashment expenses	152.01	325.83
Gratuity	79.89	87.90
Staff welfare expenses	185.20	389.85
	4,814.89	7,136.05
17. Other expenses		
Rates and Taxes	2.54	20.10
Legal and professional fees	2,008.72	1,262.41
Advertisement Charges	76.69	88.31
Payment to Auditors (Refer details below)	153.99	233.05
Bank Charges	0.04	0.12
Listing Fees	413.00	605.04
Miscellaneous Exp.	101.78	48.27
Communication Costs	63.93	79.23
Repair and maintenance	15.30	55.86
Travelling & Conveyance	552.52	1,310.66
Printing & Stationery	9.43	26.70
Director's sitting fees	70.80	82.60
Provision for Standard Asset	1,355.61	-
	4,824.36	3,812.35
Payment to auditors:		
Audit fee	76.70	76.70
Limited review	44.25	44.25
Other services	33.04	112.10
	153.99	233.05
18. Earnings per share (EPS)		
The following reflects the profit and share data used in the basic and diluted EPS computations:		
Profit/ (loss) after tax	(141.14)	1,425.77
Number of ordinary equity shares	74,77,390	74,77,390
Weighted average number of ordinary equity shares	74,77,390	74,77,390
Nominal Value of ordinary shares	10	10
Basic earning per share	(0.02)	0.19
Diluted earning per share	(0.02)	0.19



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Notes to financial statements for the year ended March 31, 2025

ADDITIONAL NOTES TO ACCOUNTS

- 19 The financials for current year ended on March 31, 2025 have been prepared as per the provisions and schedules prescribed under the Companies Act, 2013.
- 20 The company being listed on stock exchange therefore, has complied with all the notified applicable Accounting Standards.
- 21 **Deferred Taxes**
As per the provisions of Indian Accounting Standard AS - 12 "Income taxes", the company as on the date of balance sheet, at the income tax rates applicable on the said date has Deferred Tax Assets (DTA) on temporary differences. The said DTA has not been recognized in the books of account, on account of virtual uncertainty of future long term profits and revival in the values of long term investments respectively.
- 22 Previous year figures have been regrouped/re-classified wherever considered to make comparable with the current year figures.
- 23 All schedules annexed to and form integral part of the Balance Sheet and Profit & Loss Account including Annexure-A as required in terms of Paragraph 31 of Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023
- 24 Disclosure required under section 186(4) of the Companies Act, 2013

(Amount in ₹ '000)

Name of Loanee	Rate of Interest	Due Date	Secured/ Unsecured	31-Mar-25	31-Mar-24	Purpose
Modipur Realty Private Limited	12.00%	31-Jul-29	Secured	15,150.00	10,700.00	For General Purpose
Beyond 100 Rishikesh Pvt Ltd	12.00%	18-Mar-27	Secured	44,300.00	43,300.00	For General Purpose
Modipur Devices Pvt. Ltd.	12.50%	19-Apr-27	Secured	2,22,000.00	-	For General Purpose
Modi Studios Pvt. Ltd.	12.50%	26-Jan-28	Secured	70,000.00	-	For General Purpose
Modi Studios Pvt. Ltd.	12.50%	03-Feb-26	Unsecured	19,500.00	-	For General Purpose



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Notes to financial statements for the year ended March 31, 2025

ADDITIONAL NOTES TO ACCOUNTS**25 Employee benefits****Defined Benefit Plans - General Description**

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

Changes in the present value of the defined benefit obligation are as follows:

	(Amount in ₹ '000)	(Amount in ₹ '000)
	Gratuity	Leave
Defined benefit obligation at 01 April 2023	767.02	720.95
Current service cost	69.92	91.64
Interest expense	56.15	52.77
Benefits paid	(209.09)	(53.94)
Actuarial (gain)/ loss on obligations	(387.00)	(431.65)
Defined benefit obligation at 31 March 2024	296.99	379.77
Current service cost	33.43	27.46
Interest expense	21.47	46.02
Benefits paid	(281.26)	(397.50)
Actuarial (gain)/ loss on obligations	24.98	78.54
Defined benefit obligation at 31 March 2025	95.62	134.28

Reconciliation of fair value of plan assets and defined benefit obligation:

	Rs in '000	Rs in '000
Fair value of plan assets at 01 April 2023	-	-
Defined benefit obligation at 01 April 2023	767.02	720.95
Fair value of plan assets at 31 March 2024	-	-
Defined benefit obligation at 31 March 2024	296.99	379.77
Amount recognised in the Balance Sheet at 31 March 2024	(296.99)	(379.77)
Fair value of plan assets at 31 March 2025	-	-
Defined benefit obligation at 31 March 2025	95.62	134.28
Amount recognised in the Balance Sheet at 31 March 2025	(95.62)	(134.28)



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Notes to financial statements for the year ended March 31, 2025

ADDITIONAL NOTES TO ACCOUNTS

Amount recognised in Statement of Profit and Loss:

	(Amount in ₹ '000)	(Amount in ₹ '000)
	Gratuity	Leave
Current service cost	69.92	91.64
Net interest expense	56.15	52.77
Actuarial gain/ (loss) on obligations	(387.00)	(431.65)
Amount recognised in Statement of Profit and Loss for year ended 31 March 2024	(260.94)	(287.24)
Current service cost	33.43	27.46
Net interest expense	21.47	46.02
Actuarial gain/ (loss) on obligations	24.98	78.54
Amount recognised in Statement of Profit and Loss for year ended 31 March 2025	79.89	152.01

The principal assumptions used in determining gratuity and leave encashment obligations for the Company's plans are shown below:

	31st March 2025	31st March 2024
Discount rate (in %)	7.04%	7.23%
Salary Escalation (in %)	5.50%	5.50%
Expected average remaining working lives of employees (in years)	27.82	17.47

A quantitative sensitivity analysis for significant assumption as at 31 March 2025 is as shown below:

Assumptions	Discount rate		Salary Increase	
Sensitivity Level	+ 0.5%	- 0.5%	+ 0.5%	- 0.5%
Impact on defined benefit obligation	(Amount in ₹ '000)		(Amount in ₹ '000)	
Gratuity	(8.08)	9.00	9.09	(8.22)
Leave	(11.16)	12.24	12.43	(11.26)

A quantitative sensitivity analysis for significant assumption as at 31 March 2024 is as shown below:

Assumptions	Discount rate		Salary Increase	
Sensitivity Level	+ 0.5%	- 0.5%	+ 0.5%	- 0.5%
Impact on defined benefit obligation	(Amount in ₹ '000)		(Amount in ₹ '000)	
Gratuity	(5.61)	6.19	6.26	(5.72)
Leave	(7.83)	8.52	8.67	(7.92)



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Notes to financial statements for the year ended March 31, 2025

26 Fair Values**Financial instruments by category**

The carrying value and fair value of financial instruments by categories as of March 31, 2025 were as follows:

Particulars	Amortised cost	Fair value through profit or loss	Fair value through OCI	(Amount in ₹ '000)
				Total carrying value
Financial Assets				
Cash and cash equivalents	618.49			618.49
Loans	3,70,950.00			3,70,950.00
Investments	-			-
Other Financial Assets	22,987.00			22,987.00
Total Financial Assets	3,94,555.49	-	-	3,94,555.49
Financial Liabilities				
Borrowings	3,26,925.47			3,26,925.47
Other financial liabilities	17,346.44			17,346.44
Total Financial Liabilities	3,44,271.92	-	-	3,44,271.92

The carrying value and fair value of financial instruments by categories as of March 31, 2024 were as follows:

Particulars	Amortised cost	Fair value through profit or loss	Fair value through OCI	(Amount in ₹ '000)
				Total carrying value
Financial Assets				
Cash and cash equivalents	4,543.41			4,543.41
Loans	54,000.00			54,000.00
Investments	-			-
Other Financial Assets	1,080.46			1,080.46
Total Financial Assets	59,623.87	-	-	59,623.87
Financial Liabilities				
Borrowings	8,075.47			8,075.47
Other financial liabilities	3,771.56			3,771.56
Total Financial Liabilities	11,847.04	-	-	11,847.04

26.2 Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The company has assessed that the fair value of trade receivables, cash and cash equivalents, other bank balances, other current financial assets, trade payable, and other current liabilities approximate to their carrying amount largely due to the short term maturities of these instruments.

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2025:

Particulars	31 March 2025	(Amount in ₹ '000)		
		Fair value measurement at end of the reporting period/year using		
		Level 1	Level 2	Level 3
Assets				
Investments in equity instruments	-	-	-	-
Total	-	-	-	-



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Notes to financial statements for the year ended March 31, 2025

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2024:

Particulars	31 March 2024	(Amount in ₹ '000)		
		Fair value measurement at end of the reporting period/year using		
		Level 1	Level 2	Level 3
Assets				
Investments in equity instruments	-	-	-	-
Total	-	-	-	-

27 Financial risk management objectives and policies

Financial risk management

Financial risk factors

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI Investments.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the loan given, Security deposits received/paid and borrowings.

Interest rate sensitivity calculated on borrowings

	Increase/(Decrease) in basis points	Effect on profit before tax
31-Mar-25		
(Amount in ₹ '000)	0.5	(842.92)
	-0.5	842.92
31-Mar-24		
(Amount in ₹ '000)	0.5	(1,779.54)
	-0.5	1,779.55

Equity Price Risk

The Company's listed and unlisted equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company don't engage in active trading of equity instruments. Reports on the equity portfolio are submitted to the Company's senior management on a regular basis. The Company's Board of Directors reviews and approves all equity investment decisions.

At the reporting date, the exposure to listed and unlisted equity securities at fair value is not material (excluding investment in subsidiaries).



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Notes to financial statements for the year ended March 31, 2025**Credit Risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

The Company has used a practical expedient and analysed the recoverable amount of the receivables on an individual basis by computing the expected loss allowance for financial assets based on historical credit loss experience and adjustments for forward looking information's.

Liquidity risk

The Company's objective is to maintain a low debt exposure. The company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company manages liquidity risk by maintaining adequate cash reserves, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2025:

(Amount in ₹ '000)			
Particulars	Less than 1 year	1-5 years	Total
Borrowings	975.47	3,25,950.00	3,26,925.47
Other financial liabilities	17,346.44	-	17,346.44
Total	18,321.91	3,25,950.00	3,44,271.92

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2024:

(Amount in ₹ '000)			
Particulars	Less than 1 year	1-5 years	Total
Borrowings	-	8,075.47	8,075.47
Other financial liabilities	3,771.56	-	3,771.56
Total	3,771.57	8,075.47	11,847.04

28 Capital management

For the purpose of the company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the parent. The primary objective of the company's capital management is to maximise the shareholder value.

The company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The company includes within borrowings, Trade payables, other financial liabilities, other current liabilities less cash and cash equivalents.

(Amount in ₹ '000)		
	31 March 2025	31 March 2024
Borrowings	3,26,925.47	8,075.47
Other financial liabilities	17,346.44	3,771.56
Less: Cash and cash equivalents	618.49	4,543.41
Net Debt	3,43,653.41	7,303.62
Equity	74,773.90	74,773.90
Capital and net debt	4,18,427.31	82,077.52
Gearing ratio	82.13%	8.90%

29 Financial Ratios

	31 March 2025	31 March 2024
(a) Capital to risk-weighted assets ratio (CRAR)	12.90%	80.13%
(b) Tier I CRAR	12.90%	80.13%
(c) Tier II CRAR	NA	NA
(d) Liquidity Coverage Ratio	21.73%	124.14%



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Notes to financial statements for the year ended March 31, 2025

ADDITIONAL NOTES TO ACCOUNTS

- 30 Details of Key Managerial Personnel Remuneration**
- | | (Amount in ₹ '000) | (Amount in ₹ '000) |
|--|--------------------|--------------------|
| Name: Mr. Gaurav Aggarwal (Manager) w.e.f. 09.11.2023 | 2024-25 | 2023-24 |
| Salary / Allowances | 572.73 | 191.02 |
| Other reimbursement | 89.78 | 32.54 |
| | 662.51 | 223.56 |
| Name: Ms. Disha Soni (Company Secretary) | 2024-25 | 2023-24 |
| Salary / Allowances | 1,098.30 | 1,330.13 |
| Car Lease Rent paid | 24.00 | - |
| Other reimbursement | 430.38 | 475.43 |
| | 1,552.68 | 1,805.56 |
| Name: Mr. Gopal Singh Negi (CFO) upto 24.01.2025 | 2024-25 | 2023-24 |
| Salary / Allowances | 1,807.68 | 1,291.50 |
| Car Lease Rent paid | 195.48 | 240.00 |
| Other reimbursement | 763.02 | 521.51 |
| | 2,766.19 | 2,053.01 |
| Name: Mr. Ajay Singh (CFO) w.e.f. 17.03.2025 | 2024-25 | 2023-24 |
| Salary / Allowances | 23.95 | - |
| Other reimbursement | 4.25 | - |
| | 28.20 | - |
- 31 Information required to be given by way of note regarding foreign currency income/outgo** Nil
- 32 (a) Related Party Disclosures :**
- | | |
|---------------------------------|---|
| Holding Company | Nil |
| Subsidiary Company | Nil |
| Fellow Subsidiary Company | Nil |
| Associate company | Nil |
| Key Management Personnel | Ms. Seema Salwan (Independent Non -Executive Director) upto 29.08.2024
Mr. Gaurav Aggarwal (Manager) w.e.f. 09.11.2023
Ms. Himani Aneja (Independent Non -Executive Director) w.e.f. 29.08.2024
Mr. Siddheshwar Kumar Upadhyay (Independent Non -Executive Director)
Mr. Gurvinder Pal Singh (Director)
Mr. Gopal Singh Negi (CFO) upto 24.01.2025
Mr. Ajay Singh (CFO) w.e.f. 17.03.2025
Ms. Disha Soni (Company Secretary) |
- (b) Related Party Transactions** Attached as per annexure 1
- 33** The Company, using its best estimates based on reasonable and supportable assumptions and projections, has made provision for expected credit loss (ECL) of Rs Nil in accordance with Indian Accounting Standard AS 109.
- 34** In terms of Paragraph 3.4 of Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, the directions under Chapter IV, Chapter V, paragraphs 4.1.1, 45, 66 and 67 are not applicable to the company as it is not availing any public funds and do not have any customer interface.

As per our attached report of even date

For Gupta Garg & Agrawal**Chartered Accountants****Firm Registration No. 505762C****(Amit Kumar Jain)**

Partner

Membership No. 509349

For and on behalf of the Board of Directors**(Gurvinder Pal Singh)**

Director

DIN: 05207077

(Ajay Singh)

CFO

PAN:GYFPS4945M

(Siddheshwar Kumar Upadhyay)

Director

DIN: 07871728

(Disha Soni)

(Company Secretary)

M No.: A42944

Place : Noida

Date : 15.05.2025

UDIN: 25509349 BMOHY03662

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Related Party transactions for the year ended March 31, 2025

Annexure-1

(Amount in ₹ '000)

Particulars	Key management Personnel		Total	
	2024-25	2023-24	2024-25	2023-24
(A) Transactions				
Salary & Allowances Paid				
Gaurav Aggarwal	662.51	223.56	662.51	223.56
Disha Soni	1,552.68	1,805.56	1,552.68	1,805.56
Gopal Singh Negi	2,766.19	2,053.01	2,766.19	2,053.01
Ajay Singh	28.20	-	28.20	-
Director's Sitting Fees Paid				
Seema Salwan	30.00	35.00	30.00	35.00
Siddheshwar Kumar Upadhyay	30.00	35.00	30.00	35.00



ANNEXURE 'A' FORMING PART OF THE ACCOUNTS**Particulars as per NBFC Directions as at 31.03.2025**

(as required in terms of Paragraph 31 of Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023)

Rs. (IN Crore)

		Particulars		
		Liabilities side :		
(1)		Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid :	Amount Outstanding	Amount Overdue
	(a)	Debtentures : Secured	-	-
		: Unsecured	-	-
		(other than falling within the meaning of public deposits*)		
	(b)	Deferred Credits	-	-
	(c)	Term Loans	-	-
	(d)	Inter-corporate loans and borrowing	34.99	-
	(e)	Commercial Paper	-	-
	(f)	Public Deposits*		
	(g)	Other Loans (specify nature)	-	-
		* Please see Note 1 below		
(2)		Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):		
	(a)	In the form of Unsecured debtentures		
		In the form of partly secured debtentures i.e. debtentures		
	(b)	where there is a shortfall in the value of security		
	(c)	Other public deposits		
		* Please see Note 1 below		
		Assets side :		
(3)		Break - up of Loans and Advances including bills / Trade receivables [other than those included in (4) below] :	Amount outstanding	
	(a)	Secured	35.15	
	(b)	Unsecured	1.95	
(4)		Break-up of Leased Assets and stock on hire and other assets counting towards AFC Activities	N.A.	



ANNEXURE 'A' FORMING PART OF THE ACCOUNTS**Particulars as per NBFC Directions as at 31.03.2025**

(as required in terms of Paragraph 31 of Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023)

		Rs. (IN Crore)
	Particulars	
(5)	<u>Break-up of Investment :</u> <u>Current Investment :</u> 1 <u>Quoted :</u> (i) Shares : (a) Equity - (b) Preference - (ii) Debentures and Bonds - (iii) Units of mutual funds - (iv) Government Securities - (v) Others (please specify) - 2 <u>Unquoted :</u> (i) Shares : (a) Equity - (b) Preference - (ii) Debentures and Bonds - (iii) Units of mutual funds - (iv) Government Securities - (v) Others (please specify) - <u>Long Term Investment (Net of Provision of diminution in value of investments):</u> 1 <u>Quoted :</u> (i) Shares : (a) Equity - (b) Preference - (ii) Debentures and Bonds - (iii) Units of mutual funds - (iv) Government Securities - (v) Others (please specify) - 2 <u>Unquoted :</u> (i) Shares : (a) Equity (net of provision) - (b) Preference - (ii) Debentures and Bonds - (iii) Units of mutual funds - (iv) Government Securities - (v) Others (please specify) -	



ANNEXURE 'A' FORMING PART OF THE ACCOUNTS**Particulars as per NBFC Directions as at 31.03.2025**

(as required in terms of Paragraph 31 of Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023)

Rs. (IN Crore)

Particulars				
(6)	Borrower group-wise classification of assets financed as in (2) & (3) above:			
	Please see Note 2 below	Amount net of provisions		
	Category	Secured	Unsecured	Total
1	Related Parties **			
(a)	Subsidiaries	-	-	-
(b)	Companies in the same group *	-	-	-
(c)	Other related parties	-	-	-
2	Other than related parties	35.15	1.95	37.10
	Total	35.15	1.95	37.10
(7)	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :			
	Please see Note 3 below			
	Category	Market Value / Break up or fair value or NAV***	Book Value (Net of Provisions)	
1	Related Parties **		-	-
(a)	Subsidiaries		-	-
(b)	Companies in the same group		-	-
(c)	Other related parties			
2	Other than related parties		-	-
	Total		-	-

** As per Accounting Standard of ICAI (Please see Note 3)

(8) Other information

Particulars		Amount
(i)	Gross Non - Performing Assets	NA
(a)	Related parties	-
(b)	Other than related parties	-
(ii)	Net Non - Performing Assets	NA
(a)	Related parties	-
(b)	Other than related parties	-
(iii)	Assets acquired in satisfaction of debt	NA

Notes :

- As defined in paragraph 5.1.26 of Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023
- Provisioning norms shall be applicable as prescribed in Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023. However, In terms of Paragraph 3.4 of Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, prudential norms except para 31 shall not apply to the Company as the Company is non-banking financial company having asset size of less than Rs.500 crores and further it does not accept/hold any public funds. Accordingly provisioning norms are not applicable to the company.
- All notified Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/ fair value/ NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term (amortised cost in the case of Ind AS) or current (fair value in the case of Ind AS) in (5) above.

