



Muthoot Finance Limited

Registered Office :
2nd floor, Muthoot Chambers,
Opp. Saritha Theatre Complex,
Banerji Road, Ernakulam - 682 018
Kerala, India.
CIN : L65910KL1997PLC 011300

Phone : +91 484 2396478, 2394712
Fax : +91 484 2396506, 2397399
mails@muthootgroup.com
www.muthootgroup.com

Ref: SEC/MFL/SE/2023/4866

September 7, 2023

National Stock Exchange of India Limited
Exchange Plaza,
Plot No. C/1, G Block,
Bandra-Kurla Complex
Bandra (E), Mumbai - 400 051
Symbol: MUTHOOTFIN

Department of Corporate Services
BSE Limited,
P. J. Tower, Dalal Street,
Mumbai - 400 001
Scrip Code: 533398

Dear Sir/Madam,

Sub: Disclosure under Regulation 30, 34 (1). 53 and other applicable regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations")

Re: 26th AGM Notice and Annual Report of Muthoot Finance Limited for the FY 2022-23

The 26th Annual General Meeting (AGM) of the members of Muthoot Finance Limited will be held on Friday, September 29, 2023, at 3:30 PM. (IST) through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") without the physical presence of the members in accordance with the applicable provisions of the Companies Act, 2013, and the Listing Regulations.

We herewith enclose a copy of the Notice of the AGM including instructions for e-voting and the Annual Report for the FY 2022-23, which are being sent to the members of the Company in electronic mode.

In accordance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide e-voting facility to the Members to cast their vote electronically on all resolutions as outlined in the Notice convening the AGM. Members may cast their votes remotely, using an electronic voting system (remote e-voting), which shall be available during the following voting period:

Commencement of remote e-voting	Tuesday, September 26, 2023, at 09:00 A.M (IST).
Conclusion of remote e-voting	Thursday, September 28, 2023, at 05:00 P.M (IST)

Remote e-voting will not be allowed beyond the aforesaid date and time and the said facility shall be forthwith disabled by CDSL upon expiry of the aforesaid period.

The Cut-off date for determining the eligibility of Members entitled to vote at the AGM is Friday, September 22, 2023.

The voting rights of members shall be in the proportion to the shares held by them in the paid-up equity share capital of the Company as on the Cut-off date. Any person, who is a member of the Company as



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on the Cut-off date is eligible to cast vote electronically on all the resolutions outlined in the Notice of the AGM.

The Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC/ OAVM but shall not be entitled to cast their vote again.

Notice of the AGM and the Annual Report for the Financial Year 2022-23 (“Annual Report”) are available on the website of the Company and can be accessed from the below links:

Notice of the 26 th AGM	Click Here
Annual Report for FY 2022-23	Click Here

For **Muthoot Finance Limited**

Rajesh A
Company Secretary
ICSI Membership No. FCS 7106



Muthoot Finance

Staying **focused.**
Winning **together.**



Annual Report 2022-23

Our Guiding Inspiration




—  —


Our founder, Late Shri M. George Muthoot, envisioned the prospects of gold loan in India long back in 1939. His business insight and vision helped transform India's gold loan business. Guided by his values, we have strengthened our reputation over the years and established ourselves as a trusted pan-India brand.

—  —

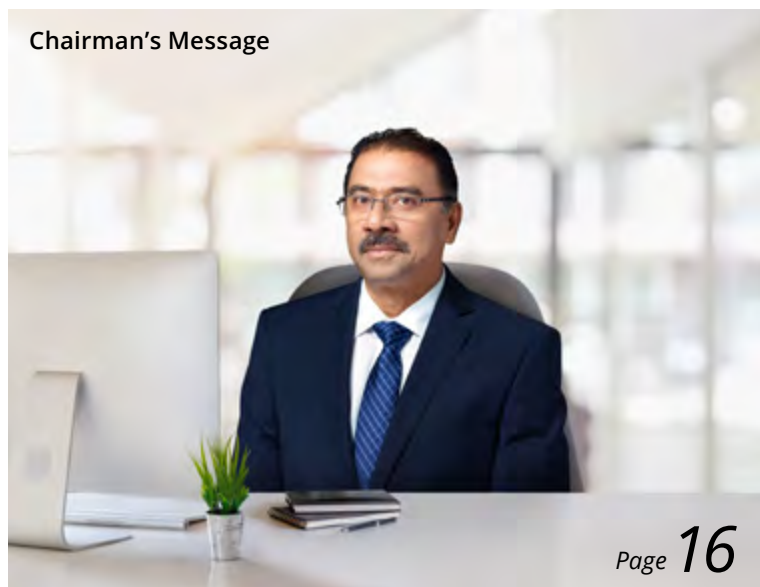


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Our visionary chairman Late Shri. M. G. George Muthoot was instrumental in making Muthoot Finance a Pan India Company and largest gold loan NBFC in India. Under his strategic leadership, the Muthoot group grew into a multi dimensional business behemoth from 31 branches in 4 states in 1979 to 4600+ branches across the country by 2021.

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Marketing



Forward-looking statement

This report and other statements – written and oral – that we periodically make, may contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Staying focused. Winning together.





As the pioneers of the gold loan segment and the largest gold loan NBFC in the country, the onus has always been on us to lead the way. We started our business to impact the lives of people who need access to formal credit lines. As we stand here today, this continues to be our driving force. We have now been able to popularise gold loan among people with formal credit lines also.

Since our inception, we have witnessed multiple economic and industry downturns. Despite these, we have always focused on reaching more and more people and helping them transform their lives.

The headwinds that marked the year under review also impacted our growth trajectory. In most conventional cases, the first thought that would cross the mind would be to downsize or cut down on costs exponentially.

At Muthoot, however, we are not cut from the same cloth. We continued focusing on improving our own capabilities and expanding our brand recall. We roped in Mrs. Madhuri Dixit as our brand ambassador and continued to focus on well-curated marketing campaigns to enhance our brand recall. In addition, we focused on expanding our presence and improving operational efficiencies through digitisation.

Our ability to stay focused on attaining our goals will be a winning strategy, for us and our customers.

Staying focused on addressing India's financial needs



Established in 1887 by Shri Ninan Mathai Muthoot, we entered the gold loan business in 1939 under the leadership of Shri. M George Muthoot. Our primary goal was to address the credit needs of the underserved segments of the country. As a result of our focused efforts over the years, we have emerged as India's largest and most reliable gold loan NBFC.

We provide access to credit for individuals who possess gold jewellery but may need access to formal credit channels or face delays in obtaining it. In addition to gold loans, we offer various financial products and services, including multiple types of loans, insurance offerings, money transfer services, and the sale of gold coins through our various subsidiaries.



Mission

To build leading customer-centric businesses enabled by technology, maintaining the highest standards of corporate governance and uncompromising values.

Vision

Be the most trusted, globally diversified institution enriching lives of the masses while contributing back to the society.

Core values

We take pride in our strong foundation. Our values reflect a culture of trust which is built on the following pillars:



Goodwill



Ethics



Values



Integrity



Reliability



Trustworthiness



Dependability



Our product offerings

As the largest gold financing company in India, our core offering is gold loans. However, we offer a wide range of other products and services to our customers as well.

Key Subsidiaries



Muthoot Homefin

Affordable housing finance

100%



Muthoot Money

Vehicle finance

100%



Microfinance

56.97%



Listed diversified NBFC in Sri Lanka

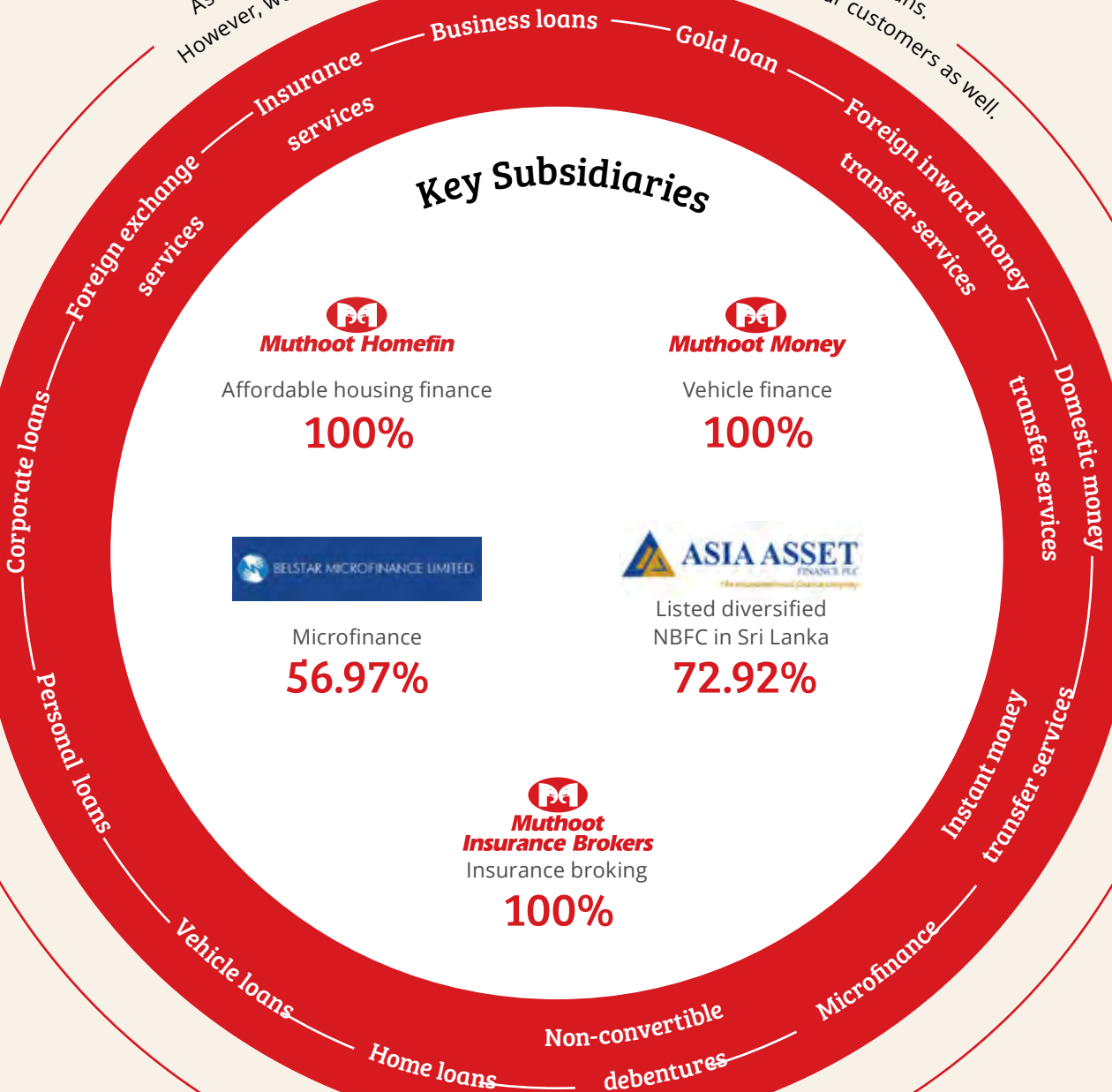
72.92%



Muthoot Insurance Brokers

Insurance broking

100%



Muthoot Finance at a glance

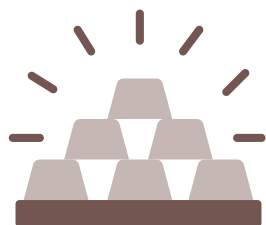
MARKET CAPITALISATION
AS ON 31ST MARCH, 2023

₹393,399 mn



RETAIL INVESTOR BASE ACROSS DEBENTURE
AND SUBORDINATED DEBT PORTFOLIO

100,000+



STATES AND UNION
TERRITORIES WHERE MUTHOOT
FINANCE IS PRESENT

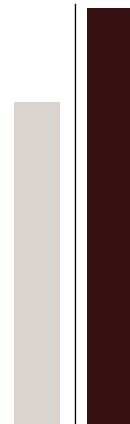


29

TEAM MEMBERS

27,273
FY23

26,716
FY22





CUSTOMERS SERVED DAILY



200,000+

GOLD JEWELLERY KEPT AS SECURITY

180 tonnes

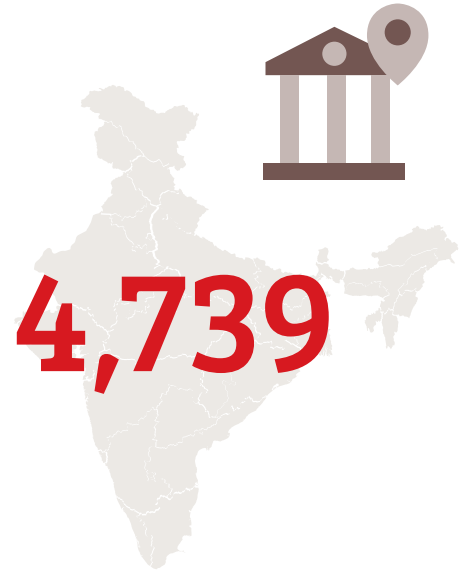


LOAN ASSETS UNDER MANAGEMENT

₹632,098 mn



PAN-INDIA BRANCHES



Staying focused on reaching more people

Committed to financial inclusion, we continued to identify areas with potential and strategically expanded our presence across the country, reaching more underserved communities.

Opportunities we capitalised on:

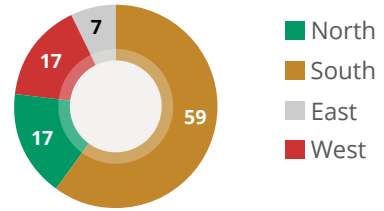
- Rural India holds an impressive 65% share of the entire gold stock in the country, highlighting the significant role of gold as a valuable asset and investment choice in these regions.
- A large portion of the rural population faces limited access to credit facilities, posing challenges to their financial growth and development. This lack of credit options often hinders their ability to invest in their businesses, education, or healthcare.
- To address the needs of these under-served rural and semi-urban markets, we have strategically established a strong presence in these areas. By doing so, we aim to bridge the financial gap and provide accessible and inclusive financial services to empower individuals and businesses in these regions.





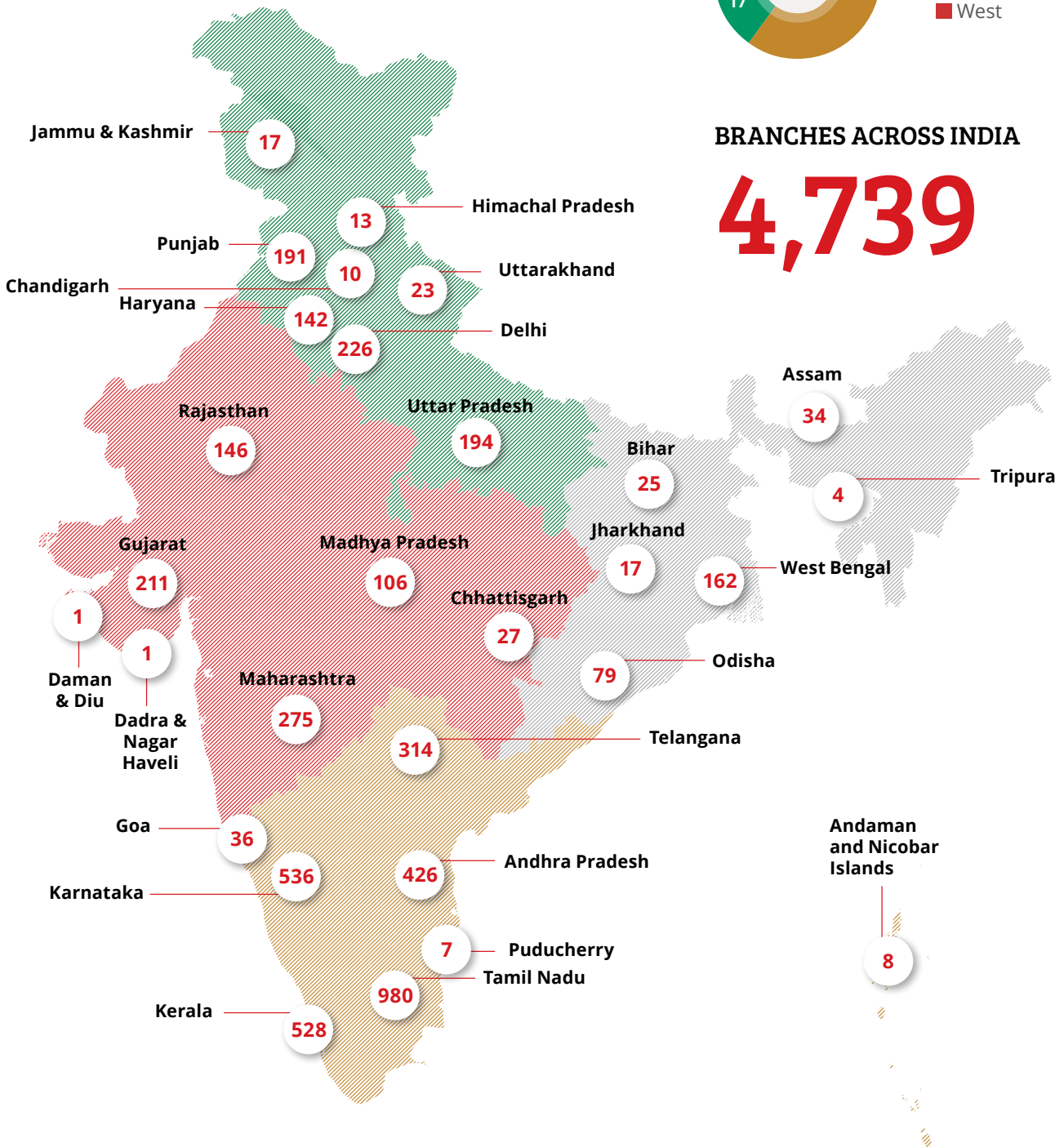
State-wise branch network

Region-wise distribution of branches (%) (as on 31st March, 2023)



BRANCHES ACROSS INDIA

4,739



Key events over the years

1887

Commenced operations as a trading business in a Kerala village

1939

Embarked on gold loan business

2001

Received the RBI licence to function as an NBFC.

2004

Received the highest rating of F1 from Fitch Ratings for a short-term debt of ₹200 million

2005

Retail loan and debenture portfolio crossed ₹5 billion

2007

- Retail loan portfolio crossed ₹14 billion
- Net owned funds crossed ₹1 billion
- Accorded NBFC-ND-SI status
- Branch network crossed 500

2010

- Retail loan portfolio crossed ₹74 billion
- Retail debenture portfolio crossed ₹27 billion
- CRISIL assigned P1+ rating for short term debt of ₹4 billion, ICRA assigned A1+ for short term debt of ₹2 billion.
- Net owned funds crossed ₹5 billion
- Gross annual income crossed ₹10 billion
- Bank credit limit crossed ₹17 billion
- Branch network crossed 1,600

2008

- Retail loan portfolio crossed ₹21 billion
- Retail debenture portfolio crossed ₹1 billion
- Converted into a Public Limited Company

2011

- Retail loan portfolio crossed ₹158 billion
- Retail debenture portfolio crossed ₹47 billion
- CRISIL assigned long-term rating of AA-/Stable for ₹1 billion subordinated debt issue and for ₹4 billion non-convertible debentures issue respectively
- ICRA assigned long-term rating of AA-/Stable for ₹1 billion subordinated debt issue and for ₹2 billion non-convertible debentures issue respectively
- PE investments of ₹2,556.85 million received from Matrix Partners, LLC, The Welcome Trust, Kotak PE, Kotak Investments and Baring India PE
- Net owned funds crossed ₹13 billion
- Gross annual income crossed ₹23 billion
- Bank credit limit crossed ₹60 billion
- Branch network crossed 2,700



2014

- Retail loan portfolio crossed ₹219 billion
- Net owned funds crossed ₹42 billion
- Gross annual income touched ₹49 billion
- Branch network crossed 4,200

2012

- Retail loan portfolio crossed ₹246 billion
- Retail debenture portfolio crossed ₹80 billion
- ICRA assigned long-term rating of AA-/Stable and short-term rating of A1+ for ₹93,530 million line of credit
- Raised ₹9,012.50 million in April 2011 through a successful IPO
- Raised ₹6.93 billion through Non-convertible Debenture Public Issue (Series I)
- Raised ₹4.59 billion through Non-convertible Debenture Public Issue (Series II)
- Net owned funds crossed ₹29 billion
- Gross annual income crossed ₹45 billion
- Bank credit limit crossed ₹92 billion
- Branch network crossed 3,600

2015

- Issued 25,351,062 fresh equity shares by way of an institutional placement programme under Chapter VIII-A of the SEBI ICDR Regulations, aggregating up to ₹4,182.93 million
- Listed debenture portfolio raised through public issue ₹14.62 billion
- Retail loan portfolio touched ₹234.09 billion
- Net owned funds crossed ₹50 billion
- Gross annual income touched ₹43.25 billion
- PAT for the year touched ₹6.71 billion
- Acquired 51% equity shares of Colombo-based Asia Asset Finance PLC (AAF)

2016

- Retail loan portfolio crossed ₹243 billion
- Listed debenture portfolio raised through public issue ₹12.39 billion
- Net owned funds crossed ₹55 billion
- Gross annual income touched ₹48.75 billion
- PAT for the year touched ₹8.10 billion
- Acquired 79% of the equity capital of Muthoot Homefin (India) Limited (MHIL), a housing finance company registered with the National Housing Bank
- Acquired Muthoot Insurance Brokers Private Limited (MIBPL), an unlisted private limited company holding a license to act as direct broker from IRDAI (Insurance Regulatory and Development Authority of India) since 2013, as a wholly-owned subsidiary in June 2016
- Acquired 46.83% of the capital of Belstar Investment and Finance Private Limited (BIFPL), reclassified as an NBFC-MFI by the RBI (Reserve Bank of India) with effect from December 11, 2013, in July 2016
- CRISIL and ICRA upgraded long-term debt rating from AA-/Stable to AA/Stable

MILESTONES

2017

- Loan assets portfolio crossed ₹272 billion
- Listed debenture portfolio raised through public issue ₹18.31 billion
- Net owned funds crossed ₹64 billion
- Gross annual income touched ₹57.46 billion
- PAT for the year touched ₹11.80 billion
- Increased stake in BIFPL to 64.60%, thus making it a subsidiary
- Enlarged stake in MHIL to 88.27%
- Improved stake in AAF to 60%

2018

- Loan assets portfolio crossed ₹291 billion
- Listed debenture portfolio raised through public issue of ₹19.69 billion
- Net owned funds crossed ₹77 billion
- Gross annual income touched ₹62.43 billion
- PAT for the year touched ₹17.20 billion
- Branch network crossed 4,300
- Increased stake in BIFPL to 66.61%
- Enlarged stake in MHIL to 100% making it a wholly-owned subsidiary

2020

- Loan assets portfolio crossed ₹416.00 billion
- Listed debentures raised through public issue of ₹21.02 billion and through private placement of ₹14.25 billion
- Net owned funds crossed ₹113.09 billion
- Gross annual income touched ₹87.23 billion
- PAT for the year touched ₹30.18 billion
- Branch network crossed 4,500
- Increased stake in M/s. Asia Asset Finance PLC to 72.92%.
- Muthoot Finance was assigned issuer ratings by three international credit rating agencies – Fitch Ratings at BB+/Stable, S&P Global at BB/Stable and Moody's Investor Service at Ba2/Stable
- In October 2019, we raised \$450 million by issuing 6.125% senior secured notes and in March 2020, we raised \$550 million by issuing 4.40% senior secured notes under both Rule 144A and Regulation S of the US Securities Act, 1933

2021

- Loan assets portfolio crossed ₹526.00 billion
- Listed debentures raised through public issue of ₹22.93 billion and through private placement of ₹36.46 billion.
- Net owned funds crossed ₹151.88 billion
- Gross annual income touched ₹105.74 billion
- PAT for the year touched ₹37.22 billion
- Branch network crossed 4,600
- CRISIL and ICRA upgraded long-term credit rating from AA to AA+/Stable



2022

- Loan assets portfolio crossed ₹580 billion
- Listed debentures raised through public issue of ₹17 billion and through private placement of ₹15.32 billion.
- Net owned funds crossed ₹182.96 billion
- Gross annual income touched ₹110.98 billion
- PAT for the year touched ₹39.54 billion
- Consolidated PAT of the group for the year crossed ₹40 billion
- Raised fresh equity of ₹2,750 million in Belstar Microfinance Limited, resulting in reduction of Muthoot Finance's equity stake to 60.69%

2023

- Roped in Madhuri Dixit as the brand ambassador, alongside Amitabh Bachchan
- Loan assets portfolio crossed ₹632 billion
- Net owned funds crossed ₹208.94 billion
- Gross annual income touched ₹105.44 billion
- Profit after tax for the year touched ₹34.74 billion
- Branch network crossed 4,700

KEY PERFORMANCE INDICATORS

Winning by staying resilient amid headwinds

Revenue (₹ million)

₹1,05,437 mn



Profit after tax (₹ million)

₹34,735 mn



Net worth (₹ million)

₹2,10,619 mn



Earnings per share (₹)

₹86.54



Gold loan portfolio (₹ billion)

₹619 bn



Gold holdings (tonnes)

180 tonnes



Average gold loan per branch (₹ million)

₹130.57 mn



Total employees

27,273





10-year performance review

(₹ in Millions, unless specified otherwise)

	FY14	FY15	FY16	FY17	FY18*	FY19*	FY20*	FY21*	FY22*	FY23*
Total revenue	49,474	43,246	48,750	57,467	63,331	68,806	87,228	105,744	110,984	105,437
Profit before tax	11,936	10,279	13,168	19,210	28,447	30,768	40,574	50,065	53,094	46,664
Provision for tax	4,135	3,573	5,072	7,411	10,671	11,047	10,391	12,843	13,551	11,929
Profit after tax	7,801	6,705	8,096	11,798	17,776	19,721	30,183	37,222	39,543	34,735
Equity share capital	3,717	3,980	3,990	3,994	4,000	4,007	4,010	4,012	4,013	4,014
Reserves and surplus	38,929	46,855	52,202	61,170	74,120	93,921	111,708	148,377	179,432	206,605
Net worth	42,646	50,835	56,192	65,164	78,120	97,928	115,718	152,389	183,445	210,619
Loan assets	218,615	234,085	243,789	272,785	291,420	342,461	416,106	526,223	580,532	632,098
Branches (no.)	4,270	4,245	4,275	4,307	4,325	4,480	4,567	4,632	4,617	4,739
Employees (no.)	25,012	22,882	22,781	24,205	23,455	24,224	25,554	25,911	26,716	27,273

*Under IND-AS

Key ratios

₹ in Millions

	FY21	FY22	FY23
Capital adequacy (%)	27.39	29.97	31.77
Stage 3 loan assets (%)	0.88	2.99	3.79
Return on assets (%)	7.99	7.24	5.93
Return on equity (%)	27.77	23.55	17.63
Debt-equity (%)	3.02	2.72	2.36

Undeterred focus **for** **decades**



George Jacob Muthoot
Chairman & Whole Time Director



**With inflation and
geo-political tensions
looming large, gold continues
to be a safe-haven asset
and will be so over the
foreseeable future.**

Dear Shareholders,

I am pleased to inform you that this was yet another year where we demonstrated resilience amid industry headwinds. However, as you have noticed over the years, we continued to remain steadfast in our focus towards promoting financial inclusion in the country. As a result of our concerted efforts, we were successfully able to end the seemingly slow year with a record-breaking performance in the final quarter, a testament to our undeterred focus irrespective of external developments.

Operating backdrop

Before I delve into the details of our performance, it is imperative that we talk about the economic environment in which we operate. In the global context, India has indeed been a silver lining; despite challenges posed by inflation and supply chain disruptions, the Indian economy displayed immense resilience,



supported by the Government's proactive measures including infrastructure investments, promoting private investment, and pursuing self-sufficiency. India retained its position as the fifth-largest economy in the world and I truly believe that it will continue on this growth trajectory over the foreseeable future as well.

The NBFC market has also been marked with positivity over the last few years. According to a report by the Reserve Bank of India, non-banking financial companies (NBFCs) have posted the highest credit growth of 17.3% in the last five years, while net interest margins for lenders increased by 30 basis points due to higher yields. The profitability of NBFCs has recorded significant improvement due to record disbursements and improved asset quality. In addition to this, NBFCs also reported lower gross non-performing assets, and credit costs continue to trend downwards.

Gold loan opportunities continue to shine

Our focus on gold loan business is based on India's profound affinity for gold. This seems to be the case for the last several decades and continues even today, and not surprisingly as well, considering the position of gold as a symbol of wealth and prosperity in Indian society, especially among the rural populace. With inflation and geo-political tensions looming large, gold continues to be a safe-haven asset and will be so over the foreseeable future.

Gold prices have surged as investors sought refuge in safe-haven assets amidst banking crisis in the US and Europe, consequently boosting the demand for gold loans and resulting in increased business for the gold loan industry. It is worth noting that while customers now qualify for larger loan amounts per gram of gold, the demand for gold loans is not solely influenced by gold prices. The current uptick in demand is also fuelled by economic revival, highlighting that the need-based nature of gold loans plays a significant role. Besides this, there has been a tectonic shift in the narrative that the younger populace is not inclined towards gold loans. We have observed a hike in demand from youngsters; with a spike of more than 50 per cent y-o-y, youngsters are now giving more preference to experiences over material possessions. These bode well for us and validate our belief that gold loan demand is here for the long run.



We announced an interim dividend of 220% for the fiscal year 2023, equivalent to ₹22 per equity share with a total payout of ₹8,832 million.

New products launched during the year

We have introduced Small Business Loans, recognising the crucial role of small businesses in India's economy, accounting for 90% of all businesses. These unsecured loans offer up to ₹10 lakhs and initially operate in metros, with plans for expansion into Tier 2 and Tier 3 locations in Phase 2, subject to progress assessment.

Additionally, we have launched Micro Personal Loans as part of our strategy to serve our existing customer base comprehensively, positioning ourselves as a one-stop financial service provider. These Pre-Approved Personal Loans, termed Micro Personal Loans, are available to eligible customers, featuring EMI terms of upto 12 months with a maximum loan amount of ₹100,000, and the entire process is digital. The introduction of Micro Personal Loans fills a gap in Muthoot Finance's product portfolio, providing customers with a convenient EMI-based loan option, expanding our range of financial solutions, enhancing customer engagement, and addressing their diverse financial needs.

Performance during the year

The year did not get off to the start that we had in mind, but we were able to recover and finish the year on a remarkable note. During the year, we recorded revenues of ₹1,05,437 million, a marginal decline of ~5% over the previous year, whereas our profit after tax also declined by ~12% to ₹34,735 million. However, our gross assets under management increased to ₹632,098 million,

CHAIRMAN'S MESSAGE

compared to ₹580,532 million, an increase of ~9% over the previous year.

The highlight of the year was the rebound in the fourth quarter. We achieved a record-breaking milestone with our highest-ever quarterly gold loan disbursement of ₹518 billion. Furthermore, we witnessed an all-time high gold loan growth of ₹50 billion during any fourth quarter, a remarkable achievement. Additionally, our interest collection for the quarter reached an all-time high, totalling ₹27 billion, surpassing any previous quarter's performance.

The rebound in performance could be attributed to our ability to stay focused on our goals, alongside dedicated marketing efforts like launching our Gold Loan Mela campaign and roping in Madhuri Dixit to enhance our brand recall.

Strong performance by our subsidiaries

Muthoot Homefin India Limited has achieved remarkable financial growth this year. Our profit after tax has soared to ₹104 million, marking a substantial 24% increase compared to the previous year's ₹84 million. Furthermore, our commitment to providing affordable housing solutions has led to an impressive surge in home loan disbursements, reaching ₹1,727 million, an extraordinary 106% surge from the previous year. This growth is not limited to just one region; we have experienced a significant boost in business volumes across Delhi NCR, Uttar Pradesh, Pondicherry, Gujarat, and South India. Our relentless efforts in expanding our network have resulted in the empanelment and activation of various sourcing partners, while also streamlining our processes to reduce turnaround time. This year has been a testament to our dedication and strategic focus on sustainable growth in the housing finance sector.

Muthoot Money Limited staged an impressive turnaround, posting a profit of ₹2 million, a substantial improvement from the loss of ₹66 million in the previous year. Our growth strategy has been on point, with the addition of 83 branches, expanding our branch network to 149 branches, enabling us to

serve our customers more effectively. Additionally, our focus on risk management has paid off, as we recorded a significant reduction in Stage 3 loan assets. Our tech-savvy approach has been a game-changer, successfully integrating with various payment gateways such as RazorPay, Virtual Account, Virtual UPI, Bharat Bill Payment System, and the website. Moreover, we have streamlined our operations with the automation of field investigations through our Field Investigation Application, further enhancing our efficiency and customer service. This year has truly marked a turning point in our journey towards sustained growth and success.

We are incredibly proud to announce the exceptional performance of Belstar Microfinance Limited this year. Our dedication to financial inclusion and responsible growth has resulted in remarkable achievements. Our profit after tax soared to ₹1,303 million, marking a staggering 189% increase over the previous year. We also witnessed significant growth in our key metrics, with total assets under management reaching ₹61,925 million, a 42% increase, and gross disbursements surging to ₹57,951 million, aligning with pre-Covid levels, thanks to our robust branch network, which expanded to 768 branches with the addition of 120 new branches this year. Additionally, we successfully completed a round of equity infusion from new investors, further fortifying our financial position. Moreover, our commitment to compliance and staff training was evident in the successful implementation of new microfinance regulations announced by RBI in March 2022. Through our efforts, we have empowered over 2 million women to create livelihoods and improve their lives.

Our dedication to excellence has resulted in outstanding achievements across the board in Muthoot Insurance Brokers. Total premium collection surged by an impressive 36%, reaching ₹6,505 million, a testament to our customers' trust in our services. The number of policies saw a remarkable 30% increase, totalling 46,86,920 policies. Furthermore, our relentless pursuit of growth doubled our revenue, reaching ₹678 million, while profit after tax experienced a staggering 68%



boost, reaching ₹464 million. These extraordinary results reflect our commitment to delivering exceptional insurance solutions and our unwavering focus on customer satisfaction. We look forward to continuing this trajectory of success in the future.

Our commitment to excellence and innovation has resulted in impressive growth across the board in Asia Asset Finance PLC. Our revenue surged by a remarkable 89% over the previous year, reaching LKR 6,006 million, while we achieved our highest-ever profit after tax at LKR 295 million, a 1.5x increase. Total gold loan assets under management increased by 22% to reach LKR 21,201 million, and our total assets grew by 29%, totalling LKR 25,013 million. We also strengthened our customer relationships, with the deposit portfolio increasing by LKR 4,850 million, reaching LKR 13,275 million. We expanded our reach with the addition of 16 new branches, bringing our island-wide branch network to 75 branches. Notably, our gold loan portfolio accounted for 78% of the total portfolio, emphasising our expertise in this area. In addition to our financial achievements, we launched our mobile banking app 'Luckewallet', enhancing our digital services. Furthermore, our dedication to risk management was evident as our NPA of gold loans improved significantly to 0.4% compared to 1.3% in the previous year. This year has been a testament to our commitment to growth, innovation, and responsible financial practices, and we look forward to continuing this trajectory of success.

Responsible approach

We have always taken extra care to ensure that we conduct our business in the most responsible manner possible and have a positive impact on all our stakeholders. Our focus on adopting the best ESG practices is a testament to that. Our employees form the core of our success at Muthoot, and we place great emphasis on fostering a culture of respect and collaboration. As a result of this, we have been awarded the certification of 'Great Place to Work' for the second year in a row.

In addition to this, CSR forms an integral part of our business and not just some statutory obligation. For years, we have been working on the upliftment of marginalised communities, and this focus continues to prevail even today and will do so for the foreseeable future. During the year, we spent a total of ₹964 million, way above the statutory obligation. One of the significant milestones during the year was the completion and handover of 200 homes through our rehabilitation initiative - Muthoot Aashiyana. In celebration of this milestone, we organised a gathering for the beneficiaries on 27th July, 2022, at the Gokulam Convention Center in Kaloor, Ernakulam. The ceremony commenced with the inauguration by Padma Shri Jayaram, a renowned figure in the South Indian film industry. Myself, chaired the event, and Mr. George Alexander Muthoot, the Managing Director of Muthoot Finance, delivered the keynote address.

We have already committed more than ₹1,000 million for the upcoming financial year, with a primary focus on initiatives in the domains of environment, healthcare, and education. Our goal is to address poverty and elevate the socio-economic status of marginalised communities.

Way forward

I truly believe that the year under review just validated something that we always knew: Our ability, grit and determination to stay focused on our goals. I, on behalf of the Board of Directors, would like to take this opportunity to thank each and everyone associated with us for their constant and unwavering support. This business was started with the goal of promoting financial inclusion in the country, and we will continue to ensure that we are able to widen our horizons and continue fulfilling the aspirations of the populace.

George Jacob Muthoot
Chairman & Whole Time Director

Fresh thinking **for a stronger future**



Alexander George
Joint Managing Director, The Muthoot Group

“Innovation has been the bedrock of our growth journey. We undertake focused initiatives to amplify the brand recall, build a future-ready workforce and enhance information security. These initiatives will continue to drive transformation, as we strengthen our presence in the West and North-East.”



George Muthoot Jacob
Deputy Managing Director, The Muthoot Group

“At Muthoot, we have always upheld the highest standards of corporate governance and compliance. Our robust internal audit and risk management system reflects integrity and transparency and are instrumental in making Muthoot one of India’s most trusted financial services brands.”



George Alexander
Deputy Managing Director, The Muthoot Group

“We have launched Small Business Loans and Micro Personal Loans, which strengthens our unsecured lending portfolio and could be the next growth driver. Our insurance distribution business continues to gain traction. Our Sri Lankan subsidiary continues to deliver profitable growth.”



George Muthoot George
Deputy Managing Director, The Muthoot Group

“We continuously engage with our stakeholders to understand their expectations and gather insights, which feed into our strategic decision-making. Giving back to the society has been ingrained in the organisational DNA, and our CSR initiatives are designed to empower communities on the margin.”



Eapen Alexander
Executive Director, The Muthoot Group

“At Muthoot, we deploy the best available digital technologies to make our customer journeys frictionless and convenient. Today, data analytics plays a key role in strengthening our credit assessment and risk management, especially given that a large section of our customers are new to formal credit.”

Winning through a diversified set of offerings



Muthoot Finance

Muthoot Finance Limited

As India's leading gold loan company, we have the largest loan portfolio, and our focus has consistently been on extending financial services to segments of society that have remained underserved or overlooked. Our lending operations revolve around utilising 'Household Used Gold Ornaments' (HUGO) as collateral, eschewing any dealings in gold bullion —our commitment centres on comprehending the unique needs of individuals facilitating swift access to funds. We go the extra mile by offering secure, insured lockers for pledged gold, accompanied by a transparent disclosure of lending rates and associated loan charges at the outset, ensuring complete clarity and comprehension. Our ethos remains rooted in honesty, free from concealed fees or undisclosed additional charges. Our services embrace digital innovation and encompass online gold loans, convenient loan withdrawals, seamless renewals, interest payments, and loan repayments. Our user-friendly mobile app, iMuthoot, and the Muthoot online platform facilitate these services.



Snapshot FY23

Income

₹1,05,437 mn

PAT

₹34,735 mn

Branches

4,739

Loan assets under management

₹6,32,098 mn

Product portfolio



Gold loan



Money transfer services



Business loans



Personal loans



Corporate loans



Collection service



Small Business loans

Highlights of FY23

- Net worth increased to **₹210,619** million, compared to **₹183,445** million, an increase of **15%**.
- Gross loan assets under management increased to **₹632,098** million, an increase of **9%** over the previous year.
- Average gold loan per branch increased to **₹131** million, an increase of **5%** over the previous year.
- Increased our customer base to **53,23,362**, compared to **53,16,246** in the previous year.
- Increased branch network to **4,739**.



Muthoot Homefin

Muthoot Homefin (India) Limited

Founded in 2011, Muthoot Homefin (India) Limited (MHIL) is a housing finance company authorised by the National Housing Bank (NHB). Subsequently, it evolved into a wholly-owned subsidiary of Muthoot Finance Limited in August 2017. MHIL's primary endeavour revolves around extending accessible housing finance solutions to individuals hailing from economically weaker sections (EWS) and lower-income groups (LIG), particularly in Tier-II and Tier-III cities. Operating on a hub-and-spoke model, MHIL has established its footprint across 16 states, channelling centralised processing from its corporate headquarters situated in Mumbai.



Snapshot FY23

Income

₹1,548 mn

PAT

₹104 mn

Branches

108

Loan assets under management

₹14,381 mn

Product portfolio



Purchase from
developers/authority



Improvement/
Balance



Loans against
residential property



Resale



Extension transfer



Composite
(land and
construction)



Balance transfer/
Top-up

Highlights of FY23

- Profit after tax increased to **₹104** million, compared to **₹84** million in the previous year, an increase of **24%** over the previous year.
- Home loan disbursements increased to **₹1,727** million, an increase of **106%** over the previous year.
- Significant improvement in business volumes in Delhi NCR, Uttar Pradesh, Pondicherry, Gujarat and across South India.
- Focused on empanelment and activation of various sourcing partners, along with reducing the turnaround time.



Belstar Microfinance Limited

Incorporated in January 1988, Belstar Microfinance Limited (BML) operates as a pivotal non-deposit-taking microfinance institution (NBFC-MFI) recognised by the RBI. Guided by a proficient Board and skilled leadership, this subsidiary has transformed into a thriving and promising microfinance institution (MFI) with low credit risk. BML offers scalable microfinance services, predominantly catering to women clientele. It operates through diverse models, including self-help groups, pragatis*, small enterprise loans, and other offerings designed to meet the diverse needs of its women borrowers. On 31st March, 2023, Muthoot Finance held a significant 56.97% stake in Belstar Microfinance Limited.



*A 'Pragati' is an informal group of five to ten women founded on the basis of trust and knowledge of each other's business and nature.

Snapshot FY23

Income	PAT
₹10,379 mn	₹1,303 mn

Branches	Loan assets under management
768	₹61,925 mn

Product portfolio



Highlights of FY23

- Profit after tax increased to ₹1,303 million, a staggering increase of **189%** over the previous year.
- Total assets under management increased to ₹61,925 million, an increase of **42%** over the previous year.
- Gross disbursements increased to ₹57,951 million, an increase of **63%**, in line with the pre-COVID-19 levels.
- Increased branch network to **768**, with the addition of **120** branches.
- Completed remaining round of equity infusion from the new Investors amounting to ₹1,100 million.
- Implemented the new microfinance regulations announced by the RBI in March 2022 and gave adequate training to the staff and other members.
- Helped over two million women earn livelihoods and uplift themselves.
- Bank loan rating of **AA-/Positive outlook** by CRISIL Ratings Limited, highest MFI Grading of **MFI 1** on an eight-point scale, and highest rating of **COCA M1C1** in the code of conduct assessment.



Muthoot Money Limited

In October 2018, Muthoot Money Limited (MML) transitioned into a fully-owned subsidiary of Muthoot Finance Limited. With its headquarters in Hyderabad, MML operates as a non-banking finance company registered with the RBI, specialising in vehicle and gold loans.



Snapshot FY23

Income

₹564 mn

PAT

₹2 mn

Branches

149

Loan assets under
management

₹3,870 mn

Product portfolio



New Two-
wheeler loans



Car (new and
used) loans



Construction
equipment loans



Commercial
vehicle (new and
used) loans



Gold loans

Highlights of FY23

- Recorded a turnaround by posting a profit of ₹2 million, compared to a loss of ₹66 million in the previous year.
- Increased branch network to **149**, with the addition of **83** branches.
- Recorded a significant reduction in Stage 3 loan assets.
- Integrated with all payment gateways (such as Razorpay, virtual accounts, virtual UPIs, Bharat Bill Payment System, and websites).
- Automated field investigations through our field investigation application.



Muthoot Insurance Brokers Private Limited

Muthoot Insurance Brokers is a direct insurance broker authorised by the Insurance Regulatory and Development Authority of India (IRDAI) to engage in life and non-life business. This subsidiary seamlessly transitioned into becoming a wholly-owned entity of Muthoot Finance in September 2016. Operating as a dynamic entity, Muthoot Insurance Brokers distributes various life and non-life insurance products from multiple insurance companies.



Snapshot FY23

Income

₹678 mn

PAT

₹464 mn

Premium collection

₹6,505 mn

Number of policies

46,86,920

Product portfolio



Health insurance



Vehicle insurance



Travel insurance



Home insurance



Life insurance

Highlights of FY23

- Premium collection increased by **36%** to reach **₹6,505 million**.
- Number of policies increased by an impressive **30%** to reach **46,86,920** policies.
- Doubled our revenue to reach **₹678 million**.
- Profit after tax increased by a staggering **68%** to reach **₹464 million**.



Asia Asset Finance PLC

Asia Asset Finance PLC is a fully licensed institution with a deposit-taking capacity, sanctioned by the Central Bank of Sri Lanka and publicly listed on the Colombo Stock Exchange. Boasting a robust history exceeding five decades, the company specialises in diverse financial services, including retail finance, hire purchase, and business loans. Its extensive network comprises 75 branches strategically dispersed throughout Sri Lanka. Acquired as a subsidiary in 2014, Asia Asset Finance PLC has swiftly garnered acclaim as a highly customer-centric entity in Sri Lanka. A distinctive range of products and services, innovative initiatives, extensive experience, and well-honed financial acumen underpins this recognition. As of 31st March, 2023, the ownership in AAF comprised 91 million equity shares, reflecting 72.92% of the total capital.

Snapshot FY23

Income

₹1,423 mn

PAT

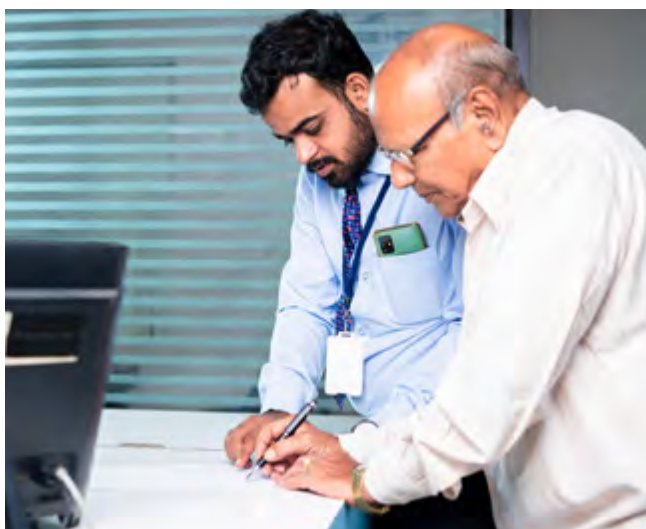
₹70 mn

Branches

75

Loan assets under
management

₹5,294 mn



Product portfolio



Fixed deposits



Mortgage loans



Leasing



Factoring



Business loans



Short-term loans



Personal loans



Microfinance

Group
personal loansLoans against
gold jewellery

Corporate loans

Highlights of FY23

- Revenue increased by **89%** over the previous year to reach LKR **6,006** million.
- Recorded the highest-ever profit after tax at LKR **295** million, an increase of **1.5x** over the previous year.
- Total gross loan assets under management increased by **22%** to reach LKR **21,201** million.
- Total assets grew by **29%** to reach LKR **25,013** million.
- Customer deposit portfolio increased by LKR **4,850** million to reach LKR **13,275** million.
- Increased the island-wide branch network to **75**, adding **16** branches.
- Gold loans accounted for **78%** of the total portfolio.
- Launched the **Luckewallet** mobile banking application.
- Non Performing Assets of gold loans improved significantly to **0.4%** compared to **1.3%**.

Focusing on embracing the **latest technologies**

At Muthoot, we have always strived to improve upon two major facets: Enhanced customer experience and internal efficiencies. In line with this, we have embraced the latest technologies to ensure we can fulfil these aspirations.



1

Online gold audit - digital surveillance

Gold audit constitutes a meticulous process through which Muthoot Finance guarantees the safety and security of customer-held gold at its branches. To enhance the efficiency of this digital audit and reduce turnaround times (TAT) and costs, we have incorporated a novel feature of the online gold audit through our core financial system (CFS). This innovation facilitates remote gold audits. The appraisal procedure for each gold loan is meticulously recorded and linked to corresponding gold loans. This digital integration within the CFS application enables real-time verification of gold appraisals conducted by branch staff.

2

Gold Unlocker

Our IT division has introduced the Gold Unlocker feature as part of our relentless focus on customer convenience. This innovative addition enables customers to seamlessly apply for new gold loans from the comfort of their homes. Through the mobile application, customers can place loan requests, receive notifications, track agent movements, and monitor the status of their loan applications. This comprehensive application ecosystem, encompassing digital footprints and CFS integrations, empowers customers to obtain loans effortlessly, eliminating the need for branch visits. This initiative aligns with bringing branches to the customers' premises rather than the customers coming to them.

3

KYC data enhancement and customer data protection

At Muthoot Finance, safeguarding customer data's privacy and security takes precedence, and we continually enhance our applications to ensure the accuracy of customer data attributes. We have introduced multiple bank account verification channels, digital KYC verification interfaces, and customer biometric authentication methods to validate customer bank account details. These measures ensure that customer data updates are genuine and authentic. Through our agent mobile application, we consistently refine customer address updates.



4

AI/RPA advancements

We wholeheartedly embrace digital advancements for heightened convenience and effectiveness. We have introduced robotic process automation (RPA) to streamline the labour-intensive manual process with digital transaction reconciliation. Our deployment of artificial intelligence (AI) capabilities and models extends to intrusion prevention and night vigilance. These AI algorithms range from simple customer name verification to complex scenarios like image model recognition.

7

Customer rewards and recognition programmes

We designed the Gold Milligram Reward programme to enhance customer loyalty and satisfaction. Customers accumulate reward points based on transactions, convertible into milligrams.

8

Digital channel expansion

We have optimised payment collection and customer convenience through the deep link facility. We enable easy repayments via preferred payment options by sending payment links to customers' mobiles.

5

Cross-selling enhancements

Our CFS module leverages data insights to recommend personal loans to gold loan customers, facilitating effective cross-selling of various products.

9

Collection reminders and simplified payment options

We have integrated outbound calls for collection reminders and simplified payment options to enhance customer convenience.



6

Digital pledge form

Digitising the pledge form has substantially reduced paper stationery requirements through CFS, underscoring our commitment to environmental conservation and cost savings. By providing terms and conditions in vernacular languages, digitisation enhances customer comprehension of various gold loan terms.

10

CFS enhancements

Our core platform consistently evolves to maintain availability, reliability, adaptability, and data integrity. Key enhancements in the past year include integration capabilities for over-the-counter (OTC) products, an application programming interface (API) platform for seamless integration with third-party applications, reinforced product and network security, refined algorithms for verifying customer bank accounts with minimal human involvement, robotic process automation (RPA) for digital repayment transaction reconciliation, enrichment of the internal audit module, improved lead process for cross-selling options, and the introduction of doorstep gold loan release.

Development of mobile applications

iMuthoot - Android and iOS

The latest iteration of the iMuthoot mobile app, version 3.5, offers customers the convenience of applying for and repaying various loan types, such as gold loans, home loans, personal loans, and vehicle loans, right from the comfort of their homes. We designed the upgraded mobile application to enhance the overall customer experience by delivering a seamless omnichannel experience. The iMuthoot mobile app users can conduct all their digital transactions conveniently without visiting a physical branch.

Customers can access several features on the application, including:

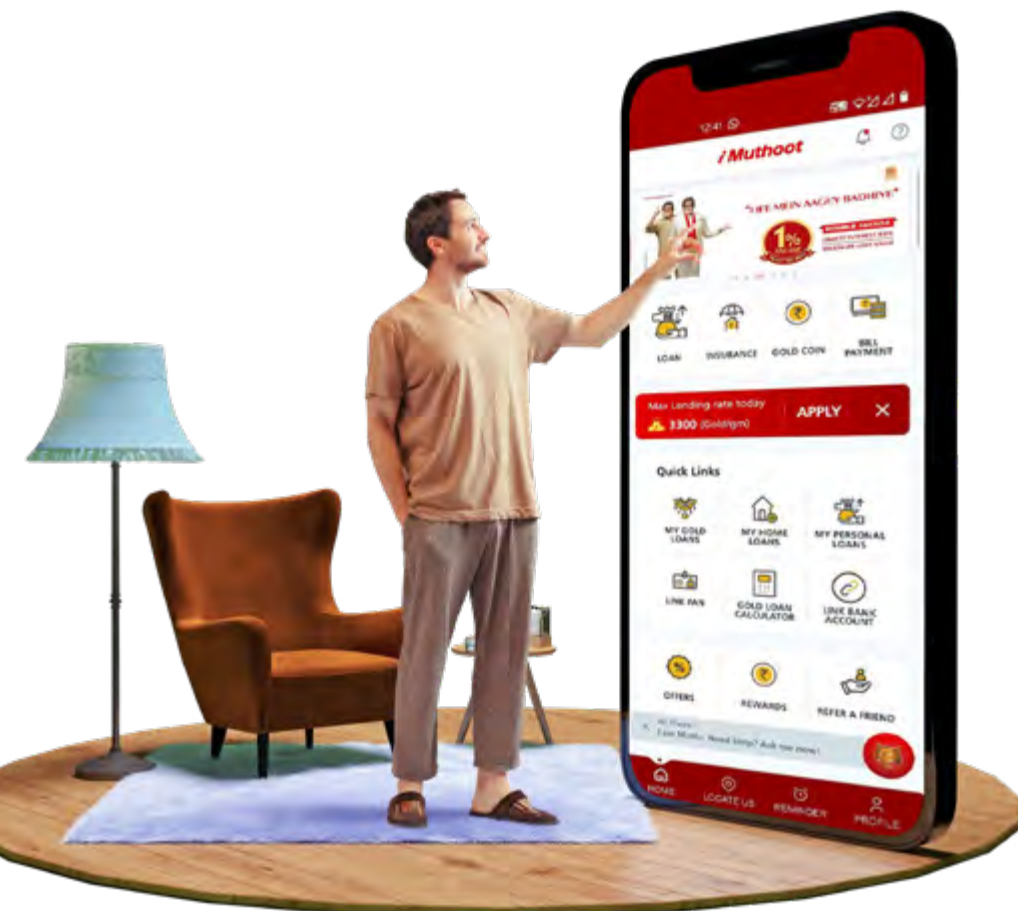
- Applying for gold, home, personal, and vehicle loans
- Repaying gold, home, personal, and vehicle loans
- Conducting gold loan top-ups and renewals from their homes
- Booking appointments
- Making instant payments without registration
- Enhancing security through biometric authentication methods, such as fingerprint and face recognition
- Offering a user-friendly loan calculator
- Integrating bank accounts and PANs seamlessly
- Facilitating utility bill payments
- Allowing the online purchase of insurance and zero interest products
- Locating the nearest Muthoot branch
- Receiving personalised notifications and information in preferred languages
- Investing in non-convertible debentures
- Enrolling in the National Pension Scheme (NPS)

iMuthoot on the Wear OS (Android) platform

We launched iMuthoot on the Wear OS (Android) platform, expanding our digital ecosystem. This release represented a significant milestone for Muthoot Finance as we extended our reach to another channel.

Features available in iMuthoot (Android) Wear OS include:

- Landing page with two menu options (My Gold loans & Gold Loan Calculator)
- Loan listings
- Loan details
- Loan calculator





Bingo mobile application

We introduced a multifunctional mobile application to optimise lead management processes in the current fiscal year. This application empowers branch users, customer care executives, and field agents to generate leads, monitor their progress, and actively pursue leads until successful conversion. Additionally, the application provides comprehensive visibility into lead movement for supervisory-level users.

Loan@Home application for customers and agents

An enhanced version of the Loan@Home service is now available through a mobile app and web portal, allowing customers to apply for gold loans conveniently. Once verified and approved, a dedicated agent promptly assists customers. The process involves scheduling a home visit appointment for a Muthoot Finance agent to meet the customer. This application empowers customers to obtain a gold loan without visiting a branch. With Loan@Home, agents handle all loan aspects, from initiation to disbursement, while physically present at the customer's location.

Collection mobile applications

Our mobile-based collection application is a powerful tool for tracking and collecting EMI payments directly from customers at their doorsteps. It facilitates real-time record-keeping of customer interactions in the field. This app provides significant advantages to the organisation by optimising resource utilisation, increasing debt recovery rates, and enhancing transparency throughout the process. Moreover, the EMI collection solution includes modules for agent onboarding, agent management, collection dashboards, and agent activity tracking.

Click-to-call

This enterprise mobile application enables Muthoot Finance branch employees to contact customers and follow up on various campaigns. The application allows branch users to track customer interactions and maintain regular campaign follow-ups. The application features call masking for customers and employees to ensure data security.

Field verification

An internal mobility application exclusively for Muthoot Finance employees streamlines the submission of field verification reports (FVRs). This application empowers branch staff to submit on-premises verification reports of customers in real time through mobility devices. This transparency enables the credit management division to refine portfolio strength.

SalesNext

This mobile application strengthens marketing initiatives by enabling on-the-spot lead creation. It operates as a standalone system and extends as an arm of our centralised customer relationship management (CRM) application.

Muthoot Online

Muthoot Online serves as an extension of Muthoot's core financial system. Seamlessly integrated, this flexible and standalone delivery channel offers a responsive design across various devices, including desktops, laptops, mobiles, and tablets. Customers can conveniently make online repayments for loans, access user-friendly interfaces, and choose from multiple payment options, such as debit cards, direct debits through online banking, prepaid cards, mobile wallets, and more. Customers can also perform online top-ups, apply for loans, make bill payments, and avail of various transactions. Quick payment options cater to unregistered customers, streamlining transactions without requiring login. Additionally, non-registered users can directly repay loan amounts, eliminating the need for logging in. Customers of Muthoot Finance can leverage this application to link bank accounts and PANs, apply for NCD/NPS, and purchase insurance products.

Focused on being a household name

One of the primary reasons for our success over the years has been our ability to garner trust through our well-sought-out marketing campaigns, which highlight our services and showcase our strengths and customer focus, increasing our brand recall.





A glimpse of the major highlights during the year

Roping in Madhuri Dixit as brand ambassador

During the year, we were able to rope in the immensely adored and highly-accomplished actress Madhuri Dixit as a brand ambassador, in addition to Amitabh Bachchan, to connect with newer audience segments. She was previously associated with us in our award-winning marketing campaign 'Muthoot Finance Sunheri Soch Season-2', wherein she shared our customers' real-life success stories, highlighting our role and impact on people's lives and in the India growth story. Now, she will endorse our wide bouquet of financial products and aid our objective of putting idle-lying gold to use and enabling people to achieve their dreams.



Kholiye Khushiyo ki Tijori

'Kholiye Khushiyon Ki Tijori' is a multimedia marketing campaign launched on January 31, 2023, for Muthoot Finance Gold Loan to engage potential and existing buyers and foster an emotional connection with our customer segment. The core message it encapsulates is the advantages of Muthoot Finance Gold Loan, portraying it as the key to unlocking happiness in life. Across four distinct films, the campaign showcases how Muthoot Finance Gold Loan fulfils the dreams of a diverse society, resonating with relatable scenarios. With our brand ambassador of five years, Amitabh Bachchan, present in all four films, it highlights Muthoot Finance Gold Loan's unique differentiators.



*As per Power of Trust TRAI's Brand Trust Report. **MUTHOOT FINANCE AND ITS SUBSIDIARIES.

MARKETING

Gold Loan Mela

The 'Muthoot Finance Gold Loan Mela' mega campaign was inaugurated in Q3 FY23 and ran between October 1, 2022, and December 31, 2022. This fresh marketing venture aimed to offer comprehensive assistance to our zones, regions, and branches and empower them to draw in a maximum number of new customers for Muthoot to meet their Q3 targets. This tactical initiative, featuring actress Ishita Dutta, received robust promotion across various platforms, encompassing print, outdoor, cable TV, and digital media and offered lucrative offers to new customers.



Gold Milligram Rewards Programme

During the year, we introduced an innovative loyalty programme named 'Milligram Rewards,' marking a pioneering venture within the gold loan industry. Through this unique initiative, customers can receive guaranteed 24 carat gold on every product purchase, each financial transaction conducted with us, and even for successfully referring or introducing new customers to our services.

Metro station branding

We extended our semi-naming rights agreement for the Greater Kailash metro station and Nandanam metro station in collaboration with the Delhi Metro Rail Corporation and Chennai Metro Rail Limited, respectively. Moreover, we initiated a comprehensive rebranding effort at the Greater Kailash metro station. These strategic endeavours, benefiting from their prominent locations and high foot traffic, have significantly bolstered our brand's visibility. They have also afforded us an excellent platform to showcase our corporate strengths, flagship products, and services, including our extensive branch network, diverse business segments, and the convenience of our gold loan-at-home service.





'Put your Gold to Work' – 'Goldman' campaign

In October 2022, we launched a comprehensive marketing campaign in South India featuring 'Goldman,' conveying the message 'Put your Gold to Work' for diverse credit needs. The campaign highlighted the effective utilisation of idle gold at home and the versatility of gold loans. Employing a humorous approach, we cast prominent South Indian comic figures such as Johnny Antony, Brahmanand, Sadhu Kokila, and Redin Kingsley to portray Goldman in Malayalam, Telugu, Kannada, and Tamil versions, respectively.

This distinct campaign personified idle home gold into the character 'Goldman,' showcasing how gold loans cater to diverse financial requirements across different classes and situations, offering greater convenience than other credit alternatives. It employed real-life scenarios like studying abroad, business needs, and home improvement to illustrate its owners can leverage idle gold. The campaign, divided into multiple phases, employed a diverse media mix encompassing print, cable TV, theatre, multiplex, OOH, BTL, on-ground activations, OTT, YouTube, various social media platforms, and various digital assets to amplify the message.



The campaign received widespread acclaim for its unique style and message, being featured in the Best Ads of the Fortnight by Exchange4media and Impact Magazine's 'Ads Impact Loved' section. The ad also garnered a highly positive response from viewers on YouTube. Through this campaign, we successfully connected with a newer and younger target audience, demonstrating how customers can leverage gold assets to fulfil dreams and aspirations.

GOLDMAN CAMPAIGN



The backbone of our operations





Financial inclusion

Operating through a vast network of 4700+ branches, mostly in unbanked regions, we are dedicated to serving the needs of the underprivileged. With over 2 lakh customers benefiting daily, most of whom are newcomers to formal credit, we bridge the gap for those struggling to access financial services promptly. Furthermore, our inclusive approach empowers individuals who might not have access to formal credit options, offering them much-needed financial support. Additionally, our innovative products facilitate debt consolidation, enabling borrowers to manage multiple loans at reduced costs, fostering greater financial stability.



Conduct and compliance

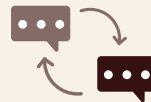
As a listed company, we adhere to Listing Regulations, ensuring Corporate Governance compliance. Our engaged management submits timely detailed reports to the Board, enhancing transparency and monitoring. Emphasising compliance, we aim for minimal regulatory interventions.

ESG approach



Employees

Our priorities encompass employee diversity, inclusion, and development, along with fostering positive employment practices. As a major employment creator in the country, we provide opportunities for many individuals, serving as their first job experience.



Transparency with our stakeholders

Our Code of Conduct promotes transparent dealings with all stakeholders, both internal and external.

Making an impact in a green way

In this day and age, we understand the importance of promoting green alternatives for a sustainable future. We have been actively involved in creating awareness and supporting green initiatives for our communities.



Distribution of steel water bottles

Muthoot Finance, as part of its CSR initiative, conducted a mass distribution of stainless steel water bottles to schools in Mangalore, Chennai, Madurai, Hyderabad, Mysore, and Secunderabad. This drive aimed to raise awareness about reducing plastic bottle usage. The bottles were provided to financially disadvantaged students. The CSR managers in respective regions organised and managed the distribution efforts. Schools included DKZP Higher Primary School Mannagudda in Mangalore, Government School West Mambalam in Chennai,

Government School Naganakulam in Madurai, Government School Hayathnagar in Hyderabad, and Jawahar Nagar Primary School in Secunderabad. This initiative was conceived to encourage eco-friendly practices and discourage plastic bottle use, aligning with the company's CSR focus on environmental protection. The bottles were branded with the message "Say No To Plastic – Save The Environment" to raise awareness at the grassroots level among students



Donation of an E-Auto to an NGO for the mentally challenged

Muthoot Finance, as part of its CSR initiative, has generously donated an electric auto rickshaw to Riya Foundation, an NGO that provides therapeutic residential care for the mentally challenged in Kulshekar, Mangaluru. This electric auto aims to facilitate medical and emergency services for mentally challenged individuals supported by the NGO. The key was presented by Shri. Premananda Shetty, Mayor of Mangalore City Corporation. The event saw the presence of various Muthoot Finance representatives, including Shri. Rahul Raghavan (Administrative Manager), Shri. Pavitra Kumar (Mangalore Cluster Manager), Smt. Monisha M K (Operations Manager), Shri. Chandrasekhar U S (Branch Manager, Kadri), and Shri. Prasad Kumar (CSR Manager, Mangalore Region), along with regional coordinators and the directorial team of Riya Foundation. The electric auto will serve the beneficiaries during emergencies, transportation, village visits, social engagements, and unforeseen situations.

Commissioning on-grid solar project in Bangalore

Muthoot Finance, in collaboration with Samartha Shakari Trust Mangalore JLV Energy, has successfully launched a 2KW on-grid solar project for the Government Transit Home Kapikad in Mangalore. The inauguration ceremony was graced by Dr. Kumar IAS - CEO, Dakshina Kannada Zilla Panchayat, along with several dignitaries including Shri. Uday Shyam Khandige (Regional Manager Mangalore), Prof. Hilda Rayappan (Prajna Counseling Centre Mangalore), Shri. Lancy Pinto (Corporator, Mangalore City Corporation), Shri. Pavithra Kumar (CBM Mangalore Cluster), Smt. Sunila K.V (BM Kottara), Shri. Kiran U. Samartha Shakari Trust, and Shri. Prasad Kumar (CSR Manager Mangalore Region) from Muthoot Finance. Dr. Kumar IAS commended Muthoot Finance for its proactive contribution towards energy conservation and environmental protection through this solar grid installation at the transit home.





Installation of EV charging points

We inaugurated Electric Vehicle (EV) charging stations at Narmada Apartments and NRI Apartment in GK-II, New Delhi. This initiative aims to encourage the use of electric vehicles and promote a clean and green environment. The inauguration was led by Shri. George M George, Deputy Managing Director

of Muthoot Finance. As part of the company's commitment to sustainability and in alignment with the UN's goal of achieving carbon neutrality by 2050, these charging points are part of a larger plan to install 100 EV charging points across various areas in Delhi under our CSR efforts.

Distribution of solar home lighting kit

We distributed solar home lighting kits to 50 tribal families in Mysore District on August 11, 2022, at KKH Conventional Hall in Chowkur, Hunsur Taluk. After assessing 600 tribal families across Mysore District (Nagarhole, Kodagu, HD Kote, Hunsur, and Periyapatna), we selected and provided solar home lighting kits to 50 families in need of electricity. Shri Shantaram Siddi, MLC and State Secretary of Vanavasi Kalyana Karnataka, was the chief guest and handed over the solar home lighting kits to the tribal families.





Donation of E-vehicle to specially challenged individuals

Muthoot Finance, through the Muthoot Sneha Sancharini Project, donated E-vehicles to a group of specially challenged individuals in Bangalore, Karnataka. Ten E-vehicles were provided to financially disadvantaged individuals who required assistance due to their special needs. The event was conducted in partnership with Mount Carmel Education Society, and the keys to the E-vehicles were handed over to the beneficiaries by Shri. George Alexander, Deputy Managing Director of The Muthoot Group, and Shri. K. J. George, Hon'ble MLA of Sarvagnanagar.

Construction of a butterfly and herbal garden

On the occasion of Environment Day, Muthoot Finance, as part of its CSR initiative, established a butterfly and herbal garden on the college grounds. The week-long celebrations for Environment Day were inaugurated by Shri. George M George, Deputy Managing Director of Muthoot Finance, and Rev. Father John Mangalath, Principal of De Paul Institute of Science and Technology, during an event at De Paul college campus. Muthoot Finance collaborated with college students and NCC cadets from Kalady Grama Panchayat to clean the college premises. The company provided branded T-Shirts to 130 students for their participation in the green campaign. Demonstrating our commitment to sustainability, we initiated a unique project that repurposes plastic bottles to create eco-friendly seating areas within the college campus.



Winning through a **happy workforce**

At Muthoot, we firmly believe that a happy workforce equals a productive workforce. We have been working tirelessly to foster a culture of collaboration and inclusiveness that instils pride among all our employees.

A graphic badge for Muthoot Finance. At the top is the Muthoot Finance logo, which consists of the letters 'MF' in a red circle. Below the logo, the text 'Muthoot Finance' is written in red, followed by 'is' in a smaller font. The main part of the badge is a red shield with the words 'Great Place To Work' in white, stacked vertically. Below the shield is a blue banner with the word 'Certified' in white. Underneath the banner, the text 'DEC 2022 - DEC 2023' and 'INDIA' is written in white. The entire badge is surrounded by a laurel wreath and sits on a red circular platform with a red carpet leading up to it.

As a result of concerted efforts, we have been certified as a 'Great Place to Work' by the Great Place to Work Institute for 2nd Year in a row in December, 2022.



Learning and development

Muthoot Career Development Programme

We actively promote our employees to take up managerial roles internally through a fast-track advancement system. Our approach prioritises offering growth prospects to top achievers who display potential and the necessary behavioural skills for tackling fresh challenges. This strategy propels career progression and empowers individuals to assume more senior positions within the company. By doing so, we strategically position well-suited individuals who embody our core performance values. This acts as a powerful incentive, inspiring employees to aim higher and expedite their career ascent. Simultaneously, this guarantees a pool of internally nurtured, high-calibre candidates who possess expertise in our internal processes and performance standards, making them suitable for elevation to the next tier. Importantly, this approach considerably reduces the typical training period required for a new external hire in the same role.



Pathshala

We offer an internship programme called Pathshala, endorsed by National Apprenticeship Promotion Scheme and National Apprenticeship Training Scheme under India's Ministry of Skill Development and Entrepreneurship Project. Aligned with the government's workforce improvement initiative, Pathshala provides holistic training in the gold loan sector, encompassing customer service, gold valuation, loan processing, and our financial products. Interns engage in hands-on projects for practical experience and, upon programme completion, can secure positions at Muthoot Finance to start a successful career.

PEOPLE

Adhyayana

Our Buddy and Mentorship programme, Adhyayana, boosts productivity, lowers turnover, and enhances employee morale via knowledge sharing. It develops employee skills and knowledge, elevating the onboarding process, fostering two-way communication, and standardising policies. This programme ensures seamless new hire transitions, operational consistency, and employee collaboration, all while cultivating a valued and empowered work environment for organisational success.



Skill development

We focus on cultivating a performance-oriented, future-ready workplace that fosters learning, growth, and collective success. Our robust Learning & Development Function ensures people's productivity and operational compliance through two main channels: in-person (Classroom) and E-learning (Online). Utilising E-learning, we deliver micro-learning units regularly, addressing current business needs with dynamic training design and delivery. These programmes instill the Muthoot Culture within our workforce.

Internal Job Posting Programme (IJP)

We offer abundant career growth within the organisation, including cross-vertical advancement. Our Internal Job Posting (IJP) programme communicates openings internally, prioritising current employees for these roles. This transparent, employee-focused approach provides convenient access to opportunities, motivating individuals to explore new responsibilities, expand skills, and enhance their careers. This strategy retains valuable talent, ensuring a stable and motivated workforce.

Sl. No.	Unit	Branch	Position	Job Code	No of Vacancies
1	TAP	HEMABAG	REGIONAL ADMIN MANAGER	025-RAM-0158/23	1
2	RTK	ODR	REGIONAL ADMIN MANAGER	025-RAM-0259/23	1
3	TTS	THRI	REGIONAL ADMIN MANAGER	025-RAM-0260/23	1

Eligibility

- A candidate who is currently working as branch Manager/Cluster Manager/Asst Manager in the grade of Asst Manager 1 and above.
- The candidate should possess good communication skills in the local language.
- Required Computer, excel and Liaison skills.

Application and resume to be uploaded via Muthoot Career Portal under the suitable job code on <http://career.muthootfinance.com/>



Rewards and remuneration

We motivate our employees through frequent contests (daily, weekly, monthly, and quarterly) with rewards like cash, gifts, and trips. Their achievements are highlighted in our internal newsletter and acknowledged in daily meetings. Additionally, we have initiatives including Long Service Awards for those with >5 years and monetary rewards for 10 years of service. Service Excellence awards recognise branch staff with at least 2 years of service.



Employee engagement

Year-round, we arrange diverse Employee engagement events like Rangoli contests, Independence Day and Onam celebrations, Dandiya night, Christmas parties, and cricket matches. These activities promote creativity, cultural understanding, holiday joy, and team spirit among employees, fostering a positive work environment and boosting morale. Our holistic engagement programme covers personal, social, recreational, and sports activities, creating a complete engagement ecosystem.

Creating a bond with our employees' families

Our family meet programme, Aarambha, significantly strengthens bonds between employees, their families, and the organisation. It integrates families into the workplace, enhancing employee retention through a family-oriented atmosphere. Involving families promotes support and engagement, extending tenures and stability. Aarambha cultivates pride and emotional connections, transforming families into brand ambassadors who share their positive experiences. This programme fosters enduring engagement and a profound sense of pride.



Winning together by uplifting marginalised communities

For years, we have been known for our focus on corporate social responsibility and it continues to be the same even today. We truly believe that our success as a company is interlinked with the impact that we have had on creating a positive impact in the lives of the communities we engage with.

Total CSR Spend

₹964.40 million

Total CSR beneficiaries

0.55 million

Aashiyana Project

200 homes milestone

We achieved a significant milestone with the completion and handover of 200 homes through our rehabilitation initiative - Muthoot Aashiyana. To mark this achievement, a gathering was held for beneficiaries on July 27, 2022, at Gokulam Convention Center, Kaloor, Ernakulam. The event was inaugurated by Padma Shri Jayaram, a prominent actor in the South Indian film industry. The Chairman of The Muthoot Group, Mr. George Jacob Muthoot, presided over the event, and Mr. George Alexander Muthoot, Managing Director of Muthoot Finance, delivered the keynote address.

Partnered with Habitat for Humanity India to build homes in Haryana

We partnered with housing non-profit organisation 'Habitat for Humanity India' under their flagship CSR initiative Aashiyana Housing Project. The aim is to empower 20 families by constructing decent homes adhering to government-approved engineering standards. These houses will feature a living

room, two bedrooms, a kitchen, a bathroom, and a sanitation unit. Among the beneficiaries, 13 are widows and all are below the poverty line, currently living in inadequate dwellings without proper sanitation facilities.

Foundation laid for Edavanakkad

In association with Shri. Hibi Eden MP, we conducted the foundation stone laying ceremony of 14 new Aashiyana homes in the tsunami flood-affected community at Edavanakkad, Kochi during the year.





Cup of Life – Menstrual Health Campaign

In collaboration with Shri. Hibi Eden MP, IMA Kochi Chapter, and the District Administration, we successfully executed a two-month-long menstrual health campaign in Kochi, Kerala, titled “Cup of Life.” Through grassroots awareness and training programmes, we raised awareness about menstrual health and distributed 100,000 menstrual cups to the women of Kochi within 24 hours, securing a Guinness World Record. The company allocated ₹ 15 million for this flagship CSR initiative.

- Normalise discussions about menstruation across genders.
- Eradicate social stigma and misconceptions related to virginity and menstruation.
- Conduct comprehensive training sessions by medical professionals, awareness campaigns, social experiments, and more to encourage curiosity and learning.

Objectives of the Cup of Life campaign:

- Introduce an environment friendly and cost-effective menstrual hygiene product, the Menstrual cup.
- Promote awareness about Menstrual cups as an alternative to conventional sanitary pads.
- Distribute menstrual cups to 100,000 beneficiaries.
- Offer proper training and awareness to women.
- Foster awareness about high-quality menstrual cups available in the market.



Muthoot Smart Anganwadi

Our unique CSR initiative, Muthoot Smart Anganwadi, has established a modern Anganwadi in Moolampilly, a coastal suburb of Kochi, in collaboration with Shri. Hibi Eden MP. This initiative benefits lower-income families in the area who lack access to quality education due to limited infrastructure. The project, costing ₹25 Lakhs, encompasses a high-tech study room, modern amenities, kitchen, bathroom, storeroom, and fencing. The facility will also feature a secure roofed play area for children.



Supporting sports activities in Government Schools

We provided financial assistance to Sportz Village Foundation to organise sports activities in five government schools in Bangalore, benefiting 1,377 students. The initiative led to significant positive changes in student access indicators. The launch took place at KR Puram Government School. Muthoot is proud to support #SportsForChange programmes that offer opportunities for government school children across India. This aligns with our commitment to Sustainable Development Goals and the child’s Right to Play under the UN Convention of the Rights of the Child (OHCHR).



Anti-drug campaign

Under our CSR campaign “Laharikkethire Lakshyadeepam”, we partnered with Nallapadam, the CSR wing of Malayala Manorama, to combat drug issues. The initiative aimed to raise awareness among students, promoting positive lifestyles through sports and culture. It engaged over 5000 students around Kochi. This flagship campaign allocated ₹30 Lakhs for anti-drug efforts. Contests, including creating newspapers and composing anti-drug songs, engaged students. State-level winners received prizes up to ₹50,000. The campaign concluded with lighting 1 lakh lamps in Kochi’s Marine Drive on January 17, 2023. Kerala Chief Minister Shri. Pinarayi Vijayan inaugurated, and Padmasree Bharath Mammooty, a prominent actor, was the Chief Guest.



Inauguration of M.G. George Muthoot Memorial YMCA Turf in Thiruvananthapuram

During the 150th Anniversary of YMCA, Muthoot Finance built a futsal turf at their Rural Development Centre in Vettinadu, Thiruvananthapuram. Funded entirely by Muthoot Finance as a CSR Initiative, the project received a budget of ₹45 lakhs. The initiative encompasses the futsal turf's development, premises setup, flood light installation, and a spacious gallery for spectators to enjoy sports.



Professional Scholarships in Maharashtra

We awarded Muthoot M. George Professional Scholarships and Gold Medals to students in Pune, Maharashtra, including MBBS, B.Tech, and Nursing students from Sangli District.

Computer Training Room in Nagpur

We inaugurated a Computer Training Room at Zilla Parishad School Hingna Isasani Nagpur to promote the use and train students in using computers.



COMMUNITY

Financial aid for marriages in Rajasthan

We extended financial assistance to 10 girls, who were daughters of widowed mothers, for their marriages in Jaipur, Rajasthan, under the Vivahasammanam Project.



Donation to Sainik Welfare Office in Gujarat

We donated medical mobility aids and water dispensers to District Sainik Welfare & Resettlement Office in Mehsana, Gujarat to acknowledge their service.

Supply of medical equipment in Mizoram

We provided a CBC Analyzer ERBA-360H to District Hospital Lawngtlai, Mizoram, contributing to healthcare enhancement.





Woolen Sweater Donation in Assam

We donated 56 woolen sweaters to the underprivileged children at Vidya Rath School on Wheels Government Project in Guwahati, Assam.



Water Cooler Installation in West Bengal

A water cooler was installed at Titagarh Municipality, Kolkata, West Bengal, which would benefit ~1000 pedestrians.

Providing aid for an elderly home in West Bengal

We donated clothes and personal care product kits to residents of Bholananda Old Age Home in Titagarh, Kolkata, West Bengal, benefiting around 50 senior citizens.



Winning through robust governance

Our Board of Directors plays a significant role in determining the organisation's strategic direction, establishing effective governance, managing risks, and promising long-term success.



George Jacob Muthoot
Chairman & Whole Time
Director



George Alexander Muthoot
Managing Director



George Thomas Muthoot
Whole Time Director



Alexander George
Whole Time Director



George Muthoot George
Whole Time Director



George Alexander
Whole Time Director



George Muthoot Jacob
Whole Time Director



Abraham Chacko
Independent Director



Jacob Benjamin Koshy
Independent Director



Jose Mathew
Independent Director



Ravindra Pisharody
Independent Director



Usha Sunny
Independent Director



Vadakkakara Antony George
Independent Director



Chamacheril Abraham Mohan
Independent Director



George Jacob Muthoot

Chairman & Whole Time Director

Education

Degree in Civil Engineering from Manipal University

Experience

- >45 years of experience in managing businesses in the field of financial services
- Member of Kerala Builders Forum, Trivandrum
- Member of Confederation of Real Estate Developers Association of India (CREDAI) (Trivandrum)
- Member of Trivandrum Agenda Task Force, Trivandrum (South)
- Governing body member of the Charitable and Educational Society of Trivandrum Orthodox Diocese, Ulloor, Trivandrum
- Member of Trivandrum Management Association
- Member of Finance Committee of the Mar Dioscorus College of Pharmacy
- Patron of the YMCA Trivandrum
- Member of Advisory Committee of the Swasthi Foundation, a non-profit organisation
- Former President of the Rotary Club of Trivandrum
- Business Excellence Award 2012 from Trivandrum Chamber of Commerce
- The JCI India Zone – Business Leadership Award in 2020.

George Alexander Muthoot

Managing Director

Education

- Qualified Chartered Accountant; ranked first in Kerala and 20th in India in 1978
- Bachelor's degree in Commerce with a gold medal from Kerala University

Experience

- >42 years of experience in managing businesses in the field of financial services
- Served as the Chairman of the Kerala Non-Banking Finance Companies' Welfare Association from 2004 to 2007
- Former Member Secretary of the Finance Companies Association, Chennai
- President of Association of Gold Loan Companies in India
- Active member of Confederation of Indian Industry (CII)
- CA Business Leader Award under Financial Services Sector from the Institute of Chartered Accountants of India for 2013
- Times of India group Business Excellence Award in Customised Financial Services in March 2009

George Thomas Muthoot

Whole Time Director

Experience

- Businessman by profession
- >47 years of experience in managing business operations in the field of financial services
- Sustainable Leadership Award 2014 by the CSR Congress in the individual category

Alexander George

Whole Time Director

Education

- MBA Graduate from Thunderbird University (USA)
- Advanced diploma holder in Business Administration from Florida International University, Miami (USA)

Experience

- Manages the entire business operations of North, East and West India of Muthoot Finance
- Former President of Indian Subcontinent Club at Thunderbird University and has been a member of various committees at the University
- Vice-Chairman of the Paul George Global School – a jewel in the crown of Muthoot Education (the education division of Muthoot Group)

GOVERNANCE

George Muthoot George

Whole Time Director

Education

- Master's degree from the Essec-Cornell University in Paris, France
- Graduated in Hospitality Management from the Welcomgroup Graduate school of Hotel Administration in Manipal

Experience

- Has keen interest in the Hospitality sector
- Managing Director of Muthoot Leisure and Hospitality Services Private Limited, and Xandari Pearl Beach Resorts Private Limited (formerly known as Marari Beach Resorts Private Limited), a Muthoot M George Enterprise
- Worked with many brands of international repute both in India and abroad

George Alexander

Whole Time Director

Education

- Master's in Business Administration from University of North Carolina Kenan-Flagler Business School
- Bachelor's degree in Mechanical Engineering from University of Kerala - TKM College of Engineering

Experience

- Takes care of operations across the states of Karnataka, Goa and Telangana in India
- Heads the global operations of The Muthoot Group in the USA
- Serves on the Board of Asia Asset Finance PLC, Muthoot Insurance Brokers Private

Limited and Belstar Microfinance Limited, subsidiaries of Muthoot Finance Limited

- Served as the Chair for the Confederation of Indian Industry - Young Indians Bangalore Chapter in 2015
- Former Finance Chair for the Entrepreneur's Organisation Bangalore from 2016-2018
- Was one among the ten Indians chosen to represent India for the AIYD (Australia India Youth Dialogue) at Sydney and Melbourne in 2013
- Currently serving on the Board of advisors at University of North Carolina Kenan-Flagler Business School

George Muthoot Jacob

Whole Time Director

Education

- Bachelor's in law, BA.LLB (Hons), from the National University of Advanced Legal Studies, Kochi
- LL.M in International Economic Law from the University of Warwick, UK
- Master's in management from CASS Business School, London

Experience

- Oversees the operations of the Company in the States of Tamil Nadu and Kerala
- In charge of the marketing activities of the Company for South India
- Member on the Board of Belstar Microfinance Limited and Muthoot Money Limited, subsidiaries of Muthoot Finance Limited

- Serving as an Independent Director at V-Guard Industries Limited, a listed company in Kerala, engaged in the electrical and electronics manufacturing business
- Member on the Board of Muthoot Vehicle & Asset Finance Limited, a vehicle finance company in the Group operating in the State of Kerala
- Oversees the Gold Loan & Remittance business in the United Kingdom
- Member of the Board of Governors of Muthoot M George Institute of Technology

Abraham Chacko

Independent Director

Education

- B. Com (Hons)
- Post Graduate Diploma in Business Management from XLRI

Experience

- >39 years of experience in the banking sector
- Held various roles in HSBC for >14 years
- Held the positions of Country Manager and Executive Director at ABN AMRO Bank in UAE, Sri Lanka and Singapore
- Held the position of Executive Director at The Royal Bank of Scotland for 2 years
- Retired as the Executive Director at the Federal Bank



Chamacheril Abraham Mohan

Independent Director

Education

- Qualified Chartered Accountant
- 11th Rank CA Intermediate and 13th Rank CA Final

Experience

- Former Managing Director of J. Thomas & Company Pvt. Ltd., the oldest and largest Tea Auctioneer in the world.
- Former Director of J. Thomas Finance Private Limited, Tea Quotas Private Limited, J. Thomas Trading & Investments Private Limited, Tea Consultancy & Plantation Services (India) Private Limited, Muthoot Forex Limited and Muthoot Securities Limited
- Former members of the Chamber of Commerce and Tea Trade Association.
- Non-Executive Director of two other Companies.
- Significant experience in audits of Syndicate Bank, Canara Bank, Union Bank of India, Cochin Refineries Limited, Cochin Shipyard Limited, FACT Limited and HMT Limited, among others.
- Partner of Chartered Accountancy Firm M/s. K J Anto & Co.

Jacob Benjamin Koshy

Independent Director

Education

- Graduate in Law

Experience

- Former Chief Justice of Patna High Court
- Represented public sector undertakings like Cochin Port Trust, FACT, Central Bank of India, Indian Oil Corporation, Bharat Petroleum Corporation Limited and various private sector undertakings like Tata Tea Limited, Hindustan Lever Limited and Harrison Malayalam Limited

- Former Judge of High Court of Kerala
- Former Executive Chairman of the Kerala State Legal Services Authority
- Former Chairman of the Indian Law Institute, Kerala Chapter
- Former Chairman of the Advisory Board constituted under the COFEPOSA Act and the National Security Act
- Former Chairman of the Appellate Tribunal under the Prevention of Money Laundering Act
- Former Chairperson of the Kerala State Human Rights Commission

Jose Mathew

Independent Director

Education

- Qualified Chartered Accountant

Experience

- Former Managing Director of M/s Kerala State Drugs & Pharmaceutical Limited, a Government of Kerala Undertaking
- Former Secretary and General Manager Finance of M/s Kerala State Industrial Enterprises, a Government of Kerala Undertaking
- Former Management Committee member of Kerala Travel Mart Society, a private-public association/ Society of Travel & Tourism Fraternity
- Former member of Kerala Tourism Advisory Committee
- Managing Director of M/s Green Shore Holidays & Resorts Private Limited (Rainbow Cruises) Alleppey
- CNBC AWAAZ Award for Sustainability in Responsible Tourism in 2013

Ravindra Pisharody

Independent Director

Education

- B. Tech in Electronics and Electrical Communication, Indian Institute of Technology Kharagpur
- Post-Graduate Diploma in Management (PGDM), Indian Institute of Management, Calcutta

Experience

- >38 years of experience across diverse industries
- Corporate business leader and management professional
- National, regional and global leadership roles in sales, marketing, business management and strategy development
- Former Whole-time Director at Tata Motors Limited, where he headed the commercial vehicles business unit
- Non-Executive Director on the Boards of eight companies
- Adviser to two other companies

GOVERNANCE

Usha Sunny

Independent Director

Education

- Qualified Cost Accountant
- Master's Degree in Commerce from University of Kerala

Experience

- >32 years of experience in Indian and Overseas banking industry
- Headed the Cost Accounting Division of Kerala State Drugs & Pharmaceuticals Limited, Government of Kerala undertaking
- Worked with Standard Chartered Bank, Mashreq Bank PSC and Indian Overseas Bank in diversified roles in Corporate & Investment Banking
- Director of Securaplus Safety Private Limited, a company engaged in the import and wholesale distribution of Personal Protective Equipment
- Partner in Vasudeva Vilasam Herbal Remedies, Kerala, one of the pioneers in the practice

Vadakkakara Antony George

Independent Director

Education

- Bachelor's degree in Mechanical Engineering with a Post Graduate Diploma in Management
- Associate of the Indian Institute of Banking and Finance
- Holder of "Advanced Certificate in Corporate Governance" from INSEAD, Paris
- "Board Director Diploma with Distinction" from International Institute of Management Development, Lausanne
- Corporate Director Certificate from Harvard Business School, USA, an Advanced Certificate in Corporate Governance

Experience

- >42 years of experience in the corporate field in both public and private sectors
- Past Chairman of Equipment Leasing Association of India
- Fellow of All India Management Association and Institute of Directors

- Adjunct/Visiting Faculty in several Management Institutes, including XLRI, Jamshedpur, Loyola Institute of Business Administration, Chennai and International Institute of Management Development (IMD), Lausanne, Switzerland
- Executive Chairman of Thejo Engineering Limited, Chennai
- Non-Executive Director at Belstar Microfinance Limited, Chennai
- Chairman, Advisory Board of St. Isabel's Hospital, Chennai
- Member, Advisory Board, Stella Maris College, Chennai
- Member, Advisory Council, Madras School of Social Work



Executive Directors



Eapen Alexander
Executive Director

Education

- MBA from the Fuqua School of Business at Duke University, USA
- MSc. in International Political Economy from London School of Economics, UK
- B.A. Economics (Hons) from St. Xavier's College, Mumbai

Experience

- Currently he heads Muthoot Homefin (India) Limited and Muthoot Money Limited, wholly owned subsidiaries of Muthoot Finance Limited
- He is also a Director in CRIF High Mark Credit Information Services Private Limited, a RBI licensed credit information bureau
- Worked with ICRA Limited, a leading credit rating agency in India



K.R. Bijimon
Executive Director

Education

- BSc in Science
- LLB degree from Mahatma Gandhi University, Kerala
- MBA from Cochin University, Kerala
- Fellow Member of the Institute of Chartered Accountants of India, New Delhi
- Associate of Indian Institute of Banking and Finance, Mumbai
- Fellow Member of Certified Management Accountants, Institute of Sri Lanka

Experience

- Joined Muthoot group in 1996
- Possesses >27 years of experience in financial services

Laurels won during the year

1

Alexander George Muthoot, who holds the position of Joint Managing Director at The Muthoot Group, was honored with the esteemed Chanakya Award – 2022 in recognition of his Responsible Leadership of the Year. This recognition was presented during the Public Relations Council of India (PRCI) 16th Global Communication Conclave.



2

Muthoot Finance's distinguished integrated marketing initiative, Sunheri Soch, achieved a remarkable feat by securing two Gold awards at the e4m Golden Mikes Award 2022. The campaign was honored with the Gold award for the Best Use of Branded Content (Effectiveness) and also received the Gold award for the Best Use of Radio in an Integrated Media Plan (Innovation).



3

Muthoot Finance was also prestigiously awarded "The Best of Bharat Award" at exchange4media's Pride of India Brands 2022.



4

In the latest TRA's Brand Trust Report for the year 2023, Muthoot Finance has once again secured a ranking, marking the 7th consecutive time that it achieved this esteemed recognition.





5

Muthoot Finance's Sunheri Soch Season 2 has been honored with the 'Best Digital Brand Video' award at the Afaqs Media Brand Awards.



6

The Muthoot Finance Sunheri Soch Season 2 Radio Campaign has received a Bronze award in the category of 'Best Use of Celebrity Endorsement' at the ACEF Global Customer Engagement Awards 2023.



7

Muthoot Finance was honoured with the CSR Journal Excellence Award 2022 for their Cup of Life Project in the Innovation and Corporate Leadership in Healthcare category. The award was presented to Shri. George M George, Deputy Managing Director of Muthoot Finance, by Shri. Eknath Shinde, Hon'ble Chief Minister of Maharashtra, at the 5th Edition of the CSR Journal Excellence Awards 2022 held at National Stock Exchange (NSE), BKC, Mumbai.



8

Muthoot Finance was honoured with the 9th National CSR Times Award 2022 in the Silver Category for their prominent CSR initiative "Muthoot Aashiyana," focusing on sustainable development.



Report of the Board of Directors

Dear Shareholders,

Your Board of Directors is pleased to share with you the 26th Annual Report of Muthoot Finance Limited (“Company”) enumerating the business performance along with the Audited Financial Statements (standalone and consolidated) for the financial year ended March 31, 2023.

1. Financial Summary

The summarized standalone and consolidated results for the Company with the previous year’s figures are given in the table below:

Particulars	₹ in Millions			
	Standalone		Consolidated	
	Year Ended March 31, 2023	Year Ended March 31, 2022	Year Ended March 31, 2023	Year Ended March 31, 2022
Total Income	1,05,437.48	1,10,983.93	1,19,750.05	1,22,381.63
Total Expenses	58,773.22	57,890.39	70,522.25	68,279.75
Profit Before Tax	46,664.26	53,093.54	49,227.80	54,101.88
Tax expense	11,928.95	13,550.50	12,530.14	13,788.64
Profit for the year	34,735.31	39,543.04	36,697.66	40,313.24
Equity	2,10,619.28	1,83,445.72	2,16,657.52	1,87,857.24
Total Liabilities	5,15,578.86	5,22,101.16	5,84,831.68	5,75,307.50
Total Assets	7,26,198.14	7,05,546.88	8,01,489.20	7,63,164.74

2. Dividend

Your Directors, considering the good performance and strong growth seen in the financial year 2022-23 had declared an interim dividend of ₹ 22 per equity share in its board meeting held on April 06, 2023 (220% of face value). The dividend payout amounted to ₹ 8,831.86 million representing 25.43% of profit after tax for the year. The Board has decided to plow back the remaining profit after tax for business activities.

The Dividend distribution policy containing the requirements mentioned in Regulation 43 A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 (“SEBI Listing Regulations”) is available on the website of the Company at <https://www.muthootfinance.com/sites/default/files/2020-08/Policy%20on%20Dividend%20Distribution.pdf>. The list of unpaid dividend is available on the Company’s website at <https://www.muthootfinance.com/transfer-of-shares>. Shareholders are requested to check the said list and if any dividend due to them is remaining unpaid in the said list. Shareholders can approach the Company or Registrar and Transfer Agent of the Company for the release of unclaimed dividends.

3. Transfer to Reserves

Your Board of Directors has transferred an amount of ₹ 6,947.06 millions to the statutory reserve maintained under Section 45 IC of the Reserve Bank of India Act, 1934. Post transfer of profits to reserves, your Board proposes to retain ₹ 1,05,130.05 millions in the Retained Earnings.

4. Company’s Performance

During the Financial Year 2022-23, your Company achieved a net profit of ₹ 34,735.31 millions for the year ended March 31, 2023 as compared to ₹ 39,543.04 millions for the year ended March 31, 2022, a decline of 12.15%, mainly on account of impact of low rate gold loan schemes. Profit before tax was at ₹ 46,664.26 millions for the year ended March 31, 2023 as compared to ₹ 53,093.54 millions. Total Income has declined from ₹ 1,10,983.93 millions for the year ended March 31, 2022 to ₹ 1,05,437.48 millions for the year ended March 31, 2023, which is mainly due to the decrease in Interest Income of the Company. Interest income of the Company decreased to ₹ 1,03,686.11 millions from the previous year’s interest income of ₹ 1,09,560.28 millions. Loan Assets Portfolio of the Company increased by ₹ 51,565.92 millions during the year reaching ₹ 6,32,097.68 millions



as on March 31, 2023, as against ₹ 5,80,531.76 millions as on March 31, 2022. The Return on Average Loan Asset stood at 5.93% in FY 2022-23 as against 7.24% in FY 2021-22. Interest yield was 17.70% as compared to 20.06% in FY 2021-22. Net Interest Margin was 11.38% as compared to 13.03% in FY 2021-22. The Company remitted to exchequer ₹ 13,192.86 millions as taxes.

5. Share Capital

During the financial year, no preferential issue of shares with differential rights as to dividend, voting as otherwise was carried out by the Company. The Company has also not carried out any buyback of its equity shares during the financial year under review.

Employee Stock Options

During the financial year, your Company allotted 1,02,965 equity shares of the face value of ₹ 10/- each under Muthoot ESOP 2013 pursuant to the exercise of 1,02,965 stock options at an exercise price of ₹ 50/- each by the employees.

The disclosures as required under Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 read with SEBI Circular CIR/CFD/POLICY CELL/2/2015 dated 16th June 2015 is attached to this report as Annexure 1 and is also available on the website of the Company at <https://www.muthootfinance.com/esop-disclosure>. Please refer note 46 of Notes forming part of Standalone Financial Statements for further disclosures on ESOPs. The Company does not have any scheme to fund its employees for the purchase of shares of the Company.

A certificate from the Secretarial Auditor of the Company certifying that the ESOP scheme is implemented in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, would be placed at the Annual General Meeting for inspection by members.

The Employee Stock Option Scheme is in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and there have been no material changes to this plan during the Financial Year 2022-23.

Investor Education and Protection Fund

During the financial year 2022-23, the Company has transferred the unclaimed dividends of ₹ 7,81,428 to Investor Education and Protection Fund ("IEPF"). Further, 2,980 equity shares on which the dividends were unclaimed for seven consecutive years were transferred to IEPF during the financial year 2022-23 as per the requirements of IEPF Rules.

No claim will lie on Company on account of the dividend after the dividend is transferred to IEPF.

6. Resource Mobilization

(a) Non-Convertible Debentures:

Your Company has successfully completed the five Issuances of Non-Convertible Debentures through Public Issue during FY 2022-23 raising ₹ 13,233.59 million. The company has raised ₹ 33,958 millions through Private Placement of Non-Convertible Debentures during the financial year.

Subordinated Debts represent long-term source of funds for the Company and the amount outstanding as on 31st March, 2023 stood at ₹ 971.32 millions. Subordinated Debts qualify as Tier II capital under the Non-Banking Financial Company- Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.

(b) Bank Finance

Bank Finance remains an important source of funding for your Company. Commercial Banks continued their support to your Company during Financial Year. As of 31st March, 2023, borrowings from banks stood at ₹ 2,92,487.65 millions as against ₹ 2,73,870.92 millions in the previous year.

(c) External Commercial Borrowings

Your Company has outstanding Senior Secured Notes of 4.40% USD 550 millions issued in March 2020 for a period of 3 ½ years falling under Regulation 144A / Regulation S of the US Securities Act, 1933 as on March 31, 2023. These Notes are listed in the International Securities Market of the London Stock Exchange.

Report of the Board of Directors

7. Credit Rating

The Company has debt credit ratings as below:

Domestic Credit Ratings:

Credit Rating Agency	Instruments	Ratings
CRISIL	Commercial Paper	CRISIL A1+
	Subordinated Debts	CRISIL AA+/Stable
	Non-Convertible Debentures	CRISIL AA+/Stable
ICRA	Commercial Paper	[ICRA] A1+
	Short Term Bank Borrowings	[ICRA] A1+
	Long Term Bank Borrowings	ICRA AA+(Stable)
	Subordinated Debts	ICRA AA+(Stable)
	Non-Convertible Debentures	ICRA AA+(Stable)

International Credit Ratings:

Credit Rating Agency	Ratings
Fitch Ratings	BB(Stable)
S&P Global Ratings	BB(Stable)
Moody's Investor Service	Ba2(Stable)

8. Internal Audit and Internal Financial Control

Over the years Company has evolved a robust, proper, and adequate internal audit system in keeping with the size of the Company and its business model. Your Company has developed well documented internal audit and control system for meticulous compliance from all layers of the Company. The control system ensures that the Company's assets are safeguarded and protected. The audit system also takes care to see that revenue leakages and losses to the Company are prevented and our income streams are protected. The control system enables reliable financial reporting.

The Company has a well-structured Audit & Inspection department to perform timely and frequent internal audits to evaluate the adequacy of systems and procedures and also to evaluate the status of compliance with the Company's guidelines and other statutory requirements. The department is manned by a team of over 1000 dedicated personnel who are constantly engaged in safeguarding your Company's assets, ensuring the quality of assets pledged, and also evaluates the adequacy of risk management systems at its operating units. In keeping with the huge network and geographic outreach of the operating units spread across the length and breadth of the country, the audit functions have been decentralized through the setting up of Regional Audit offices in important Regional centers.

The Regional Audit Offices exercise field-level control over the branches through onsite visits and online audit systems. The field-level Auditors report to Regional Audit offices who in turn share their findings with the Audit & Inspection Department at the Registered Office of the Company.

The Audit Committee of the Board of Directors is the apex Audit Authority of the Company. Under the present Audit Architecture, the Internal Audit Department reports to the Audit Committee regarding significant audit findings and also preventive and corrective measures to protect the interests of the Company. The audit committee undertakes an evaluation of the adequacy and effectiveness of internal control systems. It also oversees the implementation of audit recommendations especially involving risk management measures.

In addition to reviewing the internal control systems put in place by the Audit & Inspection Department, the Audit Committee also imparts guidance and crucial directions for the up-gradation of systems and controls on an ongoing basis. At present, the Audit system prevalent in the Company is a completely autonomous function and built on the best corporate governance framework.

Reference is invited to Note 50 of Notes forming part of the standalone financial statements contained in the annual report regarding frauds committed by employees/customers of the Company which are dealt with according to Reserve Bank of India guidelines and are in nature of operation related frauds due to nature of business of the Company. The company has taken or is in the process of taking disciplinary/ legal action against such employees/customers.

9. Human Resources

As at March 31, 2023, the company had 27,273 employees on its rolls at various levels of organizational structure. At Muthoot group, we promote our top performers to managerial positions through fast track promotion. This gives them growth opportunities and new challenges. This also helps us to have role-fit resources who are experts in our internal processes and performance values. This reduces the training time and costs for new joiners. Muthoot Finance is certified 'Great Place to Work' for two years in a row, reflecting its dedication to creating a positive and supportive workplace for its employees. The company values employee satisfaction and engagement, and strives to maintain and improve the standards that earned it the recognition.



10. Marketing & Promotion Initiatives

It has been our conscious effort over a long period of time to bring about greater social inclusion by supporting and enabling the underserved. Our marketing and branding initiatives not only communicate our services but also leverage its strengths to create greater brand equity and enhance brand imagery, on a continuous basis to achieve greater brand recall.

In FY2022-23, the marketing and branding initiatives were focused on creating strong brand visibility and closer engagement with people to generate top quality leads and significant business impact. Some of the initiatives include the following:

a. “Goldman Campaign - Put your Gold to work”

Muthoot Finance launched a 360 degree marketing campaign in South India in October 2022, where ‘Goldman’ was featured and the campaign drove the message ‘Put your Gold to Work’ for various credit needs. The campaign highlighted how idle gold at home can be put to use and how gold loans are all weather loans. The campaign used a comic approach and Goldman was played by some of the leading South Indian comic faces like Johnny Antony, Brahmanand, Sadhu Kokila, and Redin Kingsley across four languages - Malayalam, Telugu, Kannada, and Tamil respectively.

b. “Gold Milligram Reward Program”

Muthoot Finance launched this new and unique loyalty program called ‘Muthoot Finance Gold Milligram Rewards’ which is the first of its kind in the gold loan industry.

c. “Muthoot Finance Gold Loan Mela”

This mega initiative “Muthoot Finance Gold Loan Mela”, for the branches was launched in Q3 FY 23 from 01st Oct 2022 to 31st Dec 2022. The objective of this new marketing initiative was to provide full support to all our Zones, Regions, and Branches so that they could attract and canvas maximum new to Muthoot customers and achieve their Q3 targets. This new tactical campaign with Ms. Ishita Dutta was promoted heavily on all BTL & ATL mediums including TV, Print, Outdoor, Cable TV and Digital platforms.

d. “The Campaign - Kholiye Khushiyon Ki Tijori”

This multimedia marketing campaign for Muthoot Finance Gold Loan was launched on 1st January 2023, with the objective of engaging with potential as well as existing buyers and create an emotional bond with them, to spur growth in Q4 of FY2022-23.

The key takeaway message Kholiye Khushiyon Ki Tijori, is a sum-up of Muthoot Finance Gold Loan’s advantages that are almost like the key to unlocking happiness in one’s life.

e. “Muthoot Finance Sunheri Soch Season-2”

Madhuri Dixit has in the recent past narrated inspirational true stories of real-life Muthoot Finance customers in our award-winning marketing campaign ‘Muthoot Finance Sunheri Soch Season-2’, which illustrated the unique role of our brand in the lives of people and in taking India forward. Our brand resonates with her on-screen legacy and off-screen image, which makes her a natural and cultural fit for our brand.

Awards & Recognitions:

During the year, your company has received the following awards and recognitions as hereunder:

- a. “The Best of Bharat Award” at exchange4media’s Pride of India Brands 2022.
- b. Muthoot Finance’s prestigious integrated marketing campaign Sunheri Soch won two Golds at the e4m Golden Mikes Award 2022 for the Best Use of Branded Content (Effectiveness) and the Best Use of Radio in an Integrated Media Plan (Innovation).
- c. “Great Place to Work” by the Great Place to Work Institute for 2nd Year in a row in Dec’22.
- d. Your Company has been ranked for the year 2023 as per the recently released TRA’s Brand Trust Report. This is for the 7th time in a row that Muthoot Finance has been awarded this prestigious distinction.
- e. Muthoot Finance Sunheri Soch Season 2 wins ‘Best Digital Brand Video’ by Afaqs Media Brand Awards.

Report of the Board of Directors

11. Capital Adequacy

Your Company's Capital Adequacy Ratio as of March 31, 2023, stood at 31.77% of the aggregate risk-weighted assets on the balance sheet and risk-adjusted value of the off-balance sheet items, which is well above the regulatory minimum of 15%. Out of the above, the Tier I capital adequacy ratio stood at 31.01% and the Tier II capital adequacy ratio stood at 0.76%.

12. Public Deposits

The Company is a Systemically Important Non-Deposit Taking NBFC and has not accepted any public deposits.

13. RBI Guidelines

The Company continues to comply with the Master Direction for Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and all the applicable laws, regulations, guidelines, etc. prescribed by RBI from time to time. The Company has been identified for categorisation as NBFC-Upper Layer under Scale Based Regulation (SBR), a Revised Regulatory Framework for NBFCs as per the list issued by RBI in its Press Release 2022-2023/975 dated September 30, 2022. In compliance with the requirement of Scale Based Regulatory Framework read with Notification dated April 11, 2022 for Compliance Function and Role of Chief Compliance Officer (CCO) – NBFCs, the Company has appointed Mr. T.M. Saithumammed as Chief Compliance Officer of the Company for a period of 3(three) years with effect from April 01, 2023.

Your Company has complied with all the applicable regulations prescribed by the Reserve Bank of India from time to time. Please refer note 52, 53, 54, and 55 of Notes forming part of Standalone Financial Statements for additional disclosures required under RBI Guidelines applicable to the Company.

14. Subsidiaries/ Associates/ Joint Ventures

As on March 31, 2023, your Company had seven subsidiaries namely Asia Asset Finance PLC, Muthoot Homefin (India) Limited, Muthoot Insurance Brokers Private Limited, Belstar Microfinance Limited, Muthoot Money Limited, Muthoot Asset Management Private Limited and Muthoot Trustee Private Limited. Your Company's subsidiaries have been contributing to the overall growth of your Company during the year. As required under Section 136 of the Act, the audited financial statements, including the consolidated financial statements of your Company are available on the website

of the Company. The audited financial statements of each of its subsidiaries are also available on the website of the Company at <https://www.muthootfinance.com/subsidiaries>. The above documents will also be available for inspection at the Registered Office of the Company during business hours.

During the year under review, the Board of Directors reviewed the affairs of the subsidiaries. In accordance with Section 129 (3) of the Act, we have prepared the consolidated financial statements of the Company which forms part of the Annual Report. The statement containing the salient features of the financial statement of your Company's Subsidiaries in Form AOC 1 is annexed to Standalone Financial Statements of the Company as required under Rule 5 of The Companies (Accounts) Rules, 2014.

There are no other companies that have become or ceased to be Subsidiaries/ Associates/ Joint Ventures of the Company during the Financial Year 2022-23.

There has been no material change in the nature of business of subsidiary companies during the financial year 2022-23.

The Board of Directors of your Company has formulated a policy on material subsidiary, which is displayed on the website of the Company at <https://www.muthootfinance.com/sites/default/files/2020-08/1472561568policy%20on%20material%20subsidiary.pdf>

As on March 31, 2023, Company did not have any material subsidiary.

Financial Performance & position of Subsidiaries

a. Asia Asset Finance PLC:

Asia Asset Finance PLC (AAF), a Company listed in Colombo Stock Exchange, is a subsidiary of your Company from December 31, 2014. AAF, where your Company holds 72.92% of equity capital, is a registered Financial Company with Central Bank of Sri Lanka and is mainly engaged in Vehicle Finance and Hire Purchase Activities. The Company which has also started a business relating to lending against the collateral of gold jewellery and microfinance is presently contributing a significant part of loan portfolio and income. AAF has operations across Sri Lanka with 75 branches as on



March 31, 2023, AAF has made considerable progress in its business. Its major financial parameters for Financial Year 2022-23 are as follows:

Parameters	Total Income	Profit Before Tax	Profit After Tax	Equity	Total Assets	Total Outside Liabilities
Amount in INR (in millions)LKR/ INR as on 31.03.2023 - 0.24970; Average Exchange Rate of Financial Year 2022-23 - 0.236950	1,423.20	85.22	69.98	751.81	6,245.63	5,493.83
Amounts in LKR (in millions)	6,006.34	359.64	295.34	3,010.84	25,012.54	22,001.70

AAF increased its loan portfolio during the year by 22.23% at LKR 21,200.52 millions. Total Income for FY 23 stood at LKR 6,006.34 millions as against previous year total income of LKR 3,181.73 millions. It generated a profit after tax of LKR 295.35 millions during FY23 as against previous year profit after tax of LKR 118.00 millions.

b. Muthoot Homefin (India) Ltd:

M/s. Muthoot Homefin (India) Ltd (MHIL), a registered Housing Finance Company licensed by National Housing Bank is a wholly owned subsidiary of your Company. Its major financial parameters for Financial Year 2022-23 are as follows:

Parameters	Total Income	Profit Before Tax	Profit After Tax	Equity	Total Assets	Total Outside Liabilities
Amount in INR (in millions)	1,548.11	140.66	103.98	4,574.67	12,110.58	7,535.91

MHIL's loan portfolio stood at ₹ 14,380.83 millions, a decrease of 2.16% during the year mainly on account of stabilisation as well as reshaping of its business strategies post the covid pandemic. Total income for Financial Year 2022-23 stood at ₹ 1,548.11 millions as against previous year total income of ₹ 2,143.85 millions. It achieved a profit after tax of ₹ 103.98 millions in Financial Year 2022-23 as against previous year profit of ₹ 84.04 millions.

c. Muthoot Insurance Brokers Private Limited:

Muthoot Insurance Brokers Private Limited (MIBPL), is an unlisted Private Limited Company holding a license to act as Direct Broker from Insurance Regulatory and Development Authority of India (IRDA) since 2013. MIBPL is a Wholly- Owned Subsidiary Company of your Company. Its major financial parameters for Financial Year 2022-23 are as follows:

Parameters	Total Income	Profit Before Tax	Profit After Tax	Equity	Total Assets	Total Outside Liabilities
Amount in INR (in millions)	677.68	606.54	463.78	1588.10	1625.21	37.11

MIBPL generated a First year premium collection amounting to ₹ 4,903.25 millions during Financial Year 2022-23 as against ₹ 3,268.99 in the previous year. It generated a Profit after Tax of ₹ 463.78 millions during Financial Year 2022-23 as against ₹ 276.44 millions in the previous year.

d. Belstar Microfinance Limited:

M/s. Belstar Microfinance Limited (BML) is a micro finance Company. At end of the Financial Year 2022-23, your Company holds 56.97% of the equity capital of BML. Its major financial parameters for Financial Year 2022-23 are as follows:

Parameters	Total Income	Profit Before Tax	Profit After Tax	Equity	Total Assets	Total Outside Liabilities
Amount in INR (in millions)	10,379.15	1,693.07	1,303.25	10,922.99	62,269.01	51,346.02

Report of the Board of Directors

BML grew its loan portfolio during Financial Year 2022-23 by 41.86% reaching ₹ 61,925.24 millions. It achieved a profit after tax of ₹ 1,303 millions during Financial Year 2022-23 as against previous year profit after tax of ₹ 451.29 millions.

e. Muthoot Money Limited

M/s. Muthoot Money Ltd (MML), a registered Non-Banking Finance Company licensed by Reserve Bank of India is a Wholly- Owned Subsidiary Company of your Company. Its major financial parameters for Financial Year 2022-23 are as follows:

Parameters	Total Income	Profit Before Tax	Profit After Tax	Equity	Total Assets	Total Outside Liabilities
Amount in INR (in millions)	564.01	3.40	2.40	1,038.00	4,342.20	3,304.20

MML grew its loan portfolio during Financial Year 2022-23 by 86.91% during the year reaching ₹ 3,870.20 millions Total income for Financial Year 2022-23 stood at ₹ 564.01 millions as against previous year total income of ₹ 455.58 millions. It achieved a profit of ₹ 2.41 millions in Financial Year 2022-23 as against previous year loss of ₹ 65.72 millions.

f. Muthoot Asset Management Private Limited

Your Company has incorporated a wholly owned subsidiary Muthoot Asset Management Private Limited ("MAMPL") which is yet to commence commercial operations. Its major financial parameters for Financial Year 2022-23 are as follows:

Parameters	Total Income	Profit Before Tax	Profit After Tax	Equity	Total Assets	Total Outside Liabilities
Amount in INR (in millions)	62.40	62.10	46.46	1,141.27	1,141.33	0.05

g. Muthoot Trustee Private Limited

Your Company has incorporated a wholly owned subsidiary Muthoot Trustee Private Limited ("MTPL") which is yet to commence commercial operations. Its major financial parameters for Financial Year 2022-23 are as follows:

Parameters	Total Income	Profit Before Tax	Profit After Tax	Equity	Total Assets	Total Outside Liabilities
Amount in INR (in millions)	448.28	333.73	272.02	10,218.56	10,244.56	26.00

15. Particulars Of Loans, Guarantees, or Investments Under Section 186 of Act

Pursuant to Section 186(11) (a) of the Act read with Rule 11(2) of the Companies (Meetings of Board and its Powers) Rules, 2014, the loan made, guarantee given or security provided in the ordinary course of business by a NBFC registered with RBI are exempt from the applicability of the provisions of Section 186 of the Act. As such, the particulars of loans and guarantees have not been disclosed in this Report.

During the year under review, the Company has invested surplus funds in various securities in the ordinary course of business. For details of the investments of the Company, refer to Note 9 of the financial statements.

16. Annual Return

In accordance with the provisions of Section 92(3) read with Section 134(3) (a) of the Act, the Annual Return of the Company is hosted on the website of the Company at <https://cdn.muthootfinance.com/themes/bartik/pdf/Annual-Return-2023.pdf>

17. Consolidated Financial Statements

The audited consolidated financial statements of the Company along with its subsidiaries AAF, MHIL, BML, MML, MAMPL, MTPL and MIBPL prepared in accordance with the IndAS to comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act, is provided in the Annual Report.



18. Risk Management

Your Company has a well-defined risk management framework in place. The risk management framework works at various levels across the enterprise. These levels form the strategic defense cover of the Company's risk management. The Company has a robust organizational structure for managing and reporting on risks.

Your Company has constituted a Risk Management Committee of the Board which is authorized to monitor and review risk management plan and risk certificate. The Committee is also empowered, inter alia, to review and recommend to the Board modifications to the Risk Management Policy. Your Company has developed and implemented a Risk Management Policy which is approved by the Board. The Risk Management Policy, inter alia, includes identification of risks.

19. Corporate Social Responsibility & Business Responsibility Committee

The Company's CSR policy is committed towards CSR activities as envisaged in Schedule VII of the Act. The Details of CSR policy of the Company are available on the website of the Company at https://www.muthootfinance.com/sites/default/files/pdf/CSR_Policy_May_2021.pdf. The Annual Report on CSR activities as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached to this report as Annexure 2. The details of the ongoing CSR projects/ programmes/ activities are included in the CSR Report.

Details of the Corporate Social Responsibility and Business Responsibility Committee are provided separately in the Corporate Governance Report annexed to the Board's Report.

20. Business Responsibility and Sustainability Report

Regulation 34 of the SEBI Listing Regulations mandates the inclusion of the Business Responsibility and Sustainability Report ("BRSR") as part of the Annual Report for top 1000 listed entities based on their market capitalization. Pursuant to Regulation 34(2)(f) of the Listing Regulations, the BRSR is annexed to this report as Annexure 3.

21. Particulars Of Contracts or Arrangements made with Related Parties

All the related party transactions were entered into in the ordinary course of business on an arm's length basis. Hence, no disclosure in Form AOC-2 is necessary.

For details of the transactions with related party entered into in the ordinary course of business on an arm's length basis, refer to Note 39 to the financial statements.

The Board of Directors of your Company has put in place a policy for related party transactions (Policy on Related Party Transactions and Materiality of Related Party Transactions), which has been approved by the Board of Directors. The policy provides for identification of RPTs, necessary approvals by the Audit Committee/ Board / Shareholders, reporting and disclosure requirements in compliance with the Act and provisions of the SEBI Listing Regulations. Policy is available on the website of the Company at https://www.muthootfinance.com/sites/default/files/2022-02/muthoot-finance-rpt-policy-v5_0.pdf

All contracts executed by the Company during the financial year, with related parties, were on arm's length basis and in the ordinary course of business. All such related party transactions were entered into in accordance with the Policy on Related Party Transactions and Materiality of Related Party Transactions of the Company.

Prior omnibus approval was obtained for related party transactions, under Section 188 (1) of the Act, which are of repetitive nature and entered in the ordinary course of business and at arm's length. All related party transactions were placed before the Audit Committee for review and approval.

All transactions or arrangements with related parties referred to in Section 188 (1) of the Act, entered into during the year were on arm's length basis or were in the ordinary course of business or with approval of the Audit Committee. During the year, your Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the Policy on Related Party Transactions and Materiality of Related Party Transactions. Further, there were no material related party transactions that required approval of shareholders as required under Chapter IV of SEBI Listing Regulations. Form AOC 2 is attached to this report as Annexure 4.

22. Audit Committee

Your Company has constituted an Audit Committee in accordance with the requirements of the Companies Act, 2013, RBI directions, and SEBI Listing Regulations. Details on Audit committee, terms of reference and

Report of the Board of Directors

meetings appear on the Report on Corporate Governance annexed to this report. All recommendations of Audit Committee were accepted by your Board during the financial year 2022-23.

23. Vigil Mechanism

The Company has established a Vigil Mechanism/ Whistle Blower policy to enable Directors, and Stakeholders, including individual employees and their representative bodies to report, in good faith, unethical, unlawful or improper practices, acts, or activities. The said mechanism ensures that the whistleblowers are protected against victimization/ any adverse action and/ or discrimination as a result of such a reporting and provides direct access to the Chairman of the Audit Committee in exceptional cases. The Company hereby affirms that none of its personnel have been denied access to the Audit Committee. The whistle blower policy is available at website of the Company at <https://www.muthootfinance.com/vigil-mechanism>.

24. Listing

Equity Shares of your Company are listed on the National Stock Exchange of India Ltd and BSE Limited. Non-Convertible Debentures issued by the Company through public issues and Private Placements are listed on BSE Ltd and certain Non-Convertible Debentures issued by the Company through Private Placements are listed on the National Stock Exchange of India Ltd. Your Company has paid applicable listing fees to Stock Exchanges.

Senior Secured Notes issued by the Company are listed on the International Securities Market of London Stock Exchange.

25. Changes in Directors and Key Managerial Personnel

Appointments

In order to comply with the Corporate Governance requirements of SEBI Listing Regulations and the Act, your Board proposes to appoint Mr. Joseph Korah as Independent Director of the Company subject to the approval of the shareholders in the upcoming Annual General Meeting. Mr. Joseph Korah is an experienced IT professional with a demonstrated history of working in the information technology and services industry. Mr. Joseph Korah is a consulting professional skilled in Global Delivery, IT Strategy, Management, Pre-sales and Business Intelligence. A detailed profile of Mr. Joseph Korah is provided in the Notice of the AGM.

Ms. Usha Sunny was appointed as an Independent Director on the Board on November 30, 2020, for a period of 3 years and the first term of office of Ms. Usha Sunny as an Independent Director on the Board is expiring on November 29, 2023. The Board of Directors of the Company, on the recommendation of the Nomination and Remuneration Committee, has thought it fit to re-appoint Ms. Usha Sunny as an Independent Director for the second term. Hence, the Board recommends the appointment of Ms. Usha Sunny as an Independent Director for a second consecutive term till the 31st AGM of the Company.

Cessation

The term of office of Justice Jacob Benjamin Koshy as Independent Director on the Board of the Company is expiring at the ensuing Annual General Meeting. The Board places on record its sincere appreciation and gratitude to Justice Jacob Benjamin Koshy for the guidance and support extended during the two consecutive terms of directorship in the Company.

Directors Liable to retire by rotation

Mr. George Alexander Muthoot and Mr. George Jacob Muthoot, Directors of the Company retire by rotation at the ensuing Annual General Meeting and being eligible, offers themselves for reappointment.

Your Board and the Nomination and Remuneration Committee has evaluated the eligibility criteria under RBI guidelines, the Act and Listing Regulations, of all directors seeking appointment / re-appointment at the ensuing Annual General Meeting and has recommended the appointment / re-appointments. Your Board believes that the proposal for appointment / re-appointment of Directors will have the support of shareholders. Necessary disclosures as required under the SEBI Listing Regulations and the Act are provided in the notice calling the Annual General Meeting.

The brief profiles of Directors seeking re-appointment are also available on the website of the Company at <https://www.muthootfinance.com/our-directors>

All the Directors of the Company have confirmed that they satisfy the 'Fit and Proper' Criteria as prescribed under Chapter XI of Reserve Bank of India Master Direction- Non-Banking Financial Company-Systemically Important Non-Deposit taking Company and Deposit Taking Company (Reserve Bank) Directions, 2016, as amended, and that they are not disqualified from being appointed/continuing as Directors in terms of Section 164(2) of the Act.



During the year under review, there were no changes in the Key Managerial Personnel appointed pursuant to Section 203 of the Companies Act, 2013. Details of Senior Management Personnel of the Company are provided in the report on Corporate Governance attached to the Board's Report. During the year under review, there were no changes in the Senior Management Personnel in the Company.

26. Meetings of the Board

During the Financial Year 2022-23, your Board of Directors met seven times on April 18, 2022, May 26, 2022, August 06, 2022, August 12, 2022, November 10, 2022, February 6, 2023, March 9, 2023. Details of various meetings of the Board are given in the Corporate Governance Report which is a part of this report.

27. Declaration from Independent Directors

The Independent Directors have submitted necessary disclosures that they meet the criteria of independence as provided under Section 149(6) of the Act and Regulation 16 (1) (b) of the SEBI Listing Regulations. A statement by Managing Director confirming receipt of this declaration from Independent Directors is annexed to this report as Annexure 5. In the opinion of the Board, there has been no change in the circumstances which may affect their status as Independent Directors of the Company and the Board is satisfied of the integrity, expertise, and experience (including proficiency in terms of Section 150(1) of the Act and applicable rules thereunder) of all Independent Directors on the Board. Further, in terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, Independent Directors of the Company have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs.

During the year under review, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company other than the sitting fees, commission, if any and reimbursement of expenses incurred by them for the purpose of attending the meetings of the Board or Committees of the Company.

Your Company has also received undertaking and declaration from each director on fit and proper criteria in terms of the provisions of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 ("RBI NDSI Master Directions, 2016")

28. Policy on Appointment and Remuneration Of Directors and Performance evaluation of Board, Committees and Directors

a) Policy on Appointment and Remuneration Of Directors

Board of Directors of your Company, on the recommendation of Nomination and Remuneration Committee, has formulated a policy for selection, appointment and remuneration of the directors, senior management personnel as required under Section 178(3) of the Act. The policy is available on the Company's website at the weblink <https://www.muthootfinance.com/sites/default/files/2020-08/1452753862Nomination%20and%20Remuneration%20Policy.pdf>

Terms of reference of the Nomination and Remuneration Committee and other relevant details of Nomination and Remuneration Committee are provided in the Corporate Governance Report circulated along with this report.

b) Performance evaluation of Board, Committees and Directors

In compliance with the regulatory requirements, the Board carried out an annual evaluation of its own performance, its Committees, and of the individual Directors based on criteria and framework adopted by the Board and in accordance with regulations. The details of training, appointment, resignation, and retirement of Directors, if any, are dealt with in the report of Corporate Governance. Brief details of profile of each director appear in the Annual Report of the Company.

c) Independent Directors Meeting

During the year, a meeting of Independent Directors was held on February 05, 2023 as required under the Act and in compliance with the requirements under Schedule IV of the Act and SEBI Listing Regulations, and discussed and deliberated matters specified therein.

d) Details of Remuneration/ Commission from Subsidiaries

None of the Whole Time Directors or Managing Director has received any remuneration or commission from any of the subsidiaries of the Company during the financial year-2022-23.

29. Corporate Governance Report

Your Company has complied with the Corporate Governance norms as stipulated in Chapter IV of SEBI

Report of the Board of Directors

Listing Regulations read with RBI Circular: [DOR.ACC.REC.No.20/21.04.018/2022-23](#) dated April 19, 2022. As per Regulation 34 of SEBI Listing Regulations and aforementioned RBI circular, the detailed report on Corporate Governance is attached to this Report as Annexure 6.

30. Management Discussion and Analysis Statement

Management Discussion and Analysis detailing the industry developments, segment wise/ product wise performance and other matters is attached to this Report as Annexure 7.

31. Environmental, Social, and Governance (“ESG”)

The Board has instituted an Environmental, Social and Governance Committee (“ESG Committee”) to discharge its oversight responsibility on matters related to organization-wide ESG initiatives, priorities, and leading ESG practices. Details of the constitution of the ESG Committee and its terms of reference are provided in the Report on Corporate Governance.

32. Conservation of energy, technology absorption, foreign exchange earnings and outgo:

The information pursuant to Section 134(3) (m) of the Act read with the Companies (Accounts) Rules, 2014 is as follows:

a) Conservation of energy

Your Company being a Non-Banking Finance Company, has no activities involving conservation of energy. However, your Company has taken adequate measures for conservation of energy and usage of alternative source of energy, wherever required.

b) Technology Absorption

Your Company being a Non-Banking Finance Company, has no activities involving adoption of any specific technology. However, your Company has been in the forefront in implementing latest information technology and tools towards enhancing our customer convenience.

Initiatives taken by the Company in information technology for improved business efficiency, ease of operation, improved risk management practice and for providing best stakeholders experience:

The Company continued its focus on various digital transformation initiatives during the year providing a great customer experience, improved business efficiencies, ease of operations, and effective risk management.

A few of the digital initiatives undertaken by the Company include:

Online gold audit

Gold Audit is the systematic process through which MFIN ensure the customer gold is safe and secure at the branches. This digital eye of CFSS application helps to have real time gold verification process of the appraisal executed at the branch by the branch staff.

Gold Unlocker

Customer conveyance is the primary focus of IT division in Muthoot group. By introducing the new gold unlocker option, customers can avail new gold loan staying comfortably at their residence. Customers can place the request, receive the notification, traceability of the agent and the status of the loan request using the mobile application. This new application ecosystem covering the digital foot print and the CFSS integrations, helps the customers to avail the loan easily even without visiting to the branch. This is been built considering the concept of branch will be visiting to the customer premises rather customer walks into the branch.

AI/RPA enrichments

We constantly embrace the digital upgrades for easiness and effectiveness. Introduction of RPA (Robotic Process Automations) in the areas of bank reconciliation, and Digital transaction reconciliation ease out and stream line the laborious manual reconciliation process. AI capabilities and the AI models are getting introduced in the areas like intrusion prevention, night vigilance etc. AI algorithms are introduced in the simple areas like customer name verification to the complex scenarios like image model recognitions.

Digital pledge form

Pledge form is an important document for the customers and Muthoot Finance. By fully digitalizing the pledge form option, CFSS is reducing the paper stationary requirement. This shows the commitment of the organization to reduce the deforestation and also save the cost on printing.



Customer R&R programs

Milligram reward program is introduced to improve the customer loyalty and satisfaction. Based on the transaction details, customers reward points will be computed and allow the customers to cover the reward points to the Milligram of gold.

Digital Channel addition

Improved the payment collection and customer convenience using the deep link facility. By sending the link to the customer mobile, customer is enjoying the benefit of easy repayment just by tapping on the link and pay through favorite payment options.

Collection reminders through OBD calls and easy payment option for interested customers is also added for better convenience of customers.

Mobile Applications Development

iMuthoot - Android & iOS

The latest version of iMuthoot mobile App Version 3.5 allows customers to conveniently apply for and repay various types of loans, including Gold loan, Home Loan, Personal Loan, and Vehicle Loan, right from the comfort of their homes. This improved mobile application aims to enhance the overall customer experience by providing a seamless Omni channel experience. Users of the iMuthoot mobile App can enjoy the convenience of conducting all their digital transactions without the need to visit a branch.

iMuthoot On wear OS

We have launched iMuthoot on the Wear OS (Android) platform. The release of our first Wear OS app marks an important moment for Muthoot Finance, as it adds one more channel to our digital ecosystem.

Loan@Home application for Customers and Agents

The enhanced version of Loan@Home service is a digital offering available through a mobile app and web portal, allowing customers to apply for a gold loan conveniently.

Click-to-Call

This is an enterprise mobile application for Muthoot Finance Branch employees to contact customers and do follow-up for various campaigns. This application enables the branch users to track the customer interactions and allows regular follow up of various campaigns / initiatives. The application ensures data security by enabling call masking for both customers and employees.

SalesNext

This mobile application enables us to strengthen the marketing initiatives by allowing lead creation on the spot; it works as standalone system and acts as an extended arm of our centralized CRM application.

Muthoot online web application

Muthoot Online is the extended arm of Muthoot Core Financial Services System. It is a flexible and standalone delivery channel that is seamlessly integrated with our Core Financial Services System. This web application is designed to be responsive across various devices, including desktops, laptops, mobiles, and tablets, allowing customers to conveniently make online repayments for their loans.

Google Work Space

Muthoot Finance adopted Google Workspace as its cloud-based productivity suite. Google Workspace provides our company with a number of advantages, including:

- Impeccable security: Google Workspace is a highly secure platform that meets the stringent security requirements of financial institutions.
- Improved productivity and efficiency: Google Workspace's suite of productivity apps helps our company employees to be more productive and efficient.

Seamless communication and collaboration: Google Workspace's collaboration tools make it easy for our employees to communicate and collaborate with each other, regardless of their location.

c) Foreign exchange earnings and outgo

Particulars	₹ in Million
Total Foreign Exchange earned	6.11
Total Foreign Exchange expended	4,884.76

33. Audits

a) Statutory Audit under Section 139 of the Act

The Statutory Audit Report issued by M/s Elias George & Co (FRN: 000801S) and M/s Babu A. Kallivayalil & Co. (FRN: 005374S), Joint Statutory Auditors of the Company, on the financial statements of the Company for the year 2022-23 forms part of the Annual Report.

b) Secretarial Audit under Section 204 of the Act

M/s KSR & Co., Company Secretaries LLP, Coimbatore was appointed as Secretarial Auditors of the Company for the financial year 2022-23 pursuant to Section

Report of the Board of Directors

204 of the Act. The Secretarial Audit report issued by the Secretarial Auditors is annexed to this report as Annexure 8.

c) Annual Secretarial Compliance Report

The Company has undertaken an audit for the financial year 2022-23 for all applicable compliances as per SEBI Regulations and Circulars/ Guidelines issued thereunder. The Annual Secretarial Compliance Report was submitted to the stock exchanges within 60 days from the end of the financial year.

d) Cost records and Cost Audit

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Act are not applicable for the business activities carried out by the Company.

e) Auditors' certificate on Corporate Governance

The Auditors' certificate confirming compliance with the conditions of corporate governance as stipulated under the SEBI Listing Regulations for financial year 2022-23 is provided along with the Report on Corporate Governance.

f) Secretarial Auditors' certificate on ESOP

The secretarial auditors' certificate on the implementation of share based schemes in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, will be made available at the AGM for inspection electronically.

g) Certificate on Non-Disqualification of Directors

Certificate on Non-Disqualification of Directors issued by M/s Sunil Sankar & Associates, Practising Company Secretaries is enclosed along with the Report on Corporate Governance.

h) Explanations or comments by the Board on qualification, reservation or adverse remark or disclaimer on audits for financial year 2022-23

There are no qualifications, reservation or adverse remark or disclaimer in the audit reports issued under Section 139 and Section 204 of the Act for financial year 2022-23.

i) Information Systems Audit

As per the requirements of the Master Direction of the Information Technology Framework for the NBFC Sector, an Information Systems Audit was carried out for the financial year 2022-23 by M/s Information Security Audit and Assurance Pvt Ltd.

34. Reporting on Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace as per the requirement of the Sexual Harassment of Women at workplace (Prevention, Prohibition & Redressal) Act, 2013 ('POSH Act') and Rules made thereunder.

With the objective of providing a safe environment, the Company has constituted Internal Committee to redress complaints received regarding sexual harassment. All employees – permanent, contractual, temporary and trainees are covered under this Policy.

Details of cases reported to Internal Complaints Committee during the financial year 2022-23 are as under:

Number of complaints pending at the beginning of the financial year 2022-23	0
Number of complaints filed during the financial year 2022-23	5
Number of complaints disposed of during the financial year 2022-23	5
Number of complaints pending as on end of the financial year 2022-23	0

35. Personnel

The Disclosure required under the provisions of Section 197 of the Act read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this report as Annexure 9. The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Rules forms part of the Director's Report. Further, the Director's Report and the Accounts are being sent to the Members excluding the aforesaid statement. In terms of Section 136 of the Act, the said statement will be open for inspection upon request by the Members. Any Member interested in obtaining such particulars may write to the Company Secretary

36. Significant and material Orders passed by Regulators or Courts or Tribunals

There are no significant and material orders passed by the regulators or courts or tribunals, which would impact the going concern status of your Company and its future operations.



37. Material Changes and Commitments affecting the financial position of the Company between the end of the financial year to which Financial Statements relate and the date of the report

No material changes and commitments affecting the financial position of your Company occurred between the end of the financial year to which Financial Statements relate and the date of this report.

38. Directors' Responsibility Statement

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of its knowledge and ability, confirm that -

- (a) in the preparation of the annual accounts, the applicable Indian Accounting Standards had been followed. There were no material departures from applicable Indian Accounting Standards;
- (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 the financial year and of the profit 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 this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) they have prepared the annual accounts on a going concern basis;
- (e) they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively.
- (f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

39. Disclosure pursuant to Part A of Schedule V of SEBI Listing Regulations

Disclosure pursuant to Part A of Schedule V read with Regulation 34(3) and 53(f) of SEBI Listing Regulations is attached as Annexure 10 of this report.

40. Others

- The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings, Annual General Meetings and Dividend.
- The Company, in the capacity of Financial Creditor, has not filed any application with National Company Law Tribunal

under the Insolvency and Bankruptcy Code, 2016 during the financial year 2022-23 for recovery of outstanding loans against any customer being Corporate Debtor.

- The details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof- Not Applicable.
- There has been no material change in the nature of business of the Company during the year under review.
- During the year under review, there were no instances of any frauds reported by the Statutory Auditors under section 143(12) of the Act.

41. Acknowledgement

Your Directors thank the Company's stakeholders including investors, customers, banks, financial institutions, rating agencies, debenture holders, debenture trustees and well-wishers for their continued support during the year. Your Directors place on record their appreciation of the contribution made by the employees of your Company and its subsidiaries at all levels. Your Board reassures that in these challenging times, your Company will continue to support you and your family at all levels. Your Company's consistent growth was made possible by their hard work, solidarity, cooperation and support. The Board sincerely expresses its gratitude to Reserve Bank of India, Securities and Exchange Board of India, Ministry of Corporate Affairs, and Stock Exchanges including various officials there at for the guidance and support received from them from time to time.

Your Directors mourn the loss of life due to COVID-19 pandemic and are deeply grateful and have immense respect for every person who risked their safety and life to fight this pandemic.

42. Forward Looking Statements

This Report(s) contains certain forward-looking statements within the provisions of listing agreements and hence reasonable caution is to be exercised by stakeholders while relying on these statements.

For and On Behalf of the Board of Directors

Sd/-
George Jacob Muthoot
Chairman & Whole Time Director
DIN: 00018235

Sd/-
George Alexander Muthoot
Managing Director
DIN: 00016787

Place: Kochi,
Date: August 11, 2023

Registered Office:
2nd Floor, Muthoot Chambers,
Opposite Saritha Theatre Complex,
Banerji Road, Kochi - 682 018

Report of the Board of Directors

ANNEXURE- 1

Disclosure pursuant to the provisions of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as at March 31, 2023

- i) Relevant disclosures in terms of the accounting standards prescribed by the Central Government in terms of section 133 of the Companies Act, 2013 (18 of 2013) including the 'Guidance note on accounting for employee share-based payments' issued by ICAI or any other relevant accounting standards in that regard from time to time are disclosed in Note 46 of Notes forming part of Standalone Financial Statements.
- ii) **Description of each ESOS that existed at any time during the year, including the general terms and conditions of each ESOS :-**

Particulars	ESOP 2013 - Tranche 2		ESOP 2013 - Tranche 3
	Grant A	Grant B	Grant A
1 Date of shareholder's approval	27.09.2013	27.09.2013	27.09.2013
2 Number of options granted	4,56,000	3,80,900	3,25,000
3 Exercise price (Rs.)	50/-	50/-	50/-
4 Maximum term of options granted	8 years	8 years	8 years
5 Source of shares	Primary	Primary	Primary
6 Vesting period	1-5 years	2-6 years	1-5 years
7 Vesting requirements	In a graded manner over a 5 year period with 10%,15%,20%,25% and 30% of the grants vesting in each year commencing from the end of 12 months from the date of grant	In a graded manner over a 6 year period with 10%,15%,20%,25% and 30% of the grants vesting in each year commencing from the end of 24 months from the date of grant	In a graded manner over a 5 year period with 10%,15%,20%,25% and 30% of the grants vesting in each year commencing from the end of 12 months from the date of grant
8 Options outstanding at the beginning of the year	1,860	3,000	15,000
9 Options granted during the year	-	-	-
10 Options forfeited/lapsed during the year	1,860	-	-
11 Options vested during the year	-	-	-
12 Options exercised during the year	-	3,000	15,000
13 Number of shares arising as a result of exercise of option	-	3,000	15,000
14 Money realised by exercise of options (Rs.)	-	1,50,000	7,50,000
15 Loan repaid by the Trust during the year from exercise price received	Not applicable	Not applicable	Not applicable
16 Options outstanding at the end of the year	-	-	-
17 Options exercisable at the end of the year	-	-	-

Particulars	ESOP 2013 - Tranche 4		ESOP 2013 - Tranche 5	
	Grant A	Grant B	Grant A	Grant B
1 Date of shareholder's approval	27.09.2013	27.09.2013	27.09.2013	27.09.2013
2 Number of options granted	3,90,400	7,28,300	2,48,200	3,42,900
3 Exercise price (Rs.)	50/-	50/-	50/-	50/-
4 Maximum term of options granted	8 years	8 years	8 years	8 years
5 Source of shares	Primary	Primary	Primary	Primary
6 Vesting period	1-5 years	2-6 years	1-5 years	2-6 years
7 Vesting requirements	In a graded manner over a 5 year period with 10%,15%,20%,25% and 30% of the grants vesting in each year commencing from the end of 12 months from the date of grant	In a graded manner over a 6 year period with 10%,15%,20%,25% and 30% of the grants vesting in each year commencing from the end of 24 months from the date of grant	In a graded manner over a 5 year period with 10%,15%,20%,25% and 30% of the grants vesting in each year commencing from the end of 12 months from the date of grant	In a graded manner over a 6 year period with 10%,15%,20%,25% and 30% of the grants vesting in each year commencing from the end of 24 months from the date of grant



Particulars	ESOP 2013 - Tranche 4		ESOP 2013 - Tranche 5	
	Grant A	Grant B	Grant A	Grant B
8 Options outstanding at the beginning of the year	22,520	43,645	64,925	55,915
9 Options granted during the year	-	-	-	-
10 Options forfeited/lapsed during the year	3,400	10,115	3,790	21,250
11 Options vested during the year	-	30,630	53,970	19,775
12 Options exercised during the year	2,120	22,235	49,335	11,275
13 Number of shares arising as a result of exercise of option	2,120	22,235	49,335	11,275
14 Money realised by exercise of options (₹)	1,06,000	11,11,750	24,66,750	5,63,750
15 Loan repaid by the Trust during the year from exercise price received	Not applicable	Not applicable	Not applicable	Not applicable
16 Options outstanding at the end of the year	17,000	11,295	11,800	23,390
17 Options exercisable at the end of the year	17,000	11,295	11,800	9,350

iii) Other details are as under:

18 Directors and Employees to whom options were granted during the year :-		
i) Director(s) including Managing Director and Senior Managerial personnel		Nil
ii) Other employee who receives a grant in any one year of option amounting to 5% or more of option granted during the year		None
iii) Identified employees who were granted option during the year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant		None
19 Variations of terms of Options		Nil
20 Diluted EPS		₹ 86.52/- per Share
21 i) Method of calculation of employee compensation cost		Fair value method
ii) Difference between the employee compensation cost so computed at i) above and the employee compensation cost that shall have been recognised if it had used the fair value of the options		Not Applicable
iii) The impact of this difference on profits and on EPS of the company		Not Applicable
22 Weighted Average exercise price of options whose:-	Grant A	Grant B
i) Exercise price either equals market price (Rs.) or	Nil	Nil
ii) Exercise price greater than market price (Rs.) or	Nil	Nil
iii) Exercise price less than market price (Rs.)	50/-	50/-
23 Weighted Average fair price of options whose:-	Grant A	Grant B
i) Exercise price either equals market price (Rs.) or	Nil	Nil
ii) Exercise price greater than market price (Rs.) or	Nil	Nil
iii) Exercise price less than market price (Rs.)		
Tranche 1	70.95/-	71.20/-
Tranche 2	128.48/-	126.92/-
Tranche 3	159.37/-	NA
Tranche 4	220.05/-	217.46/-
Tranche 5	409.38/-	406.32/-

Report of the Board of Directors

Impact of fair value method on net profit and on EPS :-

Particulars	As at 31.03.2023
Net Profit as reported (₹ In lacs)	3,47,353.12
Proforma Net Profit based on fair value approach (₹ In lacs)	3,47,353.12
Basic EPS as reported (₹)	86.54/- per Share
Basic EPS (Proforma) (₹)	86.54/- per Share
Diluted EPS as reported (₹)	86.52/- per Share
Diluted EPS (Proforma) (₹)	86.52/- per Share

In computing the above information, certain estimates and assumptions have been made by the management which has been relied upon by the auditors.

iv) Description of the method and significant assumptions used to estimate fair value: -

The Securities Exchange Board of India (SEBI) has prescribed two methods to account for employee stock options; (1) the intrinsic value method; (2) the fair value method. The company adopts the fair value method to account for the stock options it grants to the employees. Intrinsic value is the amount, by which the quoted closing market price of the underlying shares as on the date of grant exceeds the exercise price of the option. The fair value of the option is estimated on the date of grant using Black Scholes options pricing model with following assumptions:-

Particulars	Year ended 31-03-2023		
	ESOP 2013 - Tranche 2		ESOP 2013 - Tranche 3
	Grant A	Grant B	Grant A
i) Exercise Price per share (₹)	50/-	50/-	50/-
ii) Vesting Period (Years)	1-5	2-6	1-5
iii) Price of Share in market at the time of Grant of options (₹)	184.30/-	184.30/-	219.05
iv) Weighted Average fair price of options (₹)	128.48/-	126.92/-	159.37/-
v) Expected Volatility (%)	53.96	53.96	34.50
vi) Expected Life of the options granted (years)	1.5 -5.5	2.5-6.5	1.5 -5.5
vii) Weighted Average Contractual Life of the options granted (years)	4	5	4
viii) Risk Free Interest rate (% p.a)	8.26-8.35	8.24-8.32	7.45-7.60
ix) Expected Dividend Yield (%)	3.26	3.26	2.74

Particulars	Year ended 31-03-2023			
	ESOP 2013 - Tranche 4		ESOP 2013 - Tranche 5	
	Grant A	Grant B	Grant A	Grant B
i) Exercise Price per share (₹)	50/-	50/-	50/-	50/-
ii) Vesting Period (Years)	1-5	2-6	1-5	2-6
iii) Price of Share in market at the time of Grant of options (₹)	280.35/-	280.35/-	473/-	473/-
iv) Weighted Average fair price of options (₹)	220.05/-	217.46/-	409.38/-	406.32/-
v) Expected Volatility (%)	36.98	36.98	40.24	40.24
vi) Expected Life of the options granted (years)	1.5 -5.5	2.5-6.5	1.5 -5.5	2.5-6.5
vii) Weighted Average Contractual Life of the options granted (years)	4	5	5	6
viii) Risk Free Interest rate (% p.a)	6.91-7.41	7.08-7.47	6.16-6.59	6.27-6.67
ix) Expected Dividend Yield (%)	2.14	2.14	1.27	1.27

Note :

- It is assumed that the options will be exercised within the exercise period.
- Volatility is estimated from the actual movement in share prices of the company for one year preceding the grant date. This historical volatility is the annualised standard deviation of the continuously compounded rates of daily stock returns.
- The risk-free rate is equated to the yield on Government of India securities corresponding to the expected life of options in each option series.
- The market value per share is equated with the market value as observed from the adjusted closing market price on grant date of listed shares of the Company.



ANNEXURE- 2

Annual Report on CSR Activities

1 Brief outline of CSR Policy of the Company

- (i) The objective of CSR Policy of Muthoot Finance Limited is to articulate Muthoot Finance Limited's core philosophy of social responsibility, to define the areas and to indicate activities chosen by Muthoot Finance Limited to impact the society with its efforts towards Corporate Social Responsibility and to define the governance & monitoring framework for ensuring effectiveness of the Policy.
- (ii) To create a social impact nationwide by constantly giving back to the community by identifying and facilitating growth in areas which are less privileged.
- (iii) To create change where it is needed most - among India's less privileged and to demonstrate our beliefs through an integrated social program that seeks social inclusion.
- (iv) At Muthoot Finance Limited, our Corporate Social Responsibility policy will carry out its activities in the economic development, society progress and environmental hazards with the and core objective of improving quality of life. It has been a constant endeavour of the Company to rightfully follow our vision and values up keeping it with good corporate governance to meet the expectations of our customers, employees, shareholders and society at large.
- (v) The Board will have an oversight on the adherence to this Policy. The Corporate Social & Business Responsibility Committee ("CSR Committee") of the Board, comprising a minimum of three Directors and at least one of whom will be an Independent Director of the Company, shall assist the Board in the overall governance of the Policy and the CSR Programmes pursuant thereto. The CSR Committee shall work under the superintendence and control of the Board.
- (vi) The Company's CSR policy is committed towards CSR activities as envisaged in Schedule VII of the Companies Act, 2013. The Details of CSR policy of the Company and CSR projects are available on the website of the Company at www.muthootfinance.com

2 Composition of CSR Committee

Name of Directors	Designation in the Committee	Number of meetings of CSR Committee held during the FY	Number of meetings of CSR Committee attended during the FY
Justice (Retd) Jacob Benjamin Koshy	Chairman	3	3
Jose Mathew	Member	3	3
George Alexander Muthoot	Member	3	3
George Muthoot George*	Member	-	-
Chamacheril Mohan Abraham*	Member	-	-

* George Muthoot George and Chamacheril Mohan Abraham were inducted into the Committee on 10 November 2022

3 Weblink where composition of CSR Committee, CSR Policy and CSR Projects are disclosed

- a) CSR Committee: <https://www.muthootfinance.com/board-committees>
- b) CSR Policy: https://www.muthootfinance.com/sites/default/files/pdf/CSR_Policy_May_2021.pdf
- c) CSR Projects: <https://www.muthootfinance.com/other-disclosure>

4 Details of Impact Assessment, if any carried out

Impact assessment report prepared by Rajagiri College of Social Sciences is available on the website of the Company at <https://www.muthootfinance.com/other-disclosure>

Report of the Board of Directors

5 Details of the amount available for set off in pursuance of sub-rule (3) of Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Financial Year	Amount Available for set-off from the preceeding financial years (in INR)	Amount required to be set off for the financial year, if any (in INR)
Nil	Nil	Nil

6 Average net profit of the Company as per Section 135 (5) (₹ in crores): 4,787.27

7 (a) Two percent of the average net profit of the Company as per Section 135 (5) (₹ in crores): 95.75

(b) Surplus arising out of the CSR projects or programmes of the previous financial year (₹ in crores): NIL

(c) Amount required to be set off for the financial year, if any (₹ in crores): NIL

(d) Total CSR obligation for the financial year (7d=7a+7b+7c) (₹ in crores): 95.75

8 (a) CSR amount spent or unspent for the financial year.

Total amount spent for the financial year (₹ in crores)	Amount Unspent (₹ in crores)				
	Total amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
96.44	Nil	NA	NA	Nil	NA



(b) Details of CSR amount spent against ongoing projects for the financial year:

-1	-2	-3	-4	-5	-6	-7	-8	-9	-10	-11
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/No)	Location of the project	Project duration	Amount allocated for the project (₹ in crores)	Amount spent in the current financial year (₹ in crores)	Amount transferred to Unspent CSR Account for the project as per Section 135 (6) (₹ in crores)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
		State	District							CSR Registration Number
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

-1	-2	-3	-4	-5	-6	-7	-8	-9	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project	State	District	Amount spent for the project (₹ in crores)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency
-1	-2	-3	-4	-5	-6	-7	-8	-9	
1	Muthoot Aashiyana Project	Disaster Management	Yes	Kerala	Ernakulam, Idukki		0.02	Yes	
2	Disaster Management Programme - Covid 19	Disaster Management	Yes	All India			0.05	Yes	
3	Cyclone and others	Disaster Management	Yes	Tamil Nadu & Delhi	Thiruvavur, Delhi		0.04	Yes	
4	Swatchh Bharat Initiative/ Solar lamps/solar panel/canal cleaning/Waste Management/harithatheeram, etc	Environmental protection	Yes	All India	Kerala, Karnataka, Tamil Nadu & Delhi		0.68	Yes	
5	Supporting other organisations to improve the infrastructure facilities of the organisation	Improving quality of life	Yes	All India			1.52	Yes	
6	Food Distribution, one time support etc	Poverty Alleviation	Yes	All India			2.26	Yes	
7	Innovative startup program	Promoting and supporting technology and innovations	Yes	Kerala	Ernakulam		0.16	Yes	
8	Take over of Schools/Colleges	Promotion of Education	Yes	Kerala	Ernakulam		50.93	No	Muthoot Educational Trust (Charitable Trust having 80G Regn) CSR00018564
9	Starting Schools for students from low income family, Adoption of Schools/Colleges	Promotion of Education	Yes	Tamil Nadu	Kanchipuram		0.06	No	Muthoot Educational Trust (Tamil Nadu) (Charitable Trust having 80G Regn) CSR00020775
10	Construction of seminar halls, infrastructure development, educational support, etc	Promotion of Education	Yes	All India			12.13	Direct & Indirect	St. Georges Education Society (Charitable Society having 80G Regn) CSR00007408

Report of the Board of Directors

-1	-2	-3	-4	-5	-6	-7	-8		
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	State	Location of the project	Amount spent for the project (₹ in crores)	Mode of Implementation - Direct (Yes/No)	Mode of Implementing Agency	CSR Registration Number
11	Sports Promotion Activity	Promotion of sports	Yes	Kerala	Ernakulam	0.71	Yes		
12	Snehashraya Project	Improving quality of life	Yes	Kerala, Andhra Pradesh, Karnataka, Tamil Nadu, Maharashtra	All Kerala, Bangalore, Coimbatore, Chennai, Hyderabad, Sangli	0.38	Yes		
13	Poor Patients' Medical Assistance	Improving quality of life	Yes	South India	South India	9.39	Direct & Indirect	Muthoot M George Foundation (Charitable Trust having 80G Regn)	CSR000008030
14	Skill Development Programme	Employment enhancing vocational skills, social business projects	Yes	Tamil Nadu	Chennai	0.23	No	Muthoot M George Charitable Trust (Charitable Trust having 80G Regn)	CSR000008030
15	Cup Of Life	Promoting gender equality and empowering women	Yes	Kerala	Ernakulam	1.52	Yes		
16	Muthoot Vivahasammanam Project	Promoting gender equality and empowering women	Yes	Jaipur, Maharashtra, Delhi, Tamil Nadu		0.42	Yes		
17	Scholarships to Students	Promotion of Education	Yes	All India		12.80	Direct & Indirect	St. Georges Education Society (Charitable Society having 80G Regn)	CSR000007408
18	Muthoot Snehasammanam, Muthoot Snehasancharini Project, livelihood projects, nutrition kits, etc	Improving quality of life	Yes	South India	South India	1.22	Yes		
Total						94.50			

(d) Amount spent in Administrative Overheads (₹ in crores): 1.94

(e) Amount spent on Impact Assessment, if applicable (₹ in crores): NA

(f) Total amount spent for the financial year (8f=8b+8c+8d+8e) (₹ in crores): 96.44

**(g) Excess amount for set off, if any (₹ in crores):**

Sl. No	Particular	Amount (₹ in Crores)
(i)	Two percent of average net profit of the company as per section 135(5)	95.75
(ii)	Total amount spent for the Financial Year	96.44
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.69
(iv)	Surplus arising out of the CSR projects or programmes of the previous financial year (₹ in crores):	Nil
(v)	Amount required to be set off for the financial years [(iii)-(iv)]	Nil

9 (a) Details of Unspent CSR Amount for the preceding three financial years:

Sl. No	Preceding Financial Year	Amount Transferred to Unspent CSR Account under Section 135 (6) (₹ In Crores)	Amount spent in the reporting Financial Year (₹ In Crores)	Amount Transferred to any fund specified under Schedule VII as per Section 135 (6), if any			Amount remaining to be spent in succeeding financial years (₹ In Crores)
				Name of Fund	Amount (₹ In Crores)	Date of Transfer	
1	2019-20	Nil	Nil	NA	NA	NA	Nil
2	2020-21	12.05	4.4	NA	NA	NA	2.28
3	2021-22	Nil	Nil	NA	NA	NA	Nil

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Sl. No	Project ID	Name of the Project	Project Duration	Total Amount allocated for the project (₹ in Crores)	Amount spent on the project in the reporting Financial Year (₹ In Crores)	Cumulative amount spent at the end of reporting Financial Year (₹ In Crores)	Status of the Project (Completed/Ongoing)
1	FY31.03.2021_1	Muthoot Aashiyana Project	3 years	5.48	2.94	3.64	Ongoing
2	FY31.03.2021_2	Disaster Management Programme	3 years	1.46	0.07	1.31	Ongoing
3	FY31.03.2021_3	Muthoot M George Excellence Award	3 years	0.30	0.01	0.01	Ongoing
4	FY31.03.2021_4	Sports Promotion Activity	3 years	4.81	1.38	4.81	Ongoing
Total				12.05	4.40	9.77	

10 In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset wise details):

(a)	Date of creation or acquisition of the capital asset(s)	NA
(b)	Amount of CSR spent for creation or acquisition of capital asset (₹ in crores):	NA
(c)	Details of the entity or public authority or beneficiary under whose name such capital assets is registered, their address etc.	NA
(d)	Details of the capital assets created or acquired (including complete address and location of the capital asset)	NA

11 Specify the reasons if the company has failed to spend two percent of the average net profit as per Section 135 (5) Company has fully expended the CSR obligation of two percent of the average net profits for the financial year 2022-23: NA

Sd/-
George Alexander Muthoot
Managing Director
DIN: 00016787

Sd/-
Justice (Retd) Jacob Benjamin Koshy
Chairman of Corporate Social & Business Responsibility Committee
DIN: 07901232

Place: Kochi
Date: August 11, 2023

Business Responsibility & Sustainability Reporting

SECTION A: GENERAL DISCLOSURES

1. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L65910KL1997PLC011300
2.	Name of the Listed Entity	MUTHOOT FINANCE LIMITED
3.	Year of incorporation	1997
4.	Registered office address	2ND FLOOR MUTHOOT CHAMBERS OPP SARITHA THEATRE COMPLEX ERNAKULAM, KERALA - 682018
5.	Corporate address	2ND FLOOR MUTHOOT CHAMBERS OPP SARITHA THEATRE COMPLEX ERNAKULAM, KERALA - 682018
6.	E-mail	mails@muthootgroup.com
7.	Telephone	4842394712
8.	Website	https://www.muthootfinance.com/
9.	Financial year for which reporting is being done	2022 - 23
10.	Name of the Stock Exchange(s) where shares are listed	BSE & NSE
11.	Paid-up Capital	4014482310
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Rajesh A 4846690255 rajesh.warrier@muthootgroup.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone basis

2. Products/services

14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of the main activity	Description of business activity	% of the turnover of the entity
1	Financial Service	Non-Banking Financial Services	96.25

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of Total Turnover contributed
	Financial Service	64990	96.25

3. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of branches	Number of regional offices	Total
National	4739	76	4815
International	0	0	0



17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	27
International (No. of Countries)	0

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Not Applicable

c. A brief on types of customers

Our customers are typically small businessmen, vendors, traders, farmers and salaried individuals, who for reasons of convenience, accessibility or necessity, avail of our credit facilities by pledging their gold jewelry with us rather than by taking loans from banks and other financial institutions. We provide retail loan products, primarily comprising Gold Loans. Our Gold Loans have a maximum 12 month term.

4. Employees

18. Details as at the end of the Financial Year:

a. Employees and workers (including differently-abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
EMPLOYEES						
1.	Permanent (D)	27273	21837	80%	5436	20%
2.	Other than Permanent (E)	0	0	0%	0	0%
3.	Total employees (D + E)	27273	21837	80%	5436	20%
WORKERS						
4.	Permanent (F)	0	0	0	0	0
5.	Other than Permanent (G)	0	0	0	0	0
6.	Total workers (F + G)	0	0	0	0	0

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	0	0	0	0	0
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total differently abled employees (D + E)	0	0	0	0	0
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	0	0	0	0	0
5.	Other than Permanent (G)	0	0	0	0	0
6.	Total differently abled workers (F + G)	0	0	0	0	0

19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	14	1	7.14%
Key Management Personnel	2	0	0

Business Responsibility & Sustainability Reporting

20. Turnover rate for permanent employees and workers

	FY 2022-23			FY 2021-22			FY 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	40.51%	25.94%	37.61%	34.52%	24.17%	32.62%	23.35%	13.27%	21.20%
Permanent Workers	NA	NA	NA	NA	NA	NA	NA	NA	NA

5. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated in column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	ASIA ASSET FINANCE PLC	Subsidiary	72.92 %	No
2	MUTHOOT HOMEFIN (INDIA) LIMITED	Subsidiary	100.00%	No
3	MUTHOOT INSURANCE BROKERS PRIVATE LIMITED	Subsidiary	100.00%	No
4	BELSTAR MICROFINANCE LIMITED	Subsidiary	56.97%	No
5	MUTHOOT MONEY LIMITED	Subsidiary	100.00%	No
6	MUTHOOT TRUSTEE PRIVATE LIMITED	Subsidiary	100.00%	No
7	MUTHOOT ASSET MANAGEMENT PRIVATE LIMITED	Subsidiary	100.00%	No

6. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover (in ₹): 10,543.75 Cr

(iii) Net worth (in ₹): 21,061.93 Cr

7. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (If yes, then provide web link for grievance redress policy)	FY 2022-23			FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at the close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at the close of the year	Remarks
Communities	The company has a grievance redressal policy outlined the process and procedure for capturing and addressing grievances of all the various stakeholders. The policy can be found on our website, on the below weblink: https://cdn.muthootfinance.com/sites/default/files/pdf/Grievance-Redressal-Policy-for-Stakeholders.pdf	0	0	No complaints were received	0	0	No complaints were received



Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (If yes, then provide web link for grievance redress policy)	FY 2022-23			FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at the close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at the close of the year	Remarks
Investors (other than shareholders)		18	0	No complaints pending to be resolved	15	0	No complaints pending to be resolved
Shareholders		6	1	Pending complaints were resolved after closure of FY 2022-23.	2	0	The Company's RTA redresses shareholders' grievances and provides share transfer related services to shareholders and investors. The Company has formed a Board level Committee i.e. Stakeholders Grievance Committee which monitors/oversees redressal of investors complaints, reviews the redressal process and the adherence to service standard adopted by the Company in respect of the share registration activities by its RTA. There is a dedicated email id for receiving investor complaints: cs@muthootgroup.com . Details of investors complaints received are filed on a quarterly basis with the Stock Exchanges where the shares of the Company are listed.
Employees and workers		768	7	Pending complaints were resolved after closure of FY 2022-23.	1196	144	Pending complaints were resolved after closure of FY 2021-22.
Customers		997	1	Pending case was resolved after closure of FY 2022-23	1033	10	Cases which were pending at the end of FY 2021-22 have now been closed.
Value Chain Partners		0	0		0	0	

24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along with its financial implications.

S. No.	Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity
1	Access to Finance	Opportunity	Muthoot Finance endeavours towards improvement in access to finance by reaching to underprivileged population.	The Company brings about financial inclusion for the large masses including the underprivileged and the poor who have been brought under the ambit of banking. Additionally, MFL by providing an immediate access to finance, empowers the poor towards self-sufficiency and self-sustenance for repaying their pending loans.	Positive: - Provision of credit to people who may not have access to formal credit within a reasonable time or to whom formal credit may not be available at all

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S. No.	Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity
2	Consumer Financial Protection	Risk	The company considers its responsibility towards mitigation of potential reputational and regulatory risks arising from unethical lending practices or mis-selling financial products to consumers.	<p>MFL strives to ensure the highest level of transparency and accountability in all dealings with its customers, keeping their interests protected in the most inclusive way.</p> <ul style="list-style-type: none"> - MFL has aligned its corporate governance practice to achieve the objectives of principles as envisaged in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), aiming to protect shareholder interests and improve market integrity. - Lending against security of 'Household Used Gold Ornaments' (HUGO) in an endeavour to understand the specific requirements of individuals to be able to make funds available to them with eagerness. 	<p>Negative:</p> <ul style="list-style-type: none"> - Unfair and non-transparent practices will lead to loss of repeat business from customers
3	Data Security & Cybersecurity	Risk/ Opportunity	As a consumer finance organization, MFL considers it is our responsibility to ensure both privacy-and security of data of all our internal and external stakeholders	<p>MFL is constantly in the process of strengthening its business applications to improve customer data and privacy, through strong electronic monitoring, protocols and cyber security architecture.</p> <p>A strong Data Leak Prevention (DLP) program has been implemented to ensure data security</p>	<p>Positive:</p> <ul style="list-style-type: none"> - Integrating technology into the business operations gives the opportunity to provide innovative solutions. <p>Negative:</p> <ul style="list-style-type: none"> - Costs associated with strong electronic monitoring and cybersecurity protocols to protect client data.
4	Risk Management	Risk	The company has developed well documented and robust internal audit and control system for meticulous compliance from all layers of the Company. The control system ensures that the Company's assets are safeguarded and protected. This is part of the risk management protocol followed at MFL.	<p>MFL is committed to identification of risks to our business, and place in robust risk management mechanisms that enable us to achieve our company's mission and vision. Some of these are:</p> <ul style="list-style-type: none"> - Centralised monitoring and surveillance cameras - Employees are regularly trained on how to spot a fraud, such as unauthentic gold <p>The Risk Management Committee periodically reviews the risk management policy, management plan, implements and monitors the risk management plan, and helps mitigate key risks</p>	<p>Negatives:</p> <ul style="list-style-type: none"> - Frequent regulatory changes entails compliance costs from NBFCs and may reduce their competitiveness and ability to protect their margins. - Failing to manage risks will impact profitability and long-term value creation
5	Customer Satisfaction	Opportunity	The company has always put the customer first, aiming to provide them with the best possible services in the industry.	<p>As a consumer finance company, MFL places prime focus on customer centricity and providing services of the highest quality. MFL leverages technology and digital adoption to cater to all needs of customers at a faster pace across the country. With a customer base of over 200,000 MFL identifies and caters to their requirements, also reviewing any grievances for a root cause analysis</p>	<p>Positive:</p> <ul style="list-style-type: none"> - Satisfied customers usually lead to repeat business opportunities which result in increased revenues - Improvement of overall brand reputation



S. No.	Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity
6	Emissions (GHG)	Risk/ Opportunity	MFL as an organization recognizes the importance of resource usage and aims to reduce carbon emissions (GHG) and manage the risks associated with its own operational energy use.	The company is focused to track emissions from its own operations aims to create a mechanism to reduce it on a Y-o-Y basis, improving its overall environmental footprint. Among several initiatives from MFL, the company has replaced CFL with energy efficient LED lamps, conventional tube light signboards have been substituted with LED glow signboards. Going forward, MFL also intends to install inverter ACs in branches under the AC Project and will monitor the emissions saved from this and other such environmental initiatives	Positives: Reducing emissions from own operations will improve both in helping save energy related costs and create positive shareholder value. Negative: - Higher operational costs due to high energy consumption
7	Digitalisation	Opportunity	The company is moving forward with a digital blueprint, with a goal to blur the line between physical and digital through the integration of technology to ensure creation of a contactless and seamless ecosystem	MFL in line with its goal launched multiple initiatives such as the - Loan@Home Video KYC, AI powered chat engine, BBPS (Bharath Bill Payment System) interface for transactions, iMuthoot, for better turnaround times in Loan Originating System, and “Deep Link” for single click repayment provide ease of access to customers	Positives: - The digital first approach and embracing digital architecture helps achieve higher efficiency and transforming the customer experience. - Digitalisation helps reduces the usage of paper and reinforces the pledge to save the natural environment.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1.a. Whether your entity’s policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	https://www.muthootfinance.com/code-of-conduct	https://cdn.muthootfinance.com/sites/default/files/pdf/Sustainable-Sourcing-and-Preferential-Procurement-Policy.pdf	https://cdn.muthootfinance.com/sites/default/files/pdf/Diversity-Inclusion-and-Equal-Opportunity-Policy.pdf	https://cdn.muthootfinance.com/sites/default/files/pdf/Grievance-Redressal-Policy-for-Stakeholders.pdf	https://cdn.muthootfinance.com/sites/default/files/pdf/Human-Rights-Policy.pdf	https://cdn.muthootfinance.com/sites/default/files/pdf/Environmental-Social-&-Governance-(ESG)-Framework.pdf	https://cdn.muthootfinance.com/sites/default/files/pdf/Policy-on-Responsible-Advocacy.pdf	https://cdn.muthootfinance.com/sites/default/files/pdf/Sustainable-Preferential-Procurement-Policy.pdf	https://cdn.muthootfinance.com/sites/default/files/pdf/Stakeholders-Engagement-Policy.pdf
2. Whether the entity has translated the policy into procedures. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

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Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
4. Name of the national and international codes/certifications/ labels/ standards adopted by your entity and mapped to each principle.	NGRBC	NGRBC	NGRBC	NGRBC	NGRBC	NGRBC	NGRBC	NGRBC	NGRBC
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	The company is currently in the process of thoroughly assessing and establishing its sustainability-related goals and targets, together with a clear time frame and execution strategy to meet those goals in the near future.								
6. Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.	Once the sustainability-related goals are established, performance in respect to them will be tracked, assessed, and reported in the coming years.								

Governance, leadership, and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG -related challenges, targets, and achievements	<p>As one of India's largest Gold Loan Financing Company, MFL is committed to positively impact the environment, our customers, employees, and the community at large. Our core values have guided our ESG practices, which seek to drive growth and empower communities through our corporate decision-making processes.</p> <p>We are committed towards pleasant customer service, operational excellence, product leadership, and people. These are in our blood. It is not like we have opted these in just recent years, we have been carrying the same legacy for last 800 Years, with our unique slogan, "Unchanging Values in Changing Times".</p> <p>As an organization, we aim to align our ESG approach with our strategic goals and the experience we seek to offer all our stakeholders. ESG is an area of heightened focus and investment for us and has changed our outlook towards our business.</p>								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	<p>George Alexander Muthoot DIN - 00016787 Managing Director Telephone number: 0484-2394712 md@muthootgroup.com</p>								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability-related issues? If yes, provide details	<p>Yes The ESG Committee was constituted by the MFL Directors through a board resolution dated August 06, 2021 and reconstituted in the Board meeting held on August, 12, 2022. Terms of reference of the ESG Committee include</p> <ul style="list-style-type: none"> a) Overseeing Company's policies, practices, and performance with respect to ESG matters b) Overseeing Company's reporting on ESG matters c) Recommending to the Board the Company's overall general strategy with respect to ESG matters d) Approving the report on ESG e) Delegating the authority to do any acts, deeds, and matters relating to ESG. 								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other - please specify)									
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9	
Performance against above policies and follow up action																			Annually
Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances																			The company complies with all the statutory requirements as applicable



11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9
	No	No	No	No	No	No	No	No	No

* An internal assessment of the working of the BRSR policies has been conducted. In due course, the Company shall have an external assurance on the same as well.

12. If answer to question (1) above is “No” i.e., not all Principles are covered by a policy, reasons to be stated:

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)						Not Applicable			
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)						Not Applicable			
The entity does not have the financial or/human and technical resources available for the task (Yes/No)						Not Applicable			
It is planned to be done in the next financial year (Yes/No)						Not Applicable			
Any other reason (please specify)						Not Applicable			

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness Programmes
Board of Directors	1	During FY 2022-23, various matters were put forward before the Board during the committee meetings. All directors, including independent directors and Key Managerial Personnel in their capacity as members and invitees of various committees of the Board, were informed on developments relating diverse relevant topics such as - regulatory, economic, business environment changes and challenges, new business innovations, Corporate Governance, IT related initiatives and various risk indicators. Strategic presentations were made to the Directors, and Key Managerial Personnel periodically on Company strategy, performance, and growth plans. These presentations covered the entire range of business activities market review, equity and debt performance, earnings outlook, operational efficiencies, service and product offerings, update on business performances etc.	100%
Key Managerial Personnel	1	Considering the above, approximately 36 hours have been spent during FY 2022-23 by the Board of Directors on various familiarisation programmes during Board / Committee meetings including four one-on-one/group sessions.	100%
Employees other than BoD and KMPs	4	Our employees received training on - Office Environment, Potential Risks & Hazards - Office Environment, Safe Use of Stairs & Elevators - Basic First Aid and Hierarchy of Controls - Health and Safety Measures, Human Rights	78%
Workers	NA	NA	NA

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2. **Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year:**

NIL

3. **Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed:**

NIL

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Yes.

This policy emphasizes Muthoot Finance Limited's Zero Tolerance towards bribery and corrupt practices and establishes clear rules to ensure compliance with all applicable anti bribery and anti-corruption laws. The policy provides necessary information and guidance on how to recognise and deal with bribery and corruption issues.

The objective of this policy is to ensure that neither MFL nor any of its employees (whether full time permanent or contractual employees and including trainees and interns), agents, associates, vendors, consultants, advisors, representatives, or intermediaries and /or stakeholders, indulge in any acts of 'Bribery' or 'Corruption' in discharge of their official duties towards MFL, either in their own name or in the name of the Company.

The detailed policy can be accessed at: <https://www.muthootfinance.com/policy-investor>

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

Personnel	FY (2022-23) (Current Financial Year)		FY (2021-22) (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Directors	0		0	
KMPs	0		0	
Employees	0		0	
Workers	NA		NA	

6. **Details of complaints with regard to conflict of interest:**

Personnel	FY (2022-23) (Current Financial Year)		FY (2021-22) (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Directors	0		0	
KMPs	0		0	

7. **Provide details of any corrective action taken or underway on issues related to fines/penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

Not Applicable since no such instances were reported.



Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

The company intends to implement awareness programs in an attempt to educate, engage our value chain partners/ suppliers on the various principles of BRSR, fostering a heightened understanding and commitment towards sustainable business practices throughout the supply chain.

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.

The Company has put in place a Code of Conduct for Directors and Senior Management. This code for Directors and Senior Management is intended to focus the Board and Senior Management on areas of ethical risk, provide guidance to Directors and Senior Management to help them recognize and deal with ethical issues, provide mechanisms to report unethical conduct and to help foster a culture of honesty and accountability. The Board of Directors has adopted the Code of Conduct and the Directors and senior managers are expected to adhere to the standards of care, loyalty, good faith, and the avoidance of conflicts of interest that follow.

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (CAPEX) investments in specific technologies to improve the environmental and social impacts of products and processes to total R&D and CAPEX investments made by the entity, respectively.

	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
R&D	0%	0%	No R&D on environmental initiatives held during the year.
Capex	0%	0%	<p>Digitalisation initiatives such as Loan@Home Video KYC, AI powered chat engine, BBPS (Bharath Bill Payment System) interface for transactions, iMuthoot have helped create a positive E&S impact. The company has other ongoing initiatives which have helped curb emissions and also resulted in energy savings:</p> <ul style="list-style-type: none"> Office CFL bulb to LED light replacements (completed in FY 2021-22) Conventional tube light signboards substituted with LED glow sign boards (started in 2016) Three windmills (combined capacity of 3.75 MW) operating in Tamil Nadu for the last 16-17 years. <p>Going forward, MFL intends to install inverter ACs in branches under the AC Project and will monitor this and other such environmentally beneficial investments.</p>

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes.

b. If yes, what percentage of inputs were sourced sustainably?

The company operates in the NBFC sector providing financial products and services and has a minimal consumption of any raw material which could be sourced locally or sustainably, and therefore this is not a material issue. However, the company does realise the importance of conservation and reduced dependence on natural resources and follows procedures such as use of second-hand laptops, use of LED lamps and used furniture to help reduce the stress on the environment.

Business Responsibility & Sustainability Reporting

3. Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

Broadly reclamation of products for reusing, recycling, disposing at E-o-L is not applicable for the sector in which MFL operates.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Extended Producer Responsibility does not apply for the sector in which MFL operates.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for the manufacturing industry) or for its services (for the service industry)? If yes, provide details:

MFL operates in the NBFC sector and mainly deals with Gold Loans and other financial services. Lifecycle assessments of products or services does not apply to the sector MFL operates in.

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product / Service	Description of the risk / concern	Action Taken
Not Applicable		

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2022-23	FY 2021-22
Second-hand laptops	-	-
Used furniture	-	-

MFL team is working on devising a mechanism to closely monitor such input material as highlighted in the above table and will be reporting it in the coming years.

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed:

Presently the company does not capture the below data. However, we remain committed to promoting responsible waste management practices, environmental sustainability and stewardship in the NBFC sector.

	FY 2022-23			FY 2021-22		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	0	0	0	0	0	0
E-waste	0	0	0	0	0	0
Hazardous waste	0	0	0	0	0	0
Other waste	0	0	0	0	0	0

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
NA	NA



PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	21837	6872	31%	0	0%	0	0%	0	0%	0	0%
Female	5436	1524	28%	0	0%	5436	100%	0	0%	0	0%
Total	27273	8396	31%	0	0%	5436	100%	0	0%	0	0%
Other than Permanent employees											
Male	0	0	0%	0	0%	0	0%	0	0%	0	0%
Female	0	0	0%	0	0%	0	0%	0	0%	0	0%
Total	0	0	0%	0	0%	0	0%	0	0%	0	0%

b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	NA	0	0%	0	0%	0	0%	0	0%	0	0%
Female	NA	0	0%	0	0%	0	0%	0	0%	0	0%
Total	NA	0	0%	0	0%	0	0%	0	0%	0	0%
Other than Permanent workers											
Male	NA	0	0%	0	0%	0	0%	0	0%	0	0%
Female	NA	0	0%	0	0%	0	0%	0	0%	0	0%
Total	NA	0	0%	0	0%	0	0%	0	0%	0	0%

2. Details of retirement benefits.

Benefits	FY 2022-23			FY 2021-22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
Provident Fund	70.97	NA	Yes	64.77	NA	Yes
Gratuity	18.99	NA	Yes	24.38	NA	Yes
ESI	71.25	NA	Yes	68.69	NA	Yes

3. Accessibility of workplaces: Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

A majority of MFL's current offices are located on the Ground Floor. Therefore, these are generally accessible and some branches which are part of shopping complexes / malls also have ease of accessibility through ramps, elevators etc.

Even though the branches may not have specific facilities aimed at accessibility for the differently abled, going forward MFL is considering making the upcoming branches and offices accessible to differently abled employees and customers.

Business Responsibility & Sustainability Reporting

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes. <https://cdn.muthootfinance.com/sites/default/files/pdf/Diversity-Inclusion-and-Equal-Opportunity-Policy.pdf>

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	-	-	-	-
Female	86%	72%	-	-
Total	86%	72%	-	-

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No	If yes, then give details of the mechanism in brief
Permanent Workers	No	Permanent worker category is not applicable for MFL
Other than Permanent Workers	No	Permanent worker category is not applicable for MFL
Permanent Employees	Yes	Grievances if any are shared by employees to mail Id as provided - employeeerelation@muthootgroup.com (North) and disciplinarysouth@muthootgroup.com (South)
Other than Permanent Employees	Yes	Grievances if any are shared by employees to mail Id as provided - employeeerelation@muthootgroup.com (North) and disciplinarysouth@muthootgroup.com (South)

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2022-23			FY 2021-22		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)
Total Permanent Employees						
Male						
Female						
Total						
Total Permanent Workers						
Male			NA			
Female			NA			
Total			NA			



8. Details of training given to employees and workers:

Category	FY 2022-23					FY 2021-22				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (A)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (B)	% (B/A)	No. (C)	% (C/A)
Employees										
Male	20344	15691	77%	13511	66%	20274	Monitoring mechanism was developed in FY 2022-23, data not captured in FY 2021-22.			
Female	4201	3370	80%	2981	71%	3530				
Other										
Total	24545	19061	78%	16492	67%	23804	-	-	-	-
Workers										
Male	NA					NA				
Female	NA					NA				
Total	NA					NA				

9. Details of performance and career development reviews of employees and worker:

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	% (B/A)	Total (A)	No. (B)	% (B/A)
Employees						
Male	20344	18245	90%	20274	18742	92%
Female	4201	3506	83%	3530	3409	97%
Total	24545	21751	89%	23804	22151	93%
Workers						
Male	NA					
Female	NA					
Total	NA					

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? If yes, the coverage such system

Yes, an organization-wide Health Safety system is out in place aligned to the guidelines included in the ESG framework policy. The focus areas cover ensuring a safe and healthy work environment, which is free of any discrimination. All MFL branches have a basic first-aid kit. Complementary medical health check ups are organised by the company along with periodic trainings on Health and Safety conducted through the “Regional Learning Centers” and “Muthoot Management Academies” for employees to keep them abreast with the latest developments in the area.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The company has always emphasized on the importance of health and safety at workplaces. Periodic trainings are conducted to update employees on the various potential risks & hazards in an office environment, such as air quality, noise level, lighting, fire hazards, safe usage of stairs/elevators and basic first aid training.

Additionally, there is a robust security system established based on the organization’s seven-layer security transformation plan detects anomalies swiftly and responds instantly, thus ensuring that the security imperatives of a pan-India NBFC like us is carried out seamlessly.

Business Responsibility & Sustainability Reporting

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks.

Yes, guidelines are in place for reporting work-related hazards for employees. Furthermore, there are mock drills and safety trainings conducted periodically to create a general awareness among the organization's employees.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services?

Yes, employees have access to non-occupational medical and healthcare services.

11. Details of safety related incidents:

Safety Incident/Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	0	0
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

The company is committed to take steps to promote a safe and conducive work environment for its employees and will provide guidance on occupational health and safety, appropriate healthcare benefits and medical cover to all its employees.

Belonging to the NBFC sector, the company has put the following provisions:

- 1) A Green Glass environment for all its branches.
- 2) All Offices are air-conditioned to maintain a stable air quality and thermal comfort index in the workplaces
- 3) A basic first-aid kit is provided in all branches
- 4) Periodic drills and monitoring of safety measures such as fire-fighting equipment.
- 5) The presence of at least one security guard in each of the branches of MFL

In addition to this, the company has an ESG policy which covers health & safety aspects and follows a robust business continuity / disaster recovery plan to prepare for emergency disaster events.

13. Number of Complaints on the following made by employees and workers:

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	-	0	0	-
Health & Safety	0	0	-	0	0	-

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	Periodic assessments on fire safety and fire-fighting equipment at offices
Working conditions	Periodic assessments of the HVAC system for optimal working conditions and maintenance of thermal comfort index.

MFL team is working on devising a mechanism to monitor such assessments on fire safety, fire-fighting equipment, mock drills, HVAC checks etc. and will be reporting it in the coming years.



15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions:

Not applicable

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (B) Workers.

	(Y/N)
Employees	Y
Workers	NA

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The company has set up an ESG policy and understands the need to work closely with its value chain partners / suppliers for improving ethical and sustainable business practices whereby overall operational efficiency is improved. The company ensures that all applicable statutory dues are deposited and deducted in relation to their value chain partners / suppliers

3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Employees	Nil	Nil	Nil	Nil
Workers	NA	NA	NA	NA

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

No

5. Details on assessment of value chain partners:

Value chain partners have not been assessed. Going forward the company aims to devise a mechanism to implement the same.

% of value chain partners (by value of business done with such partners) that were assessed	
Health and safety practices	-
Working Conditions	-

The company has not conducted any assessments for its value chain partners / suppliers during the reporting period. Going forward MFL intends to roll out evaluations for its value chain covering aspects on their working conditions and health & safety practices.

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Not applicable

Business Responsibility & Sustainability Reporting

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

MFL is committed to transparent and participative engagement with our internal / external stakeholders.

Our stakeholder identification and engagement process:

- Identification and prioritization of stakeholders
 - Stakeholders shall be identified as individuals/groups who may either influence or be interested or affected by MFL’s business operations. They can be categorized as under:
 - people who are either directly or indirectly dependent on MFL activities and products
 - people who can influence or have a bearing impression on MFL’s strategy or operations
 - people who are core MFL operations with the business depending on them
 - people or groups to whom MFL has an existing or may have imminent operational, commercial, legal, or moral responsibilities.

In relation to this, the company classifies its key stakeholders into the following categories: employees, customers, investors, suppliers, regulators and communities.

The company has also formulated a Stakeholder Engagement policy, which serves as the guiding principle for engaging with its stakeholders in a transparent and equitable manner, removing possibilities of any biases.

The policy link can be found on our website <https://cdn.muthootfinance.com/sites/default/files/pdf/Stakeholders-Engagement-Policy.pdf>

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (News, SMS, Newspaper, Email, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	<ul style="list-style-type: none"> • Meetings • E-mail • Other - Customer events; Customer feedback; Face to face interactions; Periodic customer satisfaction surveys 	Others- Need-based/ Quarterly Or as decided by the committee/Board of Directors from time to time	<p>Customer - centricity is the focal point of our entire business model. We are in the constant process of innovation to ensure that we are able to provide our customers a diversified set of offerings and a seamless and unmatched experience.</p> <p>We also carry out periodic customer satisfaction surveys to gauge any grievances or pain points that they may have, and subsequently working towards its redressal.</p>



Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (News, SMS, Newspaper, Email, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Local Communities	No	<ul style="list-style-type: none"> Community Meetings Other - Face to face interactions; Project based discussions; CSR activities 	Others- Need based/ Annually Or as decided by the committee/Board of Directors from time to time	<p>The company follows its core philosophy of social responsibility, through implementation of its CSR policy and positively impacting the community. MFL through its dedicated foundation, focuses its CSR activities into areas of - Environmental Development, Projects in Public Interest, Socio-economic development for the poor and underprivileged, Relief & Rehabilitation after natural disasters.</p> <p>We also engage, to ensure that activities in the economic development, society progress and environmental hazards and overall objective of quality of life are carried out diligently.</p>
Employees	No	<ul style="list-style-type: none"> Meetings E-mails SMS Notice board Other - Face to face interactions; Trainings; Periodic engagement surveys 	Others- need based	Our employees are the biggest drivers of our growth, and we place great emphasis on ensuring that we are able to create an environment devoid of prejudices that focuses on the overall development of our employees. We regularly engage with our employees to discuss areas of improvement and other strategy plans, career progression initiatives.
Vendors and Suppliers	Yes	<ul style="list-style-type: none"> Meetings Other - Supplier meets; Project based discussions 	Others- Need-based	Advances, financial terms with suppliers, availability of required supplies.
Government authorities and regulatory bodies	No	<ul style="list-style-type: none"> E-mail Meetings Other - Industry and regulatory forums; Need-based one-on-one discussions 	Others- Need-based/ Quarterly Or as decided by the committee/Board of Directors from time to time	Engagements and discussions pertaining to regulations, compliances.
Investors and lenders	No	<ul style="list-style-type: none"> Annual Reports Earnings calls Quarterly corporate governance reports Annual General Meetings Investor Meets 	Others- Need based/ Annually Or as decided by the committee/Board of Directors from time to time	The company periodically apprises and engages with their lenders and investors for updating on performance aspects such as overall growth, profitability, risks, future strategy etc.

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

MFL connects with its investors during earnings calls, quarterly meets, annual general meetings to share relevant information and to gain an understanding on their perspectives on MFL's overall strategy.

Through the increased digitalisation strategy of MFL, it interacts with customers via e-mails, online meetings, periodic customer satisfaction surveys and also face-to-face meetings seeking feedback on varied topics including ESG and tailor-make solutions and services accordingly.

Ongoing interactions are held with the employees of MFL through e-mails, meetings, periodic engagements, SMS and other communication channels to discuss areas of improvements and align their interests in terms of MFL's strategic priority areas.

Business Responsibility & Sustainability Reporting

MFL engages with regulatory agencies at industry and regulatory forums, through emails, need based one to one meeting, to discuss all aspects of regulations, policies and associated compliances.

Following its core philosophy of social responsibility MFL interacts with the communities, engaging with them through various focused CSR activities. Periodic community meetings to recognize their needs and accordingly design programs which may support it.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics. If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

For MFL, the stakeholder engagement policy guides consultations through which various environmental and social issues are identified and managed, as well as a feedback and opinion are sought from stakeholders. For example, our engagement with stakeholders and investors helps us identify key ESG material to them and requiring disclosure. These are taken further to be incorporated into policies of the company. MFL have also established an ESG framework policy which broadly provides the company’s strategy and overall commitment towards ESG related aspects. In general, the company based on its foundations of a robust Code of Conduct, tries to nurture ethical business and environment-friendly practices while keeping in mind employee wellbeing.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

MFL engages through its CSR strategy, by undertaking a number of programs and activities for the benefit of various social groups, with an emphasis on the marginalized, vulnerable, and underprivileged. Please refer Principle 8 (Leadership Disclosure) for more details.

PRINCIPLE 5: Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity:

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (A)	No. of employees / workers covered (B)	% (B/A)
Employees						
Permanent	27273	4899	18%	Monitoring mechanism was developed in FY 2022-23, data not captured in FY 2021-22.		
Other than permanent	0	0	0%			
Total	27273	4899	18%			
Workers						
Permanent	NA			NA		
Other than permanent	NA			NA		
Total	NA			NA		



2. Details of minimum wages paid to employees and workers:

Category	FY 2022-23					FY 2021-22				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (A)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (B)	% (B/A)	No. (C)	% (C/A)
Employees										
Permanent										
Male	21837	-	-	21837	100%	15853	-	-	15853	100%
Female	5436	-	-	5436	100%	3538	-	-	3538	100%
Other than Permanent										
Male	0	-	-	0	0%	4272	-	-	4272	100%
Female	0	-	-	0	0%	22	-	-	22	100%
Workers										
Permanent										
Male	NA	-	-	-	-	NA	-	-	-	-
Female	NA	-	-	-	-	NA	-	-	-	-
Other than Permanent										
Male	NA	-	-	-	-	NA	-	-	-	-
Female	NA	-	-	-	-	NA	-	-	-	-

3. Details of remuneration/salary/wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	13	11,512,300	1	2,090,000
Key Managerial Personnel	2	12,086,072	0	-
Employees other than BoD and KMP	21837	2,48,093	5436	2,92,658
Workers	NA		NA	

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?

Yes. All grievances, including human rights related grievances, are addressed through established procedure laid down in the Grievance redressal policy. The policy can be accessed at <https://cdn.muthootfinance.com/sites/default/files/pdf/Grievance-Redressal-Policy-for-Stakeholders.pdf>.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Muthoot Finance ensures it does not cause any human rights violations as a result of its operations or relationships.

- 1) The grievance can be reported in person or through letter/e-mail or over telephone.
- 2) A grievance once received will be acknowledged by the grievance owner, within three working days of the grievance being submitted.
- 3) Depending on the nature and severity of the grievance, the complaints can be made to respective department heads or branch heads.
- 4) The company has fixed timelines for grievance redressal based on the nature and severity of the complaint.
- 5) All complaints resolutions will be closed within a maximum period of 21 days.

Business Responsibility & Sustainability Reporting

6. Number of Complaints on the following made by employees and workers:

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	3	0	Raised complaints were resolved within the end of the year.	5	0	Raised complaints were resolved within the end of the year.
Discrimination at workplace	Nil	Nil	None	Nil	Nil	None
Child Labour	Nil	Nil	None	Nil	Nil	None
Forced Labour/ Involuntary Labour	Nil	Nil	None	Nil	Nil	None
Wages	Nil	Nil	None	Nil	Nil	None
Human Rights Issues	Nil	Nil	None	Nil	Nil	None

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The company has a robust Vigil mechanism by way of Whistle-blower policy (<https://www.muthootfinance.com/vigil-mechanism>)

- i. MFL shall promote a workplace which is devoid of harassment, discrimination, threats, mistreatment, intimidation, and victimization. Employees found violating this policy may be subjected to disciplinary procedures.
- ii. The Company will ensure fair treatment of all employees, giving due respect to their personal rights, privacy and dignity.
- iii. The career progression and employment opportunities provided shall be fair and equal.
- iv. Irrespective of the level, title, religion, race, belief, age, caste, color, nationality and ethnic origin, marital status, pregnancy, gender identity, sexual orientation, political affiliation and physical (dis)ability the communication between employees shall be kept respectful.
- v. MFL will ensure maintenance of an environment where employees are always encouraged to work together harmoniously and professionally; employees must not perceive that their background, lifestyle hinders their opportunities for growth and development.

8. Do human rights requirements form part of your business agreements and contracts?

The company recognizes the legal and moral responsibility to respect human rights of all its stakeholders. MFL is also committed in the compliance of the Human Rights Policy with the requirements of all applicable employment, labour and human rights laws. The policy not only applies to every employee but has also been extended to its value chain partners covering all operational offices/ branches under Muthoot Finance Ltd.

In line with this MFL intends to include clauses in its agreements / contracts with its value chain partners, for adherence of all applicable human rights laws and assessments on discrimination at workplace, sexual harassment, child labour, forced labour and minimum wages.



9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	-
Forced/involuntary labour	-
Sexual harassment	-
Discrimination at workplace	-
Wages	-
Others – please specify	-

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

Not Applicable

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.

MFL continuously monitors Human rights related concerns / complaints and ensures that the overall standards of human rights laws are adhered to. These include Prevention of sexual harassment, child labour, forced labour, discrimination at workplaces etc. The complaints which were raised during the reporting period were resolved within the close of the year.

2. Details of the scope and coverage of any Human rights due diligence conducted.

No

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

A majority of MFL's current offices are located on the Ground Floor. Therefore, these are generally accessible and some branches which are part of shopping complexes / malls also have ease of accessibility through ramps, elevators etc.

Even though the branches may not have specific facilities aimed at accessibility for the differently abled, going forward MFL is considering making the upcoming branches and offices accessible to differently abled employees and customers.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	-
Discrimination at workplace	-
Child Labour	-
Forced Labour/Involuntary Labour	-
Wages	-

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

Not Applicable

Business Responsibility & Sustainability Reporting

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (Gigajoules) and energy intensity:

Parameter	FY 2022-23	FY 2021-22
Total electricity consumption (A)	294,819	294,819
Total fuel consumption (B)	11,297	12,769
Energy consumption through other sources (C)	-	-
Total energy consumption (A+B+C)	306,117	307,589
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees) (GJ/INR)	0.0000029	0.0000028
Energy intensity (GJ/FTE)	15.44	15.86

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?

No

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No, none of our branches are covered under PAT scheme.

3. Provide details of the following disclosures related to water:

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	133,805*	130,889*
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	133,805	130,889
Total volume of water consumption (in kilolitres)	-	-
Water intensity per rupee of turnover (Water consumed / turnover) (KL/INR)	-	-
Water intensity (optional) - (KL/FTE)	6,750	6,750

* Standard proxies have been used for this calculation – 20 litres per day per employee has been considered for general purposes (use in toilets, handwash etc.) as per CGWA guidelines and 5 litres has been assumed for miscellaneous purpose. This was subsequently annualised considering 270 working days on an average¹.

Going forward MFL intends to devise a mechanism to monitor water consumption on an actual basis.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?

No

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

No. Zero Liquid Discharge does not particularly apply to the NBFC sector owing to its limited water consumption.

¹ Estimation of water requirement for drinking and domestic use <https://cgwa-noc.gov.in/LandingPage/Guidelines/NBC2016WatRequirement.pdf>



5. Please provide details of air emissions (other than GHG emissions) by the entity:

Parameter	Please specify unit	FY 2022-23	FY 2021-22
NOx	Tonnes	-	-
SOx	Tonnes	-	-
Particulate matter (PM)	Tonnes	-	-
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others – please specify	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?

No

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity:

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 1 emissions	Metric tonnes of CO2 equivalent	11,643	11,307
CO2	Metric tonnes of CO2	828	936
CH4	Metric tonnes of CO2 equivalent	1.74	1.93
N2O	Metric tonnes of CO2 equivalent	10.72	12.42
HCFCs	Metric tonnes of CO2 equivalent	9800	9447.2
HFCs	Metric tonnes of CO2 equivalent	1002.3	909.8
Total Scope 2 emissions (CO2)	Metric tonnes of CO2 equivalent	54,936	54,954
Total Scope 1 and Scope 2 emissions per rupee of turnover	Metric tonnes of CO2 equivalent / INR of turnover	0.00000052	0.00000050
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	Metric tonnes of CO2 equivalent / FTE	3.35	3.41

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?

No

7. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

The company has undertaken some initiatives to curb energy consumption leading to reduction in greenhouse gas emissions

- Compact Fluorescent Lamps in multiple branches of MFL were replaced with energy efficient LED lamps
- Conventional tube light signboards replaced with LED glow signboards
- Other initiatives such as buying second-hand laptops, used furniture also helps reduce the GHG emissions associated with production of new products.

Going forward MFL aims to initiate more such projects and implement closer monitoring for these.

Business Responsibility & Sustainability Reporting

8. Provide details related to waste management by the entity:

Parameter	FY 2022-23	FY 2021-22
Total Waste generated (in metric tonnes)		
Plastic waste (A)	Data not captured yet	Data not captured yet
E-waste (B)		
Bio-medical waste (C)		
Construction and demolition waste (D)		
Battery waste (E)		
Radioactive waste (F)		
Other Hazardous waste- ETP Sludge. (G)		
Non-hazardous waste generated (H):		
Total (A+B + C + D + E + F + G + H)	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled		
(ii) Re-used		
(iii) Other recovery operations		
Total		
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration		
(ii) Landfilling		
(iii) Other disposal operations (Sold to authorised recyclers)		
Total	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?

No

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes-

MFL intends to develop a robust waste management practice in line with the guidelines of the ESG framework, making efforts to dispose of waste in the most responsible manner. MFL is in the financial services sector, and most waste streams are non-hazardous comprising of office stationery, food waste etc.

MFL is conscious of paper usage in its operations, transactions, and customer communications. Being digitally inclusive, MFL is continuously striving to focus on digital transformation and paperless working. To reduce plastic usage, single use plastic water bottles are not being used in the MFL's corporate office.

MFL will ensure that no hazardous electronic waste is sent from MFL to the landfill. Many of these are being utilised using buyback policies with the vendor or refinishing them for extended usage. MFL have recently introduced E-pledge form and OTP based agreements across all its branches. Across its offices and in the branches, MFL is focused to reduce paper consumption, thereby reducing paper waste. Printing and photocopying operations by employees in the offices/branches are constantly being monitored and they are advised to use less papers and more software's.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details:

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not Applicable.			



11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable.					

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder. If not, provide details of all such non-compliances:

The company is compliant with all the environmental rules and regulations

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Not Applicable				

Leadership Indicators

1. Provide break-up of the total energy consumed (in GJ) from renewable and non-renewable sources:

Parameter	FY 2022-23	FY 2021-22
From renewable sources		
Total electricity consumption (A)	-	-
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	-	-
From non-renewable sources		
Total electricity consumption (D)	294,819	294,819
Total fuel consumption (E)	11,297	12,769
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	306,117	307,589

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? If yes, name of the external agency.

No

2. Provide the following details related to water discharged:

Parameter	FY 2022-23	FY 2021-22
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment		
- With treatment – please specify level of treatment		
(ii) To Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) To Seawater		
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third parties		
- No treatment		
- With treatment – primary, secondary and tertiary		
Total water discharged (in kilolitres)	-	-

Given our nature of business, water consumption and discharge are minimal and are not considered a significant environmental aspect.

At rented facilities, discharge is managed by the owner and treated through respective municipal treatment facilities.

Business Responsibility & Sustainability Reporting

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? If yes, name of the external agency

No

3. Water withdrawal, consumption, and discharge in areas of water stress (in kilolitres): For each facility / plant located in areas of water stress, provide the following information:

We do not have any operations in water stress areas

(i) Name of the area:

(ii) Nature of operations:

(iii) Water withdrawal, consumption, and discharge:

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
Total volume of water withdrawal (in kilolitres)	-	-
Total volume of water consumption (in kilolitres)	-	-
Water intensity per rupee of turnover (Water consumed / turnover)	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) Into Groundwater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) Into Seawater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)
If yes, name of the external agency.

No

4. Please provide details of total Scope 3 emissions & its intensity:

We do not measure Scope 3 emissions yet

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	-	-
Total Scope 3 emissions per rupee of turnover		-	-
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)
If yes, name of the external agency.

No



5. **With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

Not applicable since we do not have any operations in ecologically sensitive areas.

6. **If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives:**

Sr. No	Initiative undertaken	Details of the initiative	Outcome of the initiative
1	-	-	-
2	-	-	-
3	-	-	-
4	-	-	-

7. **Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

Yes, we have a detailed business continuity / disaster preparedness plan which can be found on the company website.

The objectives of disaster management are:

- Promoting a culture of prevention, preparedness and resilience at all levels through knowledge, innovation/ improvisation and education.
- Encouraging mitigation measures based on technology, traditional wisdom and environmental sustainability.
- Mainstreaming disaster management into the developmental/functional planning process.
- Establishing institutional and techno-legal frameworks to create an enabling environment and a compliance regime.
- Ensuring efficient mechanism for identification, assessment and monitoring of disaster risks.
- Following forecasting and early warning systems backed by responsive and failsafe communication with information technology support.
- Promoting a productive partnership with the stakeholders to create awareness and contributing towards capacity development.
- Ensuring efficient response and restoration with a caring approach towards the needs of the vulnerable/victims and customers.
- Undertaking reconstruction as an opportunity to build disaster resilient structures for ensuring safer workplaces.
- Promoting productive and proactive partnership with the stakeholders in disaster management.

8. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?**

The company intends to continually engage with its suppliers/value chain partners on the importance of environmental aspects as highlighted in the ESG framework policy and in general to create awareness through trainings or workshops as appropriate. As a part of its ongoing efforts, MFL intends to assess its value chain partners on any adverse impacts on the environment caused from their operations.

9. **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

Data not available

Business Responsibility & Sustainability Reporting

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. **Number of affiliations with trade and industry chambers/ associations.**

4

- b. **List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.**

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Federation of Indian Chamber of Commerce & Industries	National
2	Association of Gold Loan Companies	National
3	Confederation Of Indian Industry	National
4	Kerala Non-Banking Finance Companies Association	State

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities**

Company has not received any adverse order from the regulatory authority.

Name of authority	Brief of the case	Corrective action taken
	Not Applicable	

Leadership Indicators

1. **Details of public policy positions advocated by the entity**

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others - please specify)	Web Link, if available
-	-	-	-	-	-

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Not Applicable

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable					

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity:**

Not Applicable

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Not Applicable						



3. Describe the mechanisms to receive and redress grievances of the community.

Grievances of various stakeholders including community are addressed as per the Grievance Redressal Policy for Stakeholders available on the company website.

Weblink: <https://cdn.muthootfinance.com/sites/default/files/pdf/Grievance-Redressal-Policy-for-Stakeholders.pdf>

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/ small producers		
Sourced directly from within the district and neighbouring districts	Data not yet captured	

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
	Not Applicable

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent (In INR)
No CSR projects were undertaken in aspirational districts			

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

Yes

(b) From which marginalized /vulnerable groups do you procure?

Data not available

(c) What percentage of total procurement (by value) does it constitute?

Data not available

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge.

We have not engaged with any entity during the reporting period for deriving or sharing any benefits from the intellectual properties owned and acquired by us.

S. NO.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Not Applicable				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
Not Applicable		

Business Responsibility & Sustainability Reporting

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Muthoot Snehasraya	108100	100%
2	Muthoot Aashiyana	184	100%
3	Muthoot Higher Education Scholarship	59	Not available

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback -

The Company has a dedicated email ID viz. mails@muthootgroup.com and helpline numbers (South 99469 01212), (Rest of India -78348 86464, 88006 75111, 011 46697744) to serve as contact points for raising grievances and complaints. A grievance once received will be acknowledged by the grievance owner, within three working days of the grievance being submitted. The mode of communication shall be in written format, over telephone, e-mail or verbal.

Complaints received from Regulators will be resolved by Principal Nodal Officer at Head Office accordingly. The timelines as mandated by the respective regulator will be adhered to, as far as possible.

If a complaint is with respect to a particular branch, customer may contact the Branch Manager (BM) directly or by phone, e-mail, or any other means, to get their grievance redressed. BM shall strive to resolve the complaint within the next working day of receiving the grievance at the branch level itself.

If the grievance is not redressed within the next working day at the branch level itself, a complaint may be lodged to higher authorities. To ensure an effective complaint redressal mechanism, the company has put in place a complaint redressal system for all channel complaints.

To facilitate faster and complete resolution of complaints, a complaint letter /email should contain:

- Complainant's name, address, and contact details (e-mail id, phone / mobile numbers etc.)
- Relationship information of stakeholders with the organization.
- Details of previous complaint / request lodged, if any.
- Details and nature of the complaint.
- Name of the company and branch at which the complainant had encountered the cause of action leading to the complaint.
- Copies of supporting documents, wherever applicable.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not Applicable
Safe and responsible usage	Not Applicable
Recycling and/or safe disposal	Not Applicable


3. Number of consumer complaints in respect of the following:

	FY 2022-23			FY 2021-22		
	Received during the year	Pending resolution at end of year	Remark	Received during the year	Pending resolution at end of year	Remark
Data privacy	0	0		0	0	
Advertising	0	0		0	0	
Cyber-security	0	0		0	0	
Delivery of essential services	0	0		0	0	
Restrictive Trade Practices	0	0		0	0	
Unfair Trade Practices	0	0		0	0	
Other:			Complaints were received in the last month of the year. These were resolved successfully immediately after the close of FY 22-23			Complaints were received in the last month of the year. These were resolved successfully immediately after the close of FY 21-22
Loans & Advances	775			845		
Staff Behaviour	35			20		
Others	187	1		168	10	

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	Not Applicable	Not Applicable
Forced recalls	Not Applicable	Not Applicable

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy. -

Yes

The data privacy policy can be accessed at <https://www.muthootfinance.com/privacy-policy>

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services-

No corrective action was needed

Leadership Indicators
1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

The information can be accessed through our website <https://www.muthootfinance.com/>

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services

The Fair Practices Code from MFL has been framed with a view to provide to all its stake holders, especially customers an effective overview of the practices followed by the Company while offering its products and services. This has been prepared taking into account the "Guidelines on Fair Practices Code for NBFCs" issued by the RBI and is updated from time to time and aims to enable customers to take informed decisions in respect of the facilities and services offered by the Company.

Business Responsibility & Sustainability Reporting

Inspirational campaigns such as “Sunheri Soch”, enabled MFL to extend the reach deeper into mass audiences, influencing new and potential customers for the flagship Gold Loan product for which information was disseminated through offline and online channels.

Other campaigns like the “Haathi Pe Bharosa Karogey Toh Pakka Jeetogey”, had a multi-media release across television, print, outdoor, internet and point of sale, and turned out to be one of our most successful campaigns, translating into increase in gold loan conversions and visibility on digital platforms.

Digital initiatives like the Gold Unlocker, AI Powered chat engine, iMuthoot and Muthoot online were all strengthened to always provide customers with a seamless and safe digital experience with help within reach.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

The company tries to engage with its customers through various communication channels, and ensures they are updated on latest services and disruptions / changes if any. Modes of communication may include digital or offline channels based on the criticality of disruption. Information is usually disseminated through websites, letters, e-mails, SMS, various online Apps of MFL.

4. Does the entity display product information on the product over and above what is mandated as per local laws? If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Yes. The company maintains continuous and transparent communication with its customers and periodically conducts customer satisfaction surveys to improve on identified pain points. Product/service-related information is readily available on the website and also in branches. From time to time, branding and marketing campaigns also help display such information to the consumers. Other useful apps such as the iMuthoot and Muthoot online assist with product/service information transparency and awareness.

Going forward, the company intends to conduct annual customer satisfaction surveys to gain feedback on major products/services.

5. Provide the following information relating to data breaches:

a. Number of instances of data breaches along-with impact

No instances of data breach were reported or observed for FY 2023.

b. Percentage of data breaches involving personally identifiable information of customers

Not applicable since there were no data breaches.

For and On Behalf of the Board of Directors

Sd/-

George Jacob Muthoot

Chairman & Whole Time Director

DIN: 00018235

Sd/-

George Alexander Muthoot

Managing Director

DIN: 00016787

Place: Kochi,

Date: August 11, 2023

**ANNEXURE- 4****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:

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

Nil

2. Details of material contracts or arrangement or transactions at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangement/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
NIL					

For and On Behalf of the Board of Directors

Sd/-

George Jacob Muthoot

Chairman & Whole Time Director

DIN: 00018235

Sd/-

George Alexander Muthoot

Managing Director

DIN: 00016787

Place: Kochi,

Date: August 11, 2023

Report of the Board of Directors

ANNEXURE- 5

DECLARATION REGARDING RECEIPT OF CERTIFICATE OF INDEPENDENCE FROM ALL INDEPENDENT DIRECTORS

I, Mr. George Alexander Muthoot, Managing Director of the Company do hereby confirm that the Company has received from all the independent directors namely Mr. Vadakkakara Antony George, Mr. Chamacheril Mohan Abraham, Mr. Ravindra Pisharody, Justice (Retd.) Jacob Benjamin Koshy, Mr. Jose Mathew, Ms. Usha Sunny, and Mr. Abraham Chacko a certificate stating their independence as required under Section 149(6) of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Sd/-

George Alexander Muthoot

Managing Director

DIN: 00016787

Place: Kochi

Date: August 11, 2023



ANNEXURE- 6

Report On Corporate Governance

1. Company's Philosophy on Corporate Governance

Good corporate governance helps to build an environment of trust, transparency and accountability necessary for fostering long-term investment, financial stability and business integrity, thereby supporting stronger growth.

Effective fundamentals of Company which is 'unchanging values in changing time' is frequently lauded and followed practice in your Company and is the founding stone of your Company and key to effective governance and business with an unblemished track record.

The company's Philosophy of Corporate Governance is aimed at transparency in corporate decision-making, value creation, and keeping the interests of all stakeholders protected in the most inclusive way. The principal of inclusion has been the foundation of our business and governance practices.

Corporate Governance has always been an integral element of the Company to have a system of proper accountability, transparency, and responsiveness and for improving efficiency and growth as well as enhancing investor confidence. The company believes in sustainable corporate growth that emanates from the top management down through the organisation to the various stakeholders which is reflected in its sound financial system and enhanced market reputation.

Your Company had aligned and have its corporate governance practice in a manner to achieve the objectives of principles as envisaged in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

2. Board of Directors

A. Composition of Board

The Board of Directors of your Company has an optimum combination of Executive and Non-Executive Directors in compliance with the requirements of Regulation 17 of SEBI Listing Regulations, and Section 149 of the Companies Act, 2013 ("Act").

As of March 31, 2023, Company's Board consisted of 14 Directors of which 7 Directors are Executive Non-Independent Directors (50%) and 7 Directors are Independent Directors (50%). Your Company believes that the Independent Directors bring with them the rich experience, knowledge and practices followed in other companies resulting in imbibing the best practices followed in the industry.

The day-to-day management of affairs of your Company is managed by Managing Director and Whole-Time Directors who function under the overall supervision and guidance of the Board of Directors. The Board of Directors of your Company plays the primary role as the trustees to safeguard and enhance stakeholders' value through its effective decisions and supervision.

The names, categories, and other details of Directors as of March 31, 2023 are as follows:

Name of Directors	Category	Date of Present Appointment	Number of Directorships in Other Public Companies		Number of Committee positions held in other Public Companies		Directorship in other listed entity	
			Chairman	Member	Chairman	Member	Name of Listed Entity	Category
George Jacob Muthoot Chairman & Whole Time Director (DIN: 00018235)	Executive, Non-Independent (Promoter)	01 Apr 2020	0	3	0	1	Nil	NA
George Alexander Muthoot Managing Director (DIN: 00016787)	Executive, Non-Independent (Promoter)	01 Apr 2020	0	4	0	0	Nil	NA
George Thomas Muthoot Whole Time Director (DIN: 00018281)	Executive, Non-Independent (Promoter)	01 Apr 2020	0	3	0	0	Nil	NA

Report On Corporate Governance

Name of Directors	Category	Date of Present Appointment	Number of Directorships in Other Public Companies		Number of Committee positions held in other Public Companies		Directorship in other listed entity	
			Chairman	Member	Chairman	Member	Name of Listed Entity	Category
Alexander George Whole Time Director (DIN: 00938073)	Executive, Non-Independent (Promoter Group)	30 Sep 2020	0	1	0	0	Nil	NA
George Muthoot George Whole Time Director (DIN: 00018329)	Executive, Non-Independent (Promoter Group)	15 Dec 2021	0	2	0	0	Nil	NA
George Alexander Whole Time Director (DIN: 00018384)	Executive, Non-Independent (Promoter Group)	15 Dec 2021	0	3	0	1	Nil	NA
George Muthoot Jacob Whole Time Director (DIN: 00018955)	Executive, Non-Independent (Promoter Group)	15 Dec 2021	0	7	0	4	V Guard Industries Limited	Independent Director
Jose Mathew (DIN: 00023232)	Non-Executive, Independent	30 Sep 2020	0	0	0	0	Nil	NA
Jacob Benjamin Koshy (DIN: 07901232)	Non-Executive, Independent	30 Sep 2020	0	0	0	0	Nil	NA
Ravindra Pisharody (DIN: 01875848)	Non-Executive, Independent	31 Aug 2022	0	4	1	3	Savita Oil Technologies Limited	Independent, Non-Executive
Vadakkakara Antony George (DIN: 01493737)	Non-Executive, Independent	31 Aug 2022	0	2	0	1	Thejo Engineering Limited	Whole-time Director
Chamacheril Mohan Abraham (DIN: 00628107)*	Non-Executive, Independent	31 Aug 2022	0	1	1	0	Nil	NA
Usha Sunny (DIN: 07215012)	Non-Executive, Independent	30 Nov 2020	0	0	0	0	Nil	NA
Abraham Chacko (DIN: 06676990)	Non-Executive, Independent	18 Sep 2021	0	3	2	3	Nil	NA

*Mr. Chamacheril Mohan Abraham was appointed as a Director on the Board of Muthoot Finance Limited with effect from August 31, 2022.

Other directorships mentioned above do not include alternate directorships, directorships of private limited companies, Section 8 companies under the Act and of Companies incorporated outside India. Chairmanships/ Memberships of Board Committees include only Audit Committee and Stakeholders Relationship Committees. For determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of SEBI Listing Regulations.

All Independent Directors meet the criteria of independence as specified in SEBI Listing Regulations and the Act and have furnished individual declarations to the Board that they qualify the conditions of being an Independent Director in compliance of requirements under SEBI Listing Regulations and the Act. Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations

and Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation that exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management. Further, the Board is satisfied of the integrity, expertise, and experience (including proficiency in terms of Section 150(1) of the Act and applicable rules thereunder) of all Independent Directors on the Board. The Independent Directors have confirmed that they have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.



None of the Independent Directors are related to any other Directors on the Board of Directors in terms of the definition of “relative” given under the Act. Necessary disclosures regarding committee positions in other public companies as at March 31, 2023 have been made by the Directors.

None of the Directors on the Board:

- holds directorships in more than 10 public companies;
- serves as Director or as Independent Director in more than 7 listed entities; and
- who are the Executive Directors serves as Independent Director in more than 3 listed entities.

Whole Time Directors and Managing Director on the Board are related to each other.

Details of change in composition of the Board during the current and previous financial year

Sl. No.	Name of Director	Capacity	Nature of change	Effective date
1	Pratip Chaudhuri	Independent Director	Retirement	August 31, 2022
2	Chamacheril Mohan Abraham	Independent Director	Appointment	August 31, 2022

Meetings, Attendance of each of Directors and other Details

During the Financial Year 2022-23, your Board of Directors met 7 times on 18-04-2022, 26-05-2022, 06-08-2022, 12-08-2022, 10-11-2022, 06-02-2023 and 09-03-2023. Your Board has met at least once in a calendar quarter and the maximum gap between these Board Meetings did not exceed one hundred and twenty days. The requisite quorum was present for all the meetings. The composition and attendance of the Members in the Board meetings held during the FY 2022-23 and the Annual General Meeting (AGM) held on the 31st of August 2022 are as follows:

Name of Directors	AGM 31 August 2022	Board Meeting Dates							Held during the FY	Attended during the FY
		1 18-04- 2022	2 26-05- 2022	3 06-08- 2022	4 12-08- 2022	5 10-11- 2022	6 06-02- 2023	7 09-03- 2023		
George Jacob Muthoot	P	P	P	P	P	P	P	P	7	7
George Alexander Muthoot	P	P	P	P	P	P	P	P	7	7
George Thomas Muthoot	P	P	A	P	P	P	P	A	7	5
Alexander George	P	P	P	P	P	P	P	P	7	7
George Muthoot George	P	P	A	P	A	P	P	P	7	5
George Alexander	P	P	P	P	A	P	P	A	7	5
George Muthoot Jacob	P	P	P	P	P	P	P	P	7	7
Jose Mathew	P	P	P	P	P	P	P	A	7	6
Jacob Benjamin Koshy	P	P	P	P	P	A	P	P	7	6
Ravindra Pisharody	P	P	P	P	P	P	P	P	7	7
Vadakkakara Antony George	P	P	A	P	P	A	P	P	7	5
Pratip Chaudhuri*	P	P	P	P	P	-	-	-	4	4
Usha Sunny	P	P	P	P	P	P	P	P	7	7
Abraham Chacko	P	P	P	P	P	P	P	P	7	7
Chamacheril Mohan Abraham**	NA	NA	NA	NA	NA	P	P	P	3	3

P = Present; A = Absent, NA = Not Applicable

*Mr. Pratip Chaudhuri retired from the position of Independent Director with effect from August 31, 2022.

**Mr. Chamacheril Mohan Abraham was appointed as a Director on the Board of Muthoot Finance Limited with effect from August 31, 2022.

During FY 2022-23, information as mentioned in Part A of Schedule II of the SEBI Listing Regulations, was placed before the Board for its consideration.

Report On Corporate Governance

B. Meeting of Independent Directors

In compliance with requirement under Schedule IV of the Act and SEBI Listing Regulations, a separate meeting of the Independent Directors was held on 05 February 2023. The meeting was attended by all Independent Directors. Independent Directors, at the meeting, reviewed and discussed various matters as required under the Act and SEBI Listing Regulations.

C. Performance Evaluation of Board, Committees and Directors

The Board of Directors carried out annual evaluation of its own performance, its Committees and individual Directors based on the criteria and framework adopted by the Board and in accordance with the existing regulations.

The Board has identified the following skills / expertise / competencies fundamental for the effective functioning of the Company which are currently available with the Board:

Knowledge of Financial Service Industry	Understanding of the functioning of NBFC's across the length and breadth of the country and its regulatory jurisdictions.
Strategy and Planning	Appreciation of long-term trends, strategic choices, and experience in guiding and leading management teams to make decisions in uncertain environments.
Governance, Ethics and Regulatory Oversight	Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long term effective stakeholder engagements, and driving corporate ethics and values.
Audit, Risk Management, Internal Control	Experience in both internal and external audit of Companies / body corporates in financial services industry.

Pursuant to Regulation 34(3) read with Schedule V Part (C) (2)(h) of SEBI Listing Regulations, the Board of Directors has identified the following requisite skills/expertise and competencies of the Board of Directors for the effective functioning of the Company. The profiles of Directors are available on the website of the Company at <https://www.muthootfinance.com/our-directors>

Name of Directors	Skills / Expertise / Core Competencies			
	Knowledge of Financial Service Industry	Strategy and Planning	Governance, Ethics and Regulatory Oversight	Audit, Risk Management, Internal Control
George Jacob Muthoot Chairman & Whole Time Director	√	√	√	
George Alexander Muthoot Managing Director	√	√	√	√
George Thomas Muthoot Whole Time Director	√	√	√	
Alexander George Whole Time Director	√	√	√	
George Muthoot George Whole Time Director	√	√	√	
George Alexander Whole Time Director	√	√	√	
George Muthoot Jacob Whole Time Director	√	√	√	
Jose Mathew	√	√	√	√
Jacob Benjamin Koshy		√	√	
Ravindra Pisharody	√	√	√	√
Vadakkakara Antony George	√	√	√	√
Chamacheril Mohan Abraham	√	√	√	√
Usha Sunny	√	√	√	√
Abraham Chacko	√	√	√	√



The eligibility of a person to be appointed as a Director of the Company is dependent on whether the person possesses the requisite skill sets identified by the Board as above and whether the person is a proven leader in running a business that is relevant to the Company's business or is a proven academician in the field relevant to the Company's business. Being a company in the financial services industry, the Company's business runs across different geographical markets across the country. The Directors so appointed are drawn from diverse backgrounds and possess special skills/knowledge about the financial services industry.

The evaluation of performance of each Independent Director was carried out by all the directors except the Independent Director evaluated. The review of the performance of non-independent directors, the Board

as a whole, the Chairperson of the Company, quantity and timeliness of flow of information was carried out by independent directors of the Company. Criteria for evaluation includes qualification, experience, age, participation, attendance, knowledge, quality of discussion, beneficial contribution etc. Annual Performance Incentive and Commission payable to Directors were decided on the basis of performance review by the Board of Directors of your Company without the presence of the Director being reviewed.

The Committees were reviewed by the Board of Directors and whenever necessary the required changes are made in Committees by way of re-constitution to make them more effective by change in constitution and composition.

Brief profile of each of the directors on the Board are given below:

Sl. No.	Name of the Director & Designation	Profile
1.	George Jacob Muthoot Chairman & Whole Time Director	George Jacob Muthoot has a degree in civil engineering from Manipal University and is a businessman by profession. He has over three decades of experience in managing businesses operations in the field of financial services.
2.	George Alexander Muthoot Managing Director	George Alexander Muthoot is a chartered accountant who qualified with first rank in Kerala and was ranked 20 th overall in India, in 1978. He has a bachelor's degree in commerce from Kerala University where he was a gold medallist. He was also awarded the Times of India group Business Excellence Award in customised Financial Services in March 2009. He has over three decades of experience in managing businesses in the field of financial services.
3.	George Thomas Muthoot Whole Time Director	George Thomas Muthoot is a businessman by profession. He is an undergraduate. He has over three decades of experience in managing businesses operating in the field of financial services. He has received the 'Sustainable Leadership Award 2014' by the CSR congress in the individual category.
4.	Alexander George Whole Time Director	Alexander George is an MBA graduate from Thunderbird, The Garvin School of International Management, Glendale, Arizona, USA. He has been heading the marketing, operations, and international expansion of the Company. Under his dynamic leadership and keen vision, the Company has enhanced its brand visibility through innovative marketing strategies and has also implemented various IT initiatives that have benefitted both the customers and employees. Currently manages the entire business operations of North, East and West India of Muthoot Finance
5.	George Muthoot George Whole Time Director	George Muthoot George completed his Bachelor's Degree in Hospitality Management from Welcome group Graduate school of Hotel Administration in Manipal and Mr. George Muthoot George pursued his Master's degree at the prestigious Essec-Cornell University in Paris, France. George Muthoot George is also the recipient of the Distinguished Alumni award from Manipal University (2015) and the ITC Chairman's award for his contribution to the field of hospitality
6.	George Alexander Whole Time Director	George Alexander has done his Master's in Business Administration from University of North Carolina's Kenan & Flagler Business School and holds a Bachelor's degree in Mechanical Engineering from University of Kerala - TKM College of Engineering. He has over 15 years of experience in the field of financial services. He also serves on the board of three other subsidiary companies - Asia Asset Finance PLC, Muthoot Insurance Brokers Private Limited and Belstar Microfinance Limited. Prior to joining his family business, George Alexander had worked for Kotak Mahindra Bank in India.
7.	George Muthoot Jacob Whole Time Director	George Muthoot Jacob completed his Bachelor's degree in Law, BA.LLB (Hons), from the National University of Advanced Legal Studies, Kochi. Further, he did his LLM in International Economic Law from the University of Warwick, UK and his Masters in Management from CASS Business School, London. Mr. George Muthoot Jacob also serves as an Independent Director on the Board of V Guard Industries Limited, one of the listed Companies from Kerala.

Report On Corporate Governance

Sl. No.	Name of the Director & Designation	Profile
8.	Jose Mathew Independent Director	<p>Jose Mathew is a qualified chartered accountant. He was employed with Kerala State Drugs & Pharmaceutical Limited, a Government of Kerala undertaking from 1978 in various positions and demitted office as managing director in 1996 – 97. He also served as the secretary and general manager finance of Kerala State Industrial Enterprises, a holding company of Government of Kerala as the member of the first Responsible Tourism Committee constituted by Department of Tourism, Government of Kerala.</p> <p>He has been honoured with various awards and recognitions in tourism, including awards from Kerala Travel Mart. He was also honoured with the CNBC 'Awaaz' Award, for sustainability in Responsible Tourism in the year 2013.</p>
9.	Jacob Benjamin Koshy Independent Director	<p>Jacob Benjamin Koshy is the former Chief Justice of the High Court of Judicature at Patna. He specialized in indirect taxation, labour and industrial law and appeared in various courts throughout India. Elevated as a judge of the High Court of Kerala, he became the Acting Chief Justice of the High Court of Kerala in December 2008. He was appointed as chairman of the Appellate Tribunal for Forfeited Property New Delhi on April 08, 2010. In May 2010 he was given additional charge as chairman of the Appellate Tribunal under the Prevention of Money Laundering Act. At the request of the then Chief Minister of Kerala, he assumed charge as the chairperson of the Kerala State Human Rights Commission and on completion of the five-year tenure, retired on September 04, 2016.</p>
10.	Ravindra Pisharody Independent Director	<p>Ravindra Pisharody is a corporate business leader and management professional with over 35 years of experience across diverse industries. He super-annuated recently, in September 2017, as Whole- Time Director on the Board of Tata Motors Limited, where he was heading the Commercial Vehicles Business Unit. During his career, he has held national/ regional/ global leadership roles in Sales, Marketing, Business Management and Strategy Development. He also undertakes Coaching and Mentoring assignments.</p> <p>At Tata Motors, He was leading the large Commercial Vehicles Business with around ₹ 40,000 crores revenue; the business footprint included a sizeable overseas presence across over 25 countries. He chaired Joint Ventures including Tata-Cummins and Tata-Marcopolo, as well as overseas companies such as Tata Daewoo (Korea) and Tata Motors South Africa, and served on the boards of Indian subsidiaries like Tata Motors Finance Limited.</p> <p>His previous corporate roles include an 18-year stint with Philips India, where his last role was Vice-President, Consumer Electronics; and 8 years in BP/ Castrol, where he was a member of the Board of Directors of Castrol India Limited, and simultaneously Regional Director for Africa, Middle East and India, and subsequently based in Singapore as Head, Global Marketing for the Motorcycles and Scooters category.</p> <p>He is exposed to the business environment in most parts of the world, particularly in emerging markets as a result of overseeing the substantial growth in Tata Motor's international business and also his global role with BP Singapore. He has considerable expertise in retail and distribution models in the automotive, auto accessories and consumer durables industries.</p> <p>His expertise is in sales and marketing, as well as Business Strategy. He has also been active in industry bodies- he has been a member of the Advertising Standards Council of India (ASCI), a council member and subsequently Chairman of the Audit Bureau of Circulation (ABC), and Vice President of the Society of Indian Automobiles Manufacturers (SIAM) in 2016-17.</p>
11.	Vadakkakara Antony George Independent Director	<p>Vadakkakara Antony George (V.A. George) is a Certified Director in Corporate Governance by INSEAD, France. An Alumni of International Institute for Management Development (IMD), Lausanne; Mr. George has also participated in the Management Programmes of Harvard Business School and Stanford School of Business.</p> <p>Mr. George has more than four decades of experience in the corporate field, in both Public and Private sectors and was the Past Chairman of Equipment Leasing Association of India. Apart from being the Whole Time Director of Thejo Engineering Limited, Chennai; Mr. George is also an Independent Director on the Board of Belstar Microfinance Limited. He is an Adjunct Faculty at Loyola Institute of Business Administration and is also on the Governing Boards of three Higher Education Institutions. Mr. V.A. George holds a Bachelor's Degree in Mechanical Engineering and is also an Associate of the Indian Institute of Banking and Finance.</p>
12.	Usha Sunny Independent Director	<p>Mrs. Usha Sunny is an experienced banking professional with more than 3 decades of experience. Mrs. Usha Sunny has worked with Mashreq Bank PSC, Dubai, Standard Chartered Bank, Dubai, Indian Overseas Bank and Kerala State Drugs and Pharmaceuticals Limited in diversified roles. Mrs. Usha Sunny is a member of the Institute of Cost Accountants of India, New Delhi and holds a master's degree in Commerce from University of Kerala.</p>



Sl. No.	Name of the Director & Designation	Profile
13.	Abraham Chacko Independent Director	Mr. Abraham Chacko is an experienced banking professional with an experience of over 3 decades in India and abroad. During his early career, he served HSBC India for a period 14 years and has held varied roles over there. He was also the Country Manager in ABN AMRO Bank N.V before his elevation as the Executive Director at the Bank. He was also employed as the Executive Director at The Royal Bank of Scotland for a span of 2 years and he retired as Executive Director and the President - Treasury from The Federal Bank Limited, India, after serving for a period 4 years. Post retirement from a full-time career, he is currently the independent director of few companies.
14.	Chamacheril Mohan Abraham	Mr. Chamacheril Mohan Abraham is a senior finance professional and Chartered Accountant, having passed Intermediate and Final Examinations securing 11 th Rank (1974) and 13 th Rank (1976) respectively. He was the Vice Chairman and Managing director of J Thomas & Co. Pvt. Ltd, the largest and oldest tea auctioneers in the world. He retired from the Company on 31 st March 2015 after putting in 38 years of service and was Consultant for the Company till 31 st March 2016. He was a trustee of VAANI, Deaf Children's Foundation which is a registered Trust and works towards bringing language and communication into the lives of deaf children and their families across India. He was on the Board of Directors of J Thomas Finance Ltd., Tea Consultancy and Plantation Services (India) Ltd., and Tea Quotas Private Ltd. He was also member of Committee of Tea Trade Association and Chamber of Commerce. He is presently a Partner in Chartered Accountancy Firm, M/s. K J Anto & Co, Cochin.

Pursuant to Clause C(2)(i) of Schedule V read with Regulation 34(3) of SEBI Listing Regulations, in the opinion of the Board, all the independent directors fulfil the conditions as specified in the SEBI Listing Regulations and are independent of the management. Certificate from Company secretary in practice certifying that none of the Directors on the Board have been debarred or disqualified from being appointed or continuing as Director of the Company by SEBI/Ministry of Corporate Affairs or any other statutory authority is annexed as Annexure-D to this report.

D. Familiarisation Programme

The Company has adopted a structured orientation of Independent Directors at the time of their joining so as to familiarise them with the Company- its operations, business, industry and environment in which it functions and the regulatory environment applicable to it. The Company updates the members of Board of Directors on a continuing basis on any significant changes therein and provides them an insight to their expected roles and responsibilities so as to be in a position to take well-informed and timely decisions and contribute significantly to the Company.

The Company through its Managing Director/Senior Managerial Personnel makes presentations regularly to

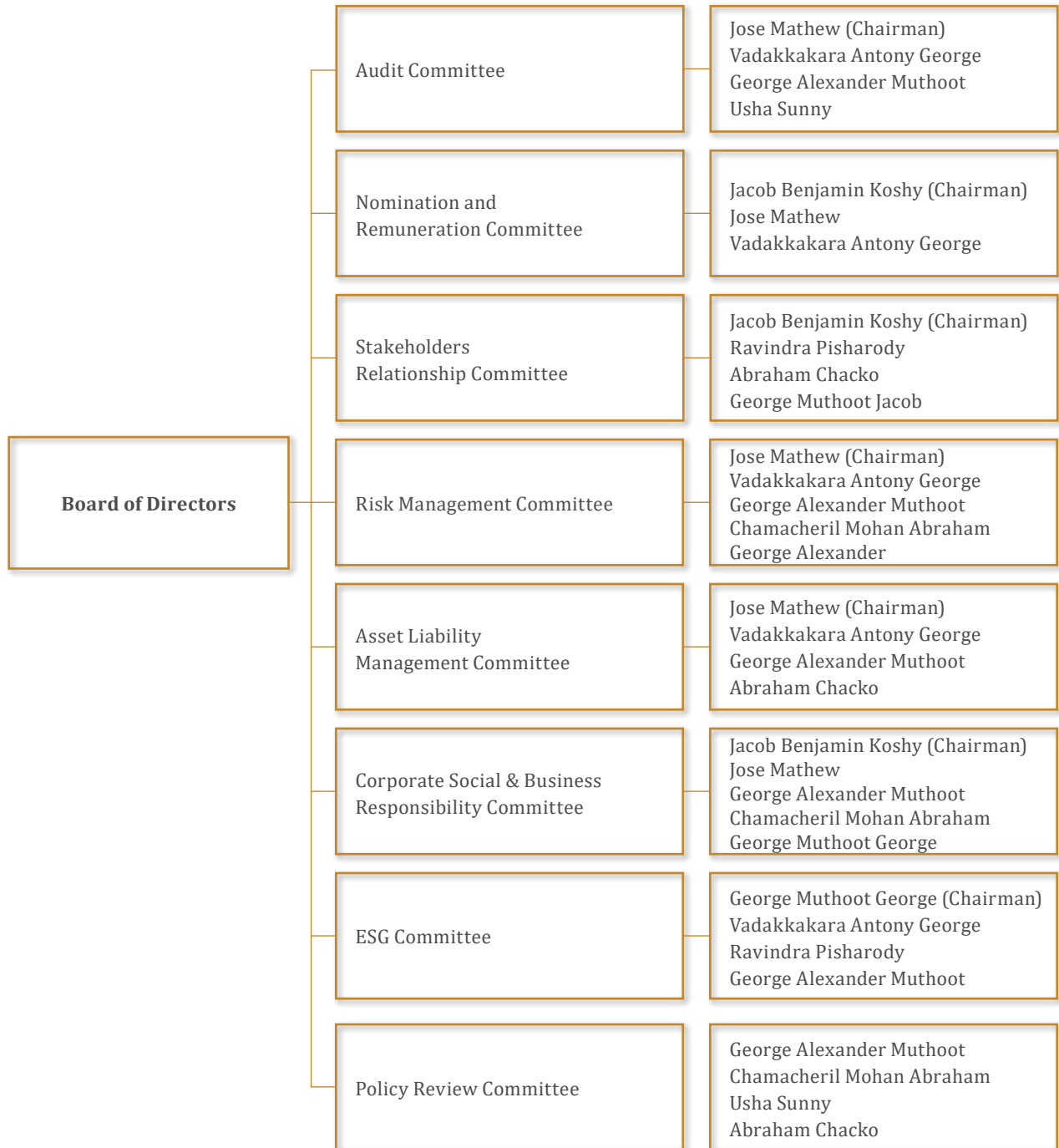
the Board and, the business strategies, operations review, quarterly and annual results, review of Internal Audit Report and Action Taken Report, statutory compliances, risk management, operations of its Subsidiaries etc. This enables the Directors to get a deeper insight into the operations of the Company and its subsidiaries. Functional Heads of various departments are required to give presentation in Board Meeting to familiarise the Board with their activities and allied matters. Company held a separate training and familiarisation programme for Independent Directors during the financial year which was conducted by experts to gain familiarisation with change in regulations especially in SEBI Listing Regulations and the Act and on allied matters including duties of Independent Directors and performance evaluation. The details of familiarisation program are available on the website of the company at www.muthootfinance.com

Committees and its terms of reference

The Board has constituted various sub-committees with specific terms of reference and scope in compliance with the provisions of the Act, SEBI Listing Regulations and RBI Directions. The composition of the Board Committees is available on the Company's website <https://www.muthootfinance.com/investors/board-committees> and are also stated herein.

Report On Corporate Governance

Details of various committees of the Board, as required to be constituted under various acts and regulations, as at March 31, 2023 are as under:



Audit Committee

The Audit Committee of the Board is constituted under Section 177 of the Act read with Rule 6 & 7 of Companies (Meetings of Board and its Powers) Rules, 2014, Regulation 18 of the SEBI Listing Regulations and Reserve Bank of India directions/ guidelines.



Composition and Attendance

As on March 31, 2023, the Audit Committee of the Board consisted of four Members out of which three are Non - Executive Independent Directors. All the Members of the Committee are financially literate and have accounting and financial management expertise. The Company Secretary of the Company acts as the Secretary to the Committee.

The composition and attendance of the Members at the Audit Committee meetings held during the FY 2022-23 are as follows:

Name of Directors	Designation in the Committee	Nature of Directorship	Audit Committee Meeting Dates						Held during the FY	Attended during the FY
			1	2	3	4	5	6		
			18.04.2022	25.05.2022	02.08.2022	11.08.2022	09.11.2022	05.02.2023		
Jose Mathew	Chairman	Independent Director	P	P	P	P	P	P	6	6
Vadakkakara Antony George	Member	Independent Director	P	P	P	P	A	P	6	5
George Alexander Muthoot	Member	Managing Director	P	P	P	P	P	P	6	6
Usha Sunny	Member	Independent Director	P	P	P	P	P	P	6	6

P = Present; A = Absent, NA = Not Applicable

Brief Terms of reference of the Audit Committee:

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees or any payment to statutory auditors for any other services;
- Reviewing, with the management, the annual financial statements and Auditors Report thereon before submission to the board for approval;
- Discussion with internal auditors on any significant findings and follow up there on;
- To review the functioning of the Whistle Blower mechanism;

- Approval or any subsequent modification of transactions of the Company with related parties;
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee is set up by the Board in compliance with the Section 178 (1) of the Act and Regulation 19 of the SEBI Listing Regulations. The Committee is entrusted with combined advisory responsibilities concerning the nomination for appointment or removal of Directors and Key Managerial Personnel and recommendation of remuneration policy. The Company Secretary of the Company acts as the Secretary to the Committee.

Composition and attendance

As at March 31, 2023, the Nomination and Remuneration Committee comprise of three Non - Executive Independent Directors.

The composition and attendance of the Members at the meetings of the Nomination and Remuneration Committee held during the FY 2022-23 are as follows:

Name of Directors	Designation in the Committee	Nature of Directorship	Nomination and Remuneration Committee Meeting Dates		Held during the FY	Attended during the FY
			1	2		
			25.05.2022	02.08.2022		
Jacob Benjamin Koshy	Chairman	Independent Director	P	P	2	2
Jose Mathew	Member	Independent Director	P	P	2	2
Vadakkakara Antony George	Member	Independent Director	P	P	2	2

P = Present; A = Absent, NA = Not Applicable

Report On Corporate Governance

Brief Terms of reference of the Nomination and Remuneration Committee:

- Identifying persons who are qualified to become Directors and who may be appointed as KMP's in accordance with Criteria as laid down and recommend to Board their appointment and removal;
- Review and carry out every Director's performance, the structure, size and composition including skills, knowledge and experience required of the Board compared to its current position and make recommendations to the Board with regard to any changes;
- Plan for the succession planning for directors in the course of its work, taking into account the challenges and opportunities facing the Company, and what skills and expertise are therefore needed on the Board in the future;
- Determine and agree with the Board the framework for broad policies for criteria for determining qualifications, positive attitudes and independence of a director and recommend to the Board policies, relating to remuneration for the Directors, Key Managerial Personnel and other employees;
- Review the on-going appropriateness and relevance of the remuneration policy;
- Formulate ESOP plans and decide on future grants;

Senior Management:

As at March 31, 2023, the Senior Management of the Company comprise of the following officials:

Details of remuneration paid to Directors including sitting fees paid during the FY 2022-23 are given below:

Sl. No.	Name of Directors	Category	Rupees in Millions				No. of equity shares held as on March 31, 2023
			Sitting fees	Salary Allowances & Perquisites	Commission Paid	Total	
1	George Jacob Muthoot	Chairman & Whole Time Director	-	222.06	-	222.06	4,36,30,900
2	George Alexander Muthoot	Managing Director	-	222.06	-	222.06	2,36,30,900
3	George Thomas Muthoot	Whole Time Director	-	222.06	-	222.06	4,36,30,900
4	Alexander George	Whole Time Director	-	222.06	-	222.06	2,22,89,710
5	George Muthoot George	Whole Time Director	-	20.74	-	20.74	2,22,89,710
6	George Alexander	Whole Time Director	-	20.74	-	20.74	1,75,25,000
7	George Muthoot Jacob	Whole Time Director	-	20.74	-	20.74	1,50,50,000
8	Jose Mathew	Independent Director	0.84	-	1.45	2.29	-
9	Jacob Benjamin Koshy	Independent Director	0.66	-	1.45	2.11	-
10	Ravindra Pisharody	Independent Director	0.62	-	1.45	2.07	-
11	Vadakkakara Antony George	Independent Director	0.61	-	1.45	2.06	-
12	Usha Sunny	Independent Director	0.64	-	1.45	2.09	-
13	Abraham Chacko	Independent Director	0.56	-	1.45	2.01	-
14	Chamacheril Mohan Abraham*	Independent Director	0.30	-	0.85	1.15	100

*Mr. Chamacheril Mohan Abraham was appointed as a Director on the Board of Muthoot Finance Limited with effect from August 31, 2022.

Name	Designation
Eapen Alexander	Executive Director (IT & Digital Initiatives)
K. R. Bijimon	Executive Director & Chief Operating Officer
Oommen K Mammen	Chief Financial Officer
Rajesh A	Company Secretary

There was no change in Senior Management during the financial year 2022-23.

Managerial Remuneration:

Board of Directors of your Company aligns the remuneration of Directors with the long-term interest of the Company and its stakeholders. The non-executive Independent Directors were paid sitting fees of ₹ 65,000/- for each of the Board meeting attended and ₹ 20,000/- for Committee Meetings attended. There are no other pecuniary relationships or transactions by Non-Executive Directors with the Company.

The Managing Director and Executive Directors of the Company were paid remuneration as per terms of their appointment. No other remuneration was paid to the Directors. The criteria for payment of remuneration to non-executive directors are in accordance with Nomination and Remuneration Policy of the Company and they are eligible for commission within limits approved by the shareholders of the Company. Company have not given any options under ESOP Plan to any members of Board of Directors.

Nomination and Remuneration Policy of the Company is available at website of the Company at www.muthootfinance.com/policy/policy-investor



Stakeholders Relationship Committee

In compliance with the provisions of Section 178 (5) of the Act and Regulation 20 of the SEBI Listing Regulations, the Board has constituted a Stakeholders Relationship Committee to redress the grievances of shareholders, debenture holders and other stakeholders. The Company Secretary of the Company acts as the Secretary to the Committee.

Composition and attendance

The composition and attendance of the Members at the Stakeholders Relationship Committee meetings held during the FY 2022-23 are as follows:

Name of Directors	Designation in the Committee	Nature of Directorship	Stakeholders Relationship Committee Meeting Dates				Held during the FY	Attended during the FY
			1	2	3	4		
			25.05.2022	11.08.2022	09.11.2022	05.02.2023		
Jacob Benjamin Koshy	Chairman	Independent Director	P	P	P	P	4	4
George Thomas Muthoot*	Member	Whole-Time Director	A	P	P	NA	3	2
Ravindra Pisharody	Member	Independent Director	P	P	A	P	4	3
George Muthoot Jacob**	Member	Whole-Time Director	NA	NA	NA	P	1	1
Abraham Chacko**	Member	Independent Director	NA	NA	NA	P	1	1

P = Present; A = Absent, NA = Not Applicable

* Mr. George Thomas Muthoot stepped down as a member of the committee with effect from November 10, 2022

**Mr. George Muthoot Jacob and Mr. Abraham Chacko were appointed as members of the committee with effect from November 10, 2022

Brief Terms of reference of the Stakeholders Relationship Committee:

- To approve or otherwise deal with applications for transfer, transmission, transposition and mutation of shares and certificates including duplicate, split, sub-division or consolidation of certificates and to deal with all related matters; and also to deal with all the matters related to de-materialisation or re-materialisation of securities, change in the beneficial holders of demat securities and granting of necessary approvals wherever required;
- To look into and redress shareholder's/investors grievances.

Status of Investor Complaints:

Pursuant to Regulation 13 (3) of SEBI Listing Regulations, the status of investor complaints received and redressed during the FY 2022-23 are as follows:

Sl. No.	Particulars	Equity	NCD's
1.	Number of investor complaints pending at the beginning of the year (i.e. 01.04.2022)	00	00
2.	Number of investor complaints received during the year (i.e. 01.04.2022 to 31.03.2023)	06	18
3.	Number of investor complaints redressed during year (i.e. 01.04.2022 to 31.03.2023)	05	18
4.	Number of investor complaints remaining unresolved at the end of the year (i.e. 31.03.2023)	01	00

Compliance Officer

Mr. Rajesh A, Company Secretary of the Company is the Compliance Officer for complying with the requirements of SEBI Listing Regulations.

Risk Management Committee

The Board of Directors has constituted a Risk Management Committee with members of the Board. The terms of reference of the Risk Management Committee include a periodical review of the risk management policy, risk management plan, implementing and monitoring the risk management plan, and mitigation of the key risks.

Report On Corporate Governance

The Risk Management Committee is constituted in line with the provisions of Regulation 21 of SEBI Listing Regulations.

The composition and attendance of the Members at the Risk Management Committee meetings held during the FY 2022-23 are as follows:

Name of Directors	Designation in the Committee	Nature of Directorship	Risk Management Committee Meeting Dates			Held during the FY	Attended during the FY
			1	2	3		
			25.05.2022	09.11.2022	05.02.2023		
Jose Mathew	Chairman	Independent Director	P	P	P	3	3
Vadakkakara Antony George	Member	Independent Director	P	A	P	3	2
George Alexander Muthoot	Member	Managing Director	P	P	P	3	3
George Alexander*	Member	Whole-time Director	NA	NA	P	1	1
Chamacheril Mohan Abraham*	Member	Independent Director	NA	NA	P	1	1

P = Present; A = Absent, NA = Not Applicable

*Mr. George Alexander and Mr. Chamacheril Mohan Abraham were appointed as members of the committee with effect from November 10, 2022

Risk Management Department periodically places its report on risk management to the Risk Management Committee of the Board of Directors. During the year, your Company has incorporated various practices and suggestion as directed by the Risk Management Committee which helped the Company in attaining an improved vigilance and security system, improved security of gold jewellery and cash, improved system of grading of branches, Regional Offices etc. The risk owners are accountable to the Risk Management Committee for identifying, assessing, aggregating, reporting and monitoring the risk related to their respective areas/ functions.

In line with the requirements of RBI notification, your Company has appointed a Chief Risk Officer to oversee the risk management practices within the organization.

Asset Liability Management Committee

Your Board has created an Asset Liability Management Committee to oversee the ALM position of the Company. The Asset Liability Management Committee is responsible for overseeing the liquidity position of the Company and liquidity risk management.

Composition and attendance

The composition and attendance of the Members at the meetings of the Asset Liability Management Committee held during the FY 2022-23 are as follows:

Name of Directors	Designation in the Committee	Nature of Directorship	Asset Liability Management Committee Meeting Dates				Held during the FY	Attended during the FY
			1	2	3	4		
			25.05.2022	11.08.2022	09.11.2022	05.02.2023		
Jose Mathew	Chairman	Independent Director	P	P	P	P	4	4
Vadakkakara Antony George	Member	Independent Director	P	P	A	P	4	3
George Alexander Muthoot	Member	Managing Director	P	P	P	P	4	4
Abraham Chacko*	Member	Independent Director	NA	NA	NA	P	1	1

P = Present; A = Absent, NA = Not Applicable

*Mr. Abraham Chacko was appointed as a member of the committee with effect from November 10, 2022



Brief Terms of reference of the Asset Liability Management Committee:

- To ensure that the asset liability management strategy and Company's market risk management policies are implemented.
- To provide a strategic framework to identify, assess, quality and manage market risk, liquidity risk, interest rate risk, price risk etc.
- To report to the Board of Directors on the adequacy of the Company's systems and controls for managing risk, and for recommending any changes or improvements, as necessary.
- To review and assess the management of funding undertaken by Company and formulate appropriate actions.
- To review and assess the management of the Company's liquidity with the framework and policies established by the Board, as the case may be, and formulate appropriate actions to be taken.
- To consider the significance of ALM of any changes in customer behaviour and formulate appropriate actions; and

Corporate Social & Business Responsibility Committee

In line with the requirements of Section 135 of the Act, your Board has constituted a Corporate Social & Business Responsibility Committee of the Board to oversee the CSR functions of the Company. The details of meetings of the Corporate Social & Business Responsibility

Committee including composition are provided in the Annual Report on Corporate Social Responsibility appended to the Annual Report.

Environment, Social, and Governance Committee

The Board instituted an Environmental, Social and Governance Committee ("ESG Committee"), with effect from August 06, 2021, to discharge its oversight responsibility on matters related to organization-wide ESG initiatives, priorities, and leading ESG practices.

Composition

The ESG Committee consists of following members:

Name of Member	Designation
Mr. George Muthoot George	Chairperson
Mr. Vadakkakara Antony George	Member
Mr. Ravindra Pisharody	Member
Mr. George Alexander Muthoot	Member

Brief Terms of reference of the ESG Committee:

- Overseeing Company's policies, practices, and performance with respect to ESG matters;
- Overseeing Company's reporting on ESG matters;
- Recommending to the Board the Company's overall general strategy with respect to ESG matters;
- Approving the reports on ESG;
- Delegating the authority to do any acts, deeds, and matters relating to ESG;

1. General Body Meetings

- i. Details of Annual General Meetings held during the previous 3 financial years and details of special businesses, if any, transacted are as under:

Financial Year	2021-22	2020-21	2019-20
Date and Time	August 31, 2022 03.30 PM	September 18, 2021 03.30 PM	September 30, 2020 10.30 AM
Place of Meeting	Meeting conducted through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM") pursuant to the Ministry of Corporate Affairs Circular.	Meeting conducted through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM") pursuant to the Ministry of Corporate Affairs Circular.	Meeting conducted through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM") pursuant to the Ministry of Corporate Affairs Circular.

Report On Corporate Governance

ii. Special Resolutions Passed during the previous 3 Annual General Meetings:

Date of AGM	Details of Special Resolution Passed
August 31, 2022	(i) Appointment of Mr. Chamacheril Mohan Abraham as an Independent Director (ii) Re-appointment of Mr. Ravindra Pisharody as an Independent Director (iii) Re-appointment of Mr. Vadakkakara Antony George as an Independent Director
September 18, 2021	(i) To alter Article 100 of the Articles of Association of the Company (ii) Appointment of Mr. George Muthoot George as Whole-time Director. (iii) Appointment of Mr. George Alexander as Whole-time Director. (iv) Appointment of Mr. George Muthoot Jacob as Whole-time Director. (v) Approval for revision in the terms of remuneration of Mr. Alexander George, Whole Time Director. (vi) Alteration of Clause IIIA (iii) of the Memorandum of Association of the Company
September 30, 2020	(i) Re-appointment of Mr. Alexander George as Whole Time Director of the Company for a period of 5 (five) years with effect from September 30, 2020. (ii) Re-appointment of Mr. Jose Mathew as an Independent Director for a term of 5 years. (iii) Re-appointment of Justice (Retd.) Jacob Benjamin Koshy as an Independent Director for a term of 3 years. (iv) Increase in borrowing powers of the Board of Directors under Section 180 (1)(c) of the Companies Act, 2013. (v) Consent for creation of charge, mortgage, hypothecation on the immovable and movable properties of the Company under Section 180(1) (a) of the Companies Act, 2013.

iii. No Extraordinary General meeting was held during the FY 2022-23.

iv. No ordinary nor special resolutions were proposed to be conducted through postal ballot during the FY 2022-23.

the Rules mandate that the shares on which dividend has not been claimed / encashed for seven consecutive years or more be transferred to the IEPF. The details of unclaimed dividend are available on the Company's website www.muthootfinance.com. During the financial year 2022-23, the Company had transferred 2980 equity shares to the IEPF.

2. Remuneration to Auditors

The details of total fees paid to the Statutory Auditors and all entities in the network firm/ network entity of which the statutory auditor is a part, during the FY 2022-23 for all the services rendered by them is given below:

Particulars	Amount (₹ in millions)
Statutory audit fees (Including Limited Review)	7.50
Other services	1.82
Reimbursement of expenses	-
Total	9.32

In order to educate the shareholders and with an intent to protect their rights, the Company also sends regular reminders to shareholders to claim their unclaimed dividends / shares before it is transferred to IEPF. Shareholders may note that both the unclaimed dividends and corresponding shares transferred to IEPF, including all benefits accruing on such shares, if any, can be claimed from IEPF following the procedure prescribed in the Rules. No claim shall lie in respect thereof with the Company.

3. Transfer of unclaimed/unpaid amounts to the Investor Education and Protection Fund:

Section 124 of the Act, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the Rules"), as amended, mandates that companies transfer dividend that has remained unclaimed / un-encashed for a period of seven years from the unpaid dividend account to the Investor Education and Protection Fund (IEPF). Further,

4. General Shareholder information

a. Company Registration Details

The Company is registered in the state of Kerala, India. The Corporate Identity Number allotted to the Company by the Ministry of Corporate Affairs is L65910KL1997PLC011300. The Company is a Systemically Important Non-Deposit Taking NBFC, registered with Reserve Bank of India.

**b. 26th Annual General Meeting**

Date	Time	Venue
September 29, 2023	3:30 PM (IST)	Through Video Conference

As required under SEBI Listing Regulations, particulars of Directors seeking appointment/ re-appointment at the forthcoming Annual General Meeting are given in the Annexure to the Notice of the 26th AGM to be held on September 29, 2023.

c. Financial Year : April 01, 2022 to March 31, 2023

d. Date of Book Closure : As mentioned in the Notice of AGM

e. Dividend Pay-out Date : Interim dividend for the FY 2022-23 was declared on April 06, 2023 and paid on May 03, 2023.

f. Listing Details

ISIN of Equity Shares : INE414G01012

Name and address of the Stock Exchange	Scrip Code	Status of Listing Fee for the FY 2022-23
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	533398	Paid
National Stock Exchange of India Limited Exchange Plaza, Plot No. C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051	MUTHOOTFIN	Paid

NCD's issued by the Company through Public Issue are listed in BSE Limited and National Stock Exchange of India Limited and Senior Secured Notes issued by the Company are listed in the International Securities Market of the London Stock Exchange.

g. Annual Custody Fee to Depositories

Annual Custody/Issuer Fees for the FY 2022-23 have been paid to CDSL and NSDL.

h. Stock market price data (in ₹ Per share)

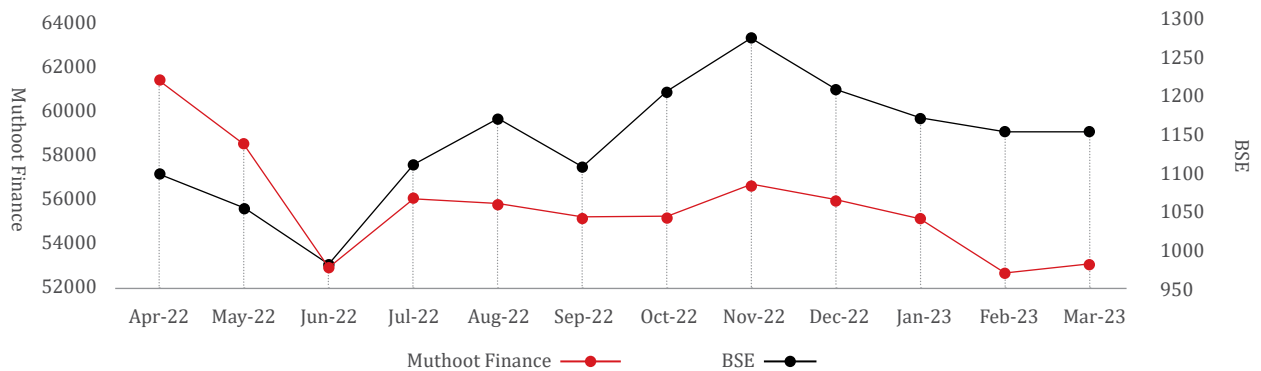
The high and low market price data and the volume of shares traded during each month of the FY 2022-23:

Month	National Stock Exchange of India Limited (NSE)			BSE Limited (BSE)		
	High Price	Low Price	No. of shares traded	High Price	Low Price	No. of shares traded
April 2022	1384	1247	5,27,618	1384.00	1247.50	4,77,725
May 2022	1291.95	1026.7	7,57,985	1291.40	1029.00	7,28,118
June 2022	1151	960.4	6,59,955	1151.00	961.05	5,65,324
July 2022	1091.6	977.1	6,75,532	1091.65	976.55	6,60,510
August 2022	1213.95	1009.3	9,96,864	1212.75	1002.25	13,89,643
September 2022	1067.1	950.2	7,95,004	1067.00	950.05	9,56,177
October 2022	1074.4	1007.45	4,42,274	1074.00	1008.00	11,06,581
November 2022	1141	1036.55	6,38,089	1140.65	1040.85	7,87,322
December 2022	1158.75	1023.35	5,28,813	1158.75	1033.05	3,91,386
January 2023	1102.65	1001	4,23,811	1101.25	1001.00	2,67,380
February 2023	1057.95	947.4	5,03,621	1057.40	948.00	3,74,378
March 2023	989.35	911.25	5,02,582	989.00	911.40	3,56,882

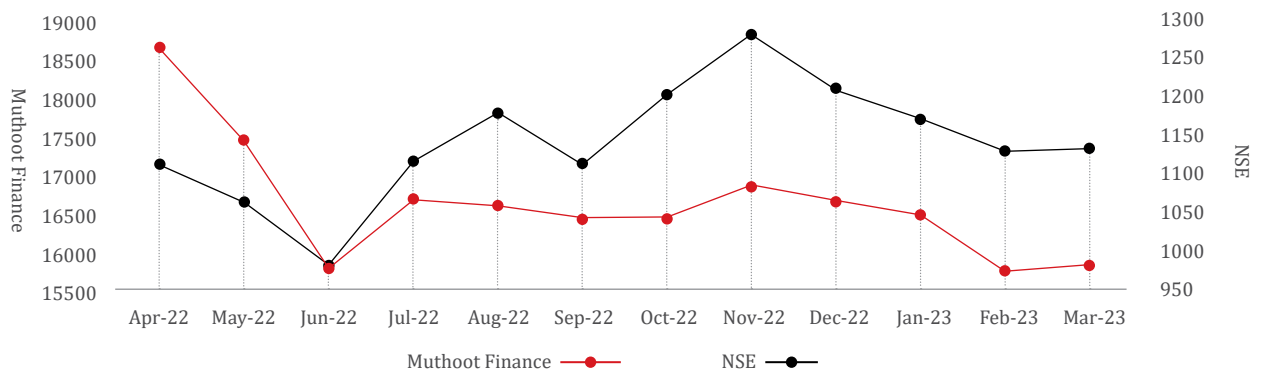
Report On Corporate Governance

i. Performance of the share price in comparison (based on closing prices) to broad-based indices during the FY 2022-23

Muthoot Finance vs Sensex



Muthoot Finance vs Nifty



j. Registrar and Share Transfer Agents

Link Intime India Private Limited
 Surya, 35, Mayflower Avenue
 Behind Senthil Nagar,
 Sowripalayam Road,
 Coimbatore - 641 028
 Tel: + 91 422 - 2314792, 2315792
 Fax: + 91 422 - 2314792
 Email: coimbatore@linkintime.co.in
 Contact Person: S Dhanalakshmi

shareholders are not allowed to transfer any shares in the physical form and hence, the dematerialisation of the shares is mandatory for transfer of shares. Thus, the Company encourages the holding of shares in dematerialized form. The shares held in dematerialized form can be transferred through the depositories without the Company's involvement.

k. Share transfer system

The shareholders are free to hold the Company's shares either in physical form or in dematerialized form. However, with effect from April 01, 2019, the

Pursuant to Regulation 40 (9) of the SEBI Listing Regulations, the Company obtains a certificate from a Company Secretary in Practice on a yearly basis to the effect that all the transfers are completed within the statutory stipulated period. A copy of the said certificate has been submitted to both the Stock Exchanges, where the shares of the Company are listed.



l. Category-wise summary of Shareholding as on March 31, 2023

Category	No. of Shares	% of Holding
Promoter and Promoter Group	29,44,63,872	73.35
Mutual Fund	4,53,32,506	11.29
Alternate Investment Funds	11,96,456	0.30
Foreign Portfolio Investor	3,76,05,362	09.37
Financial Institutions / Banks	272	0.00
Provident Funds/ Pension Funds	18,44,947	0.46
Insurance Companies	24,45,676	0.61
Others including Public	1,85,59,140	4.62
Total	40,14,48,231	100.00

m. Distribution of Shareholding as on March 31, 2023

Category (Shares)	No. of Holders	% of Holders	No. of Shares	% of Shares
1 - 500	275292	98.6752	93,28,262	2.32
501 - 1000	1,815	0.6506	13,00,957	0.32
1001 - 2000	903	0.3237	12,82,710	0.32
2001 - 3000	216	0.0774	5,30,356	0.13
3001 - 4000	98	0.0351	3,47,166	0.09
4001 - 5000	61	0.0219	2,77,875	0.07
5001 - 10000	188	0.0674	13,59,706	0.34
10001 and above	415	0.1488	38,70,21,199	96.41
Total	2,78,988*	100.00	40,14,48,231	100.00

*As on the end of March 31, 2023, the number of shareholders based on demat accounts are 2,78,988 and based on PAN are 2,72,148. There is a difference in the number of shareholders based on demat and PAN since shareholders can have multiple demat accounts under a single PAN.

n. Top ten Equity Shareholders of the Company as on March 31, 2023

Sl. No.	Name of the Shareholders	Number of Shares	Percentage (%)
1.	George Jacob Muthoot	4,36,30,900	10.87
2.	George Thomas Muthoot	4,36,30,900	10.87
3.	Susan Thomas	2,99,85,068	7.47
4.	Sara George	2,90,36,548	7.23
5.	SBI Mutual Fund	2,66,83,492	6.65
6.	George Alexander Muthoot	2,36,30,900	5.89
7.	Alexander George	2,22,89,710	5.55
8.	George Muthoot George	2,22,89,710	5.55
9.	Eapen Alexander	1,75,25,000	4.37
10.	George Alexander	1,75,25,000	4.37

*Top ten equity shareholders calculated based on PAN based shareholders data as on March 31, 2023.

o. Dematerialization of shares

The Company has arrangements with both National Securities Depositories Limited and Central Depository Services (India) Limited to establish electronic connectivity of our shares for scrip-less trading. The shareholders can hold the Company's shares with any of the depository participants, registered with these depositories. The ISIN for the shares of the Company is INE414G01012.

As on March 31, 2023, 99.99% of shares of the Company were held in dematerialized form.

p. Shares in Suspense Account

No equity shares of the Company are held in demat-suspense account/unclaimed suspense account as on March 31, 2023.

q. Outstanding Global Depository Receipts (GDRs) or American Depository Receipts (ADRs) or Warrants or any Convertible instruments, conversion date and likely impact on equity:

The Company does not have any outstanding GDRs/ADRs/ Warrants or any Convertible instruments as on date.

r. Branch locations:

Company has 4,739 branches as on March 31, 2023. The details of locations are available on the Company's website at: <https://www.muthootfinance.com/branch-locator>

s. Commodity price risk or foreign exchange risk and hedging activities:

The Company had no exposure to commodity and commodity risk during the FY 2022-23. Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency risk for the Company arises majorly on account of foreign currency borrowings and investments in foreign subsidiary companies. The Company's foreign currency exposures are managed in accordance with its Foreign Exchange Risk Management Policy which has been approved by its Board of Directors. The Company has hedged its foreign currency risk on its foreign currency borrowings as on March 31, 2023 by entering into cross currency swaps and forward contracts with the intention of covering the entire term of foreign currency exposure.

Report On Corporate Governance

The Company's exposure on account of Foreign Currency Borrowings are provided in the Notes forming part of the financial statements.

t. Address for Correspondence

Muthoot Finance Limited
2nd Floor, Muthoot Chambers
Opposite Saritha Theatre Complex
Banerji Road, Ernakulam - 682 018
Kerala, India
Tel: (+91 484) 2396478, 239 4712
Fax: (+91 484) 239 6506, 2397399
Website: www.muthootfinance.com
Email: mails@muthootgroup.com

u. Credit Rating

The list of all credit ratings for all debt instruments and other instruments enjoyed by the Company as on March 31, 2023 are as under.

Credit Rating Agency	Instrument	Rating as on March 31, 2023	
CRISIL	Commercial Paper	CRISIL A1+	
	Subordinated Debts	CRISIL AA+/Stable	
	Non-Convertible Debentures	CRISIL AA+/Stable	
ICRA	Commercial Paper	[ICRA] A1+	
	Short Term Bank Borrowings	[ICRA] A1+	
	Long Term Bank Borrowings	[ICRA]AA+(Stable)	
	Subordinated Debts	[ICRA]AA+(Stable)	
	Non-Convertible Debentures	[ICRA]AA+(Stable)	
	International Ratings		
	(i) Fitch Ratings	External	BB(Stable)
(ii) S&P Global	Commercial Borrowings	BB(Negative)	
(iii) Moody's Investors Service		Ba2/(Stable)	

5. Other Disclosures

Particulars	Statutes	Details	Website link for details/policy
Monitoring of Subsidiary Companies	Regulation 24 of the SEBI Listing Regulations	The audit committee reviews the consolidated financial statements of the Company and the investments made by its unlisted subsidiary companies. The minutes of the Board meetings along with a report on significant developments of the unlisted subsidiary companies are periodically placed before the Board of Directors of the Company. The Company does not have any material unlisted subsidiary company as at March 31, 2023. The Company has a policy for determining 'material subsidiaries' which is disclosed on its website. The Company does not have any Material Subsidiaries as at March 31, 2023. Presentation on the financial and operational performance of each of the subsidiary companies are regularly made to the Board of Directors of the Company.	www.muthootfinance.com/policy/policy-investor
Related Party Transaction	Regulation 23 of SEBI Listing Regulations and as defined under the Act	In the opinion of the Board of Directors, there are no materially significant related party transactions during the year under review made by the Company with Promoters, Directors, Key Managerial Personnel or their relatives or other designated persons which may have a potential conflict with the interest of the Company at large. Further, there were no material related party transactions which required approval of shareholders under SEBI Listing Regulations. The details of the related party transactions are disclosed in the notes on accounts, forming part of Financial Statements. The Company had obtained approval of the Audit Committee for all related party transactions. Further, all related party transactions entered into by the Company were on arm's length basis and are in the ordinary course of its business. Omnibus approval was obtained for the transactions of repetitive nature.	https://www.muthootfinance.com/policy-investor



Particulars	Statutes	Details	Website link for details/ policy
Proceeds of the Public issue		Moneys raised through Public Issue of Equity Shares as well as Public Issues of Secured Non-Convertible Debentures have been utilized for the purposes, as disclosed in the Prospectus/ Offer Documents, for which it was raised and there has been no deviation as on date in the utilisation of the moneys so raised. Details of debentures issued through public issues are disclosed in the financial statements of the Company.	
Shares in demat suspense account	Regulation 34(3) and Part F of Schedule V to the SEBI Listing Regulations	As at March 31, 2023, no equity shares of the Company are held in demat suspense account.	
Details of non-compliance by the Company, penalty, strictures imposed on the Company by the stock exchange, or Securities and Exchange Board of India or any statutory authority on any matter related to capital markets during the last three financial years.	Schedule V (C) 10(b) to the SEBI Listing Regulations	There were no instances of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any other statutory authority on any matter related to Capital Market during the last three financial years. Company has been regular in filing necessary returns with regulators and all necessary information with the Stock Exchanges where the shares and securities are listed.	
Terms of Appointment of Independent Directors	Regulation 46 of SEBI Listing Regulations and Section 149 read with Schedule IV to the Act	Terms and conditions of appointment/re-appointment of Independent Directors are available on the Company's website.	https://www.muthootfinance.com/themes/bartik/uploads/ID_Terms_of_Appointment.pdf
Whistle Blower Policy & Vigil Mechanism	Regulation 22 of SEBI Listing Regulations	The Company has formulated a comprehensive Whistle Blower Policy in line with the provisions of Section 177 (9) & 177 (10) of the Companies Act, 2013 and Regulation 4 (2) (d) (iv) & 34 (3) read with Para 10 of Part C of Schedule V of the SEBI Listing Regulations with a view to enabling stakeholders, including directors, individual employees and their representative bodies to freely communicate their concerns about illegal or unethical practices and to report genuine concerns to the Audit Committee of the Company. It outlines the method and process for various stakeholders to voice genuine concerns about unethical conduct that may be in breach with the employees' Code of Conduct. Board of Directors affirms that no personnel were denied access to the audit committee.	https://www.muthootfinance.com/policy-investor
Code of Conduct	Regulation 17 (5) of the SEBI Listing Regulations	The Company has put in place a Code of Conduct for Directors and Senior Management. This code for Directors and Senior Management is intended to focus the Board and Senior Management on areas of ethical risk, provide guidance to Directors and Senior Management to help them recognize and deal with ethical issues, provide mechanisms to report unethical conduct and to help foster a culture of honesty and accountability. Pursuant to the Regulation 26 (3) of SEBI Listing Regulations, all the members of the Board and Senior Management Personnel affirmed compliance with this code and a declaration by the Managing Director confirming the adherence to this code is annexed as <i>Annexure A</i> to this report.	https://www.muthootfinance.com/policy-investor

Report On Corporate Governance

Particulars	Statutes	Details	Website link for details/ policy
CEO/CFO Certification	Regulation 17 (8) of the SEBI Listing Regulations	The certificate, duly signed by the Managing Director and Chief Financial Officer for the financial year ended March 31, 2023 was reviewed by the Board of Directors. The same is annexed as <i>Annexure B</i> to this report.	
Compliance Certificate on Corporate Governance		<p>The Company has complied, in all material respects, with the conditions of corporate governance, as stipulated in the SEBI Listing Regulations during the year ended March 31, 2023.</p> <p>The compliance certificate on Corporate Governance received from the Joint Statutory Auditors of the Company confirming the compliance with the conditions of Corporate Governance as stipulated under SEBI Listing Regulations is annexed as <i>Annexure C</i> to this report.</p>	
Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013	Section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014	<p>The Company has in place a Policy on Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace and an Internal Complaints Committee in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder for reporting and conducting inquiry into the complaints made by the victim on the harassments at the work place. The functioning of the Committee was carried out as per letter and spirit contained in the provisions of the Act.</p> <p>The Internal Complaints Committee looks into the complaints of aggrieved women employees, if any, and is instrumental in:</p> <ul style="list-style-type: none"> • Promoting gender equality and justice and the universally recognized human right to work with dignity; and • Prevention of sexual harassment of women at the workplace. <p>Details/status of complaints filed in the FY 2022-23 are shown in the Board's Report of the Company.</p>	
Disclosure of certain type of agreements binding listed entities	Para G of Schedule V of SEBI Listing Regulations read with clause 5A of para A of Part A of Schedule III of SEBI Listing Regulations	The company has not entered into any agreements falling under the provisions of clause 5A of paragraph A of Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations.	
General Disclosures		Board of Directors of your Company periodically discuss, review and decides upon matters related to policy formulations, appraisal of performances, overall supervision and control of your Company, review to Compliance Reports pertaining to compliance of all laws prepared by the management etc. Board of Directors of your Company have also delegated various powers to Committees which monitors day to day activities of your Company. Notice and Agendas setting out the business to be transacted are being sent to Directors in advance by complying necessary regulations in this regard. In some instances, documents which are primarily price sensitive information are tabled at meetings and presentations are also made by Senior Executives on matters related to them in the Board as well as Committee meetings. Your Company also have suitable policies on Code of Conduct for Directors and Senior Management, Code of conduct of Independent Directors, plans for succession of Board of Directors. Your Company has complied with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub regulation (2) of Regulation 46 of SEBI Listing Regulations.	



6. Means of communication

The quarterly, half yearly and annual results were published in leading national dailies and regional dailies. The Company is also maintaining a functional website <https://www.muthootfinance.com/> wherein all the communications are updated including the quarterly financial results of the Company. Presentations made to the institutional investors and analysts after declaration of the quarterly results are also displayed on the web site of the Company. The Annual reports containing the Audited Annual Accounts, Auditors' Reports, Boards' Report, the Management Discussion and Analysis Report forming part of Boards' Report and other material information are circulated to the members and others entitled thereto. Annual Reports of the Company are emailed to all shareholders who have provided their email IDs in the records of the Depository. All the disclosures and communications to be filed with the Stock Exchanges were submitted through e-filing platform/email and there were no instances of non-compliances.

7. Adoption of Mandatory and Non-Mandatory requirements of Part E of Schedule II of SEBI Listing Regulations:

Your Company has complied with all the mandatory requirements as stipulated in SEBI Listing Regulations and fulfilled the following non - mandatory requirements:

- The Report of the Statutory Auditors on the financial statement of the Company for the FY 2022-23 doesn't contain any qualification or reservation.
- The position of Chairman and Managing Director are held by different individuals; and
- Internal Auditor of the Company directly reports to the Audit Committee of the Board.

For and On Behalf of the Board of Directors

Sd/-
George Jacob Muthoot
Chairman & Whole Time Director
DIN: 00018235

Place: Kochi,
Date: August 11, 2023

Sd/-
George Alexander Muthoot
Managing Director
DIN: 00016787

Report On Corporate Governance

ANNEXURE A

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

To,

The Members of Muthoot Finance Limited

I hereby confirm that the Company has obtained from all the members of the Board and designated senior management employees of the Company, affirmation that they have complied with "Code of Conduct for Board Members and Senior Management" ("Code") of the Company for the financial year ended March 31, 2023.

Place: Kochi

Date: August 11, 2023

Sd/-

George Alexander Muthoot

Managing Director

DIN: 00016787



ANNEXURE B

CEO / CFO CERTIFICATION

The Board of Directors
Muthoot Finance Limited
Kochi - 18

We, George Alexander Muthoot, Managing Director, and Oommen K Mammen, Chief Financial Officer of Muthoot Finance Limited to the best of our knowledge and belief, certify that:

- A. We have reviewed financial statements and the cash flow statement for the year ended on March 31, 2023 and that to the best of our 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. There are, to the best of our 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. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity 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. We 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 we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-
George Alexander Muthoot
Managing Director

Sd/-
Oommen K Mammen
Chief Financial Officer

Place: Kochi
Date: May 19, 2023

Report On Corporate Governance

ANNEXURE C

INDEPENDENT AUDITORS' CERTIFICATE

ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE

AS PER THE PROVISIONS OF CHAPTER IV OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 (AS AMENDED)

To,
The Members
Muthoot Finance Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated January 12, 2023.
2. We have examined the compliance of conditions of Corporate Governance by Muthoot Finance Limited ("the Company") for the year ended March 31, 2023, as stipulated in Regulations 17 to 27 and clauses (b) to (i) & (t) of Regulation 46(2) and Para C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, to the extent applicable ("Listing Regulations").

Management's Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditors' Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance during the year ended March 31, 2023. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance of conditions of Corporate Governance by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India ("ICAI"), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.



Opinion

8. Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied, in all material respects, with the conditions of corporate governance, as stipulated in the Listing Regulations during the year ended March 31, 2023.
9. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Restriction on Use

10. This Certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose. Accordingly, we do not accept or assure any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come, without our prior consent in writing.

For **Elias George & Co.**
Chartered Accountants
Firm Regn. No.: 000801S
Ranjit Mathews P
Partner
Membership No.: 205377
UDIN:23205377BGQGIX4462

Place: Kochi
Date: August 09, 2023

For **Babu A. Kallivayalil & Co.**
Chartered Accountants
Firm Regn. No.: 005374S
Babu Abraham Kallivayalil
Partner
Membership No.: 026973
UDIN: 23026973BGUIAL9585

Place: Kochi
Date: August 09, 2023

Report On Corporate Governance

ANNEXURE D

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para Clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members
Muthoot Finance Limited
Muthoot Chambers, Opp. Saritha Theatre Complex,
Banerji Road, Ernakulam,
Kerala-682018.

I have examined the relevant registers, records, forms returns and disclosures received from the Directors of **Muthoot Finance Limited** having CIN L65910KL1997PLC011300 and having registered office at Muthoot Chambers, Opp. Saritha Theatre Complex, Banerji Road, Ernakulam, Kerala-682018 (herein after referred to as "the Company"), 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.

In our opinion and to the best of our 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 us by the Company and its officers. We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial year ending on 31 March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.#	Name of the Director*	Designation	DIN	Nationality	Date of Appointment **
1	George Jacob Muthoot	Chairman & Whole Time Director	00018235	Indian	16-08-2005
2	George Alexander Muthoot	Managing Director	00016787	Indian	20-11-2006
3	George Thomas Muthoot	Whole Time Director	00018281	Indian	16-08-2005
4	Alexander George	Whole Time Director	00938073	Indian	05-11-2014
5	George Muthoot George	Whole Time Director	00018329	Indian	15-12-2021
6	George Muthoot Jacob	Whole Time Director	00018955	Indian	15-12-2021
7	George Alexander (Jr)	Whole Time Director	00018384	Indian	15-12-2021
8	Jacob Benjamin Koshy	Independent Director	07901232	Indian	20-09-2017
9	Jose Mathew	Independent Director	00023232	Indian	20-09-2017
10	Ravindra Pisharody	Independent Director	01875848	Indian	28-09-2019
11	Vadakkakara Antony George	Independent Director	01493737	Indian	28-09-2019
12	Chamacheril Mohan Abraham	Independent Director	00628107	Indian	31-08-2022
13	Usha Sunny	Independent Director	07215012	Indian	30-11-2020
14	Abraham Chacko	Independent Director	06676990	Singapore	18-09-2021

*List of Directors as on 31st March 2023;

**the date of appointment is as per the MCA portal

Ensure the eligibility of the appointment/continuity of every Director on the Board is the responsibility of the management of the company. Our responsibility is to express an opinion on these based on our 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.

For Sunil Sankar & Associates

Sunil Sankar Puthalath

Company Secretary in Practice

ACS No: 20171 CP No: 10613

UDIN:: A020171E000468487

Place: Ernakulam,
Date: June 07, 2023



ANNEXURE- 7

Management Discussion and Analysis

Global Economic Landscape

Recent resolutions of the US debt ceiling standoff and actions to stabilize the US and Swiss banking sectors have reduced immediate risks of financial turmoil. Nevertheless, risks to global growth persist, with potential factors such as further inflation shocks, geopolitical conflicts, extreme weather events, and financial sector turbulence. China’s recovery could also be impacted by unresolved real estate problems, leading to negative cross-border effects.

The 2023 forecast is slightly higher than previously predicted, but still weak by historical standards. Central banks’ efforts to combat inflation through higher policy rates are impacting economic activity. Inflation rates are a concern, with global headline inflation expected to decrease from 8.7 percent in 2022 to 6.8 percent in 2023 and 5.2 percent in 2024. However, underlying inflation is projected to decline more gradually, and there are upward revisions to inflation forecasts for 2024.

Source: World Economic Outlook 2023, IMF <https://www.imf.org/en/Publications/WEO/Issues/2023/07/10/world-economic-outlook-update-july-2023>

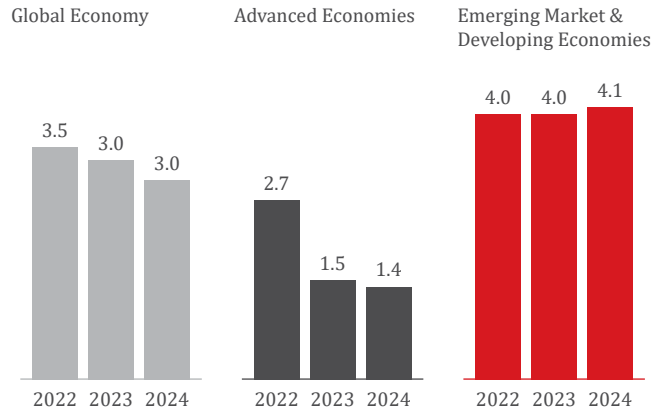
Outlook

The global economy is facing challenges with projected growth expected to decline from an estimated 3.5 percent in 2022 to 3.0 percent in both 2023 and 2024. The global economic outlook remains uncertain and presents a mix of challenges and potential opportunities. Inflation remains a major concern, and central banks should prioritize restoring price stability while strengthening financial supervision and risk monitoring. Additional shocks could further impact inflation, prompting more restrictive monetary policies.

Source: <https://www.imf.org/en/Publications/WEO/Issues/2023/07/10/world-economic-outlook-update-july-2023>

World Economic Outlook July 2021

Growth Projections (Real GDP growth, percent)



International Monetary Fund

Indian Economic Landscape

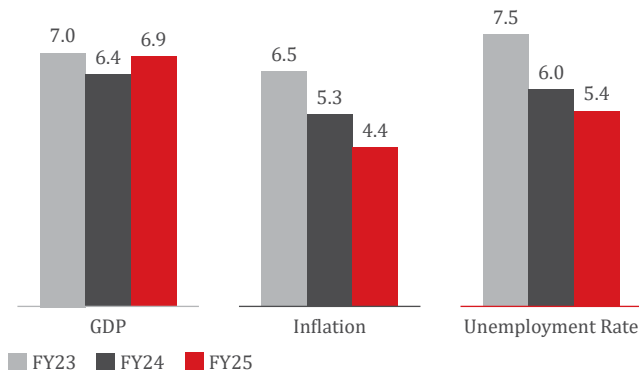
Amidst challenges posed by inflation and supply disruptions, the Indian economy remains steadfast, showing resilience and a projected growth rate of 7% in FY 2023-24. The government’s proactive measures, including infrastructure investments, promoting private investment, and pursuing self-sufficiency, have positioned the economy for sustained progress.

The continued recovery in the manufacturing and services sectors, supported by high PMI numbers, reflects improved consumer and business confidence, indicating a potential rebound in economic activity and investment. Robust GST and direct tax collections have provided significant resources to support the economy, empowering the government to deploy targeted stimulus measures and invest in critical sectors to drive growth.

Affluent consumers continue to play a pivotal role in propelling demand, as seen in the strong growth of the retail industry and the exceptional performance of companies in consumer staples and discretionary sectors. Moreover, several sectors have displayed promising signs of job creation and increased labor force participation, fostered inclusive economic development and stimulated demand.

Management Discussion and Analysis

India Forecasts: GDP, Inflation and Unemployment Rate



Source: Ministry of Statistics and Programme Implementation, CMIE, KPMG Forecasts.

Outlook

India's economy has showcased exceptional resilience amid global challenges and is on track to surpass all other major economies with its impressive growth rate, cementing its position as the world's fastest-growing major economy. The Ministry of Statistics and Programme Implementation forecasts a 7% rise in GDP for the fiscal year 2023-24, reinforcing India's remarkable growth trajectory.

Source: Ministry of Statistics and Programme Implementation.

Industry Review

Financial Services Industry

The financial services industry in India is experiencing rapid growth and transformation as it diversifies with the entry of new companies offering unique services. This expansion is fuelled by increasing income levels, advancements in technology, and government-initiated reforms.

Growth drivers

- Financial Inclusion** - India has made significant strides in financial inclusion, as evident from the rise in the financial inclusion index from 53.9 in March 2021 to 56.4 in March 2022. To further promote financial inclusion, the Reserve Bank of India (RBI) launched the "Antardrishti" financial inclusion dashboard in June 2023. This platform aims to provide valuable insights to evaluate and track the progress of financial inclusion. Efforts are being made to expand the reach of financial literacy centres to every block in the country by March 2024. Additionally, 25,000 post offices are set to be equipped with core financial services solutions to enhance account interoperability. The Union Budget

2023 also emphasizes onboarding small businesses to digital financial services, which will contribute further to driving financial inclusion in the country.

- Fintech** - India is experiencing significant growth in the fintech sector, with an adoption rate of 87%, making it one of the fastest-growing fintech markets worldwide. This growth is fuelled by substantial investments, technological innovation, increasing internet penetration, and the widespread adoption of the Unified Payments Interface (UPI). The Reserve Bank of India (RBI) also acknowledges the potential of Central Bank Digital Currencies (CBDCs) to open up opportunities for fintech companies to create accessible solutions for individuals without internet access.
- Digitalisation** - The banking, fintech, and payment systems are experiencing a digital revolution that is generating increased credit demand for banks and NBFCs. Furthermore, advanced technologies like artificial intelligence and machine learning are now driving new business models in this sector, empowering entities to process vast amounts of data and analyse real-time trends.
- Penetration of Financial Products** - The increasing adoption of financial products is bolstered by India's significant smartphone and internet user base, ranking second globally in both aspects. As the number of mobile and internet users continues to rise, these products become more accessible and convenient for customers, driving growth in the financial services industry.
- Financial Services demand soars with rising incomes in India** - Increasing incomes in India are fueling the demand for financial services across various income brackets, encompassing insurance and retail banking services. According to the recent Henley Global Citizens Report, the forecast indicates that the number of dollar millionaires and billionaires in India is expected to surge by 80% over the next decade, in stark contrast to growth rates of 20% in the US and 10% in France, Germany, Italy, and the UK.

NBFC Sector Overview

The Non-Banking Financial Companies (NBFC) industry is witnessing steady growth, with the overall loan book consisting of retail and other wholesale loans (including infrastructure loans) projected to increase by approximately 13% and reach ₹ 50 Trillion by March 2024. The Reserve Bank of India (RBI) has acknowledged NBFCs' efforts in reaching out to individuals who were previously underserved by the



financial sector. To achieve the projected growth, NBFCs are expected to focus on new business areas such as unsecured loans and the Small and Medium-sized Enterprises (SME) segment, which offer higher growth prospects compared to traditional products. This growth would require additional funding of around ₹2.9 to ₹3.3 Trillion in FY24.

The NBFC-Retail sector's Assets Under Management are projected to grow at a rate of 12-14% in FY24, reaching ₹14.7 Trillion by March 2024. NBFCs are leveraging technology to enable faster paperless disbursements and expanding their reach to a wider audience. They are also concentrating on improving asset quality and profitability. Collaboration through technology is becoming common among NBFCs to offer a diverse range of products, benefiting smaller and mid-sized NBFCs to grow alongside established ones.

Asset quality has shown improvement compared to the pre-pandemic period, as many NBFCs wrote off bad loans. Although new write-offs will be moderate compared to historical levels, the overall industry's Provision Coverage Ratio has been steadily improving over the last two years. Net Interest Margins for the Retail NBFC sector are expected to remain around 7.5%-7.6% in FY24, similar to the estimates for FY23 and actual figures for FY22. However, there might be a rise in Operating Expenses in FY24 due to recovery efforts and scale expansion.

Share of Gross Non-Performing Assets is expected to decline to 3.4% by March 2024, supported by improved asset quality. Credit costs are estimated to decrease to 1.5% in FY24 from 1.7% in FY23 and 2.2% in FY22. Consequently, NBFCs are anticipated to maintain their profitability at 2.4%-2.6% in FY24, consistent with FY23 and FY22.

NBFCs have managed to maintain adequate capitalization, and internal profit generation will be crucial for maintaining healthy capital in the future. While growth is essential for the sector, preserving sufficient capital alongside this growth will be a critical consideration.

During the year 2022, banks' outstanding credit to NBFCs increased by 35.5% year-on-year, surpassing the ₹13 Lakh Crore mark to reach ₹13.2 Lakh Crore. The percentage of NBFC funding as a portion of total bank lending rose significantly during the year, from 8.5% at the beginning

to 9.9% at the end. Banks' credit exposure to NBFCs crossed four significant thresholds in the year, reaching ₹10 Lakh Crore in January 2022, ₹11 Lakh Crore in June 2022, and ₹12 Lakh Crore in October 2022. This growth was fuelled by the NBFC asset book's expansion and increased borrowings from banks due to differentials between market yields and interest rates offered by banks, along with reduced overseas borrowings.

Diversification across the NBFC Sector

Resource Diversification

- In FY23, NBFCs reduced their heavy dependence on bank borrowings by diversifying funding sources.
- NCD issuances by NBFCs nearly doubled from FY20 levels, indicating increased reliance on this financing avenue.
- Retail-focused NBFCs and Infrastructure financiers witnessed significant growth in NCD issuances during this period.
- The demand for funds led to a substantial rise in securitization volumes, reaching ₹ 1.8 trillion in FY23 to meet funding requirements.

Product Portfolio Diversification

- Several NBFCs and HFCs are expanding their product portfolio and introducing new offerings to stimulate growth.
- NBFCs are particularly targeting underpenetrated segments such as affordable housing, small business loans, and used vehicles to tap into new market opportunities.

Diversified Service Models

- Platform Model: Collaborating with fintech companies, NBFCs offer loan products on fintech platforms, enriching the platforms' lending capabilities by leveraging their expertise in risk assessment, credit scoring, and compliance.
- Enabler Model: Fintech companies offer technology solutions to NBFCs, enabling improved operational efficiency, productivity, cost reduction, and streamlined processes to enhance customer services.

Management Discussion and Analysis

Key Regulatory Measures

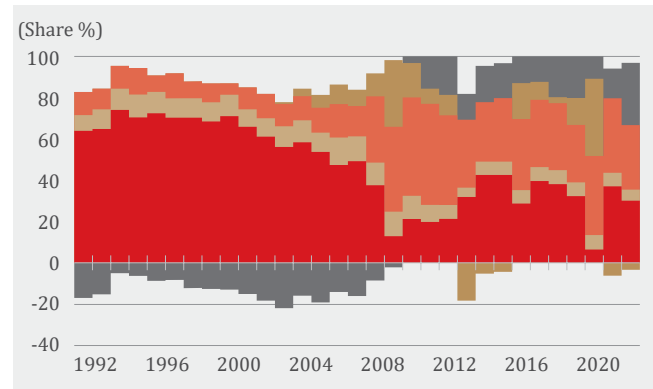
- 1. Framework for Facilitating Small Value Digital Payments in Offline Mode** - A proposed framework aims to facilitate small value digital payments in offline mode by introducing a payment channel that operates independently without reliance on internet or telecom connectivity.
- 2. Regulatory Framework for Microfinance Loans** - In the regulatory framework for microfinance loans, all collateral-free loans granted to households with an annual income up to ₹3,00,000 will be categorized as microfinance loans.
- 3. Minimum Net Owned Fund Requirement** - The minimum Net Owned Fund (NOF) requirement has been raised to ₹300 crore, an increase from the previous threshold of ₹100 crore, and will be applicable on an ongoing basis.
- 4. RBI goals for supervision of NBFCs in 2023-24** - RBI aims to review licensing requirements and conduct impact assessments on recent changes in asset classification norms for NBFCs.

Source: BCG, <https://web-assets.bcg.com/b4/26/e5c0876045d1ac0e51920b77deb4/nbfc-sector-update-fy23-vf.pdf>

Gold Market

Over the past three decades, the gold market has undergone significant changes, becoming more diverse in terms of demand and supply. In the early 1990s, consumer-driven demand, particularly for jewelry and technology, dominated the market. However, in recent years, investment and central bank demand have become significant players alongside net fabrication. This shift has provided gold with a unique dual nature, serving as both a consumer good and an investment asset, making it an effective diversifier.

Chart 1: The changing structure of the gold market since 1992*

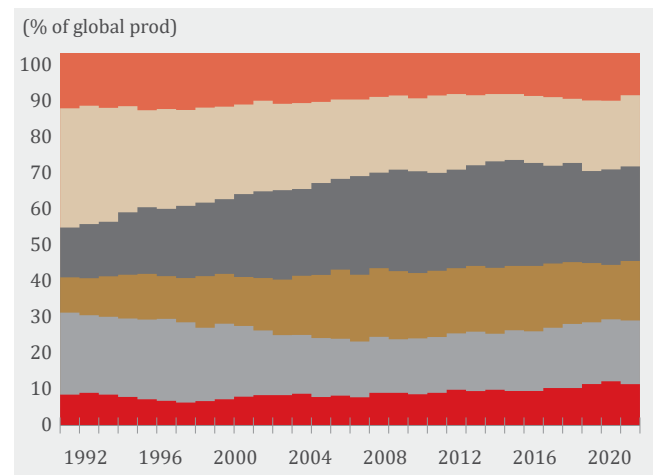


- Jewellery fabrication
- Total bars and coins
- Central banks and other institutions
- Technology
- ETFS and similar products

*Data as at 31 December 2022.

Geographically, Asia's demand has risen significantly, accounting for nearly 60% of the world total, driven by economic growth in India and China. Supply dynamics have also evolved, with annual gold mine production increasing and becoming more evenly dispersed across regions. This geographic dispersion provides stability to primary supply and reduces the risk of supply shocks, complemented by the abundant above-ground gold stock.

Chart 2: Global gold production has become more geographically diverse in the last 30 years*



- Europe
- North America
- South America
- Asia
- Africa
- Oceania

*Data as of 31 December 2021.

Source: Metals Focus, Refinitiv GFMS World Gold Council

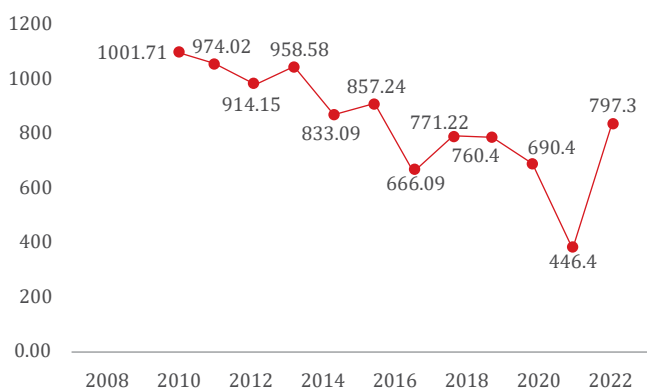


Indian Gold Market

Gold holds a significant position in Indian society as a foundation of wealth and savings. However, evolving consumer preferences and globalization necessitate a comprehensive reassessment of the associated issues.

India stands as one of the largest gold markets globally, with increasing affluence driving the demand for gold. In Q2 of FY23, global gold demand rose by 4% year-on-year (y-o-y) to 453 tonnes, driven by a remarkable 49% surge in India's demand compared to Q2 FY22. The Indian gold industry contributes 1.3% to the national GDP and is mainly composed of small and medium enterprises. The domestic market is predominantly driven by cultural, wedding, and festive demand.

Annual Demand for Gold in India (in metric tonne)



Source: Statista

While India experienced strong gold demand, China faced a significant decline of 28% due to COVID-19 lockdowns impacting economic activity and consumer spending. After successive declines over four years, India's gold demand is now on the path to recovery, reaching pre-pandemic levels. In the September 2022 quarter, the fall in gold prices led to a 14% increase in demand to 192 tonnes compared to the corresponding period last year. In 2021, gold demand reached 797.3 metric tonnes, a growth of 78.6% compared to the previous year, marking the first increase after four years of continual annual decline. In 2022, the overall demand for gold increased by 19% in terms of value to US\$10.6 billion from US\$9.7 billion reported the previous year. The World Gold Council's Demand Trend report revealed a 17% rise

in jewellery demand to 146 tonnes, driven by increased purchases even though gold prices fell less than international markets due to the depreciation of the rupee against the dollar.

Notably, the growing demand for gold in India heavily relies on imports, making it a major contributor to India's trade deficit and current account deficit.

Demand Drivers

1. Economic growth remains a key driver of gold demand.
2. Urbanization will reshape consumer demand patterns.
3. India's young population shows a strong affinity for gold.
4. The gold industry in India is witnessing increased organization.
5. Central banks' interest rate hikes may dampen gold prices due to inflation control measures, but safe-haven demand amid global growth concerns might offer some support. From a historical and comparative standpoint, holding substantial gold reserves during times of heightened uncertainty makes a compelling economic case.
6. The Russia-Ukraine conflict is likely to raise inflation, increasing both safe-haven appeal and the inflation hedge premium for gold, thus providing support to gold prices.
7. Gold holds significant importance as an asset class in rural India, representing 60% of the country's total annual gold consumption. However, rural demand for gold could be affected by inflationary pressures and an unpredictable monsoon leading to reduced farmers' income.

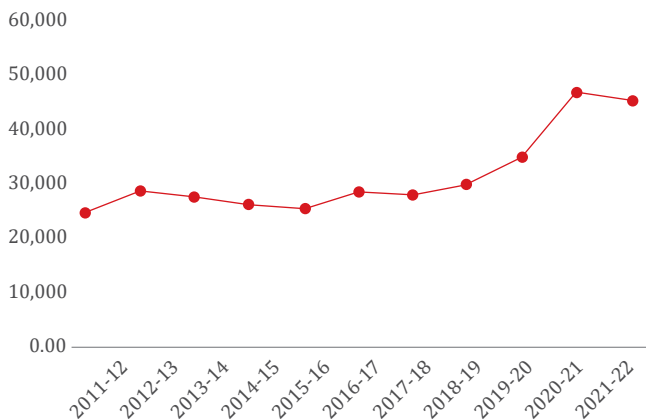
Gold Prices

During the first half of fiscal year 2022, domestic gold prices in India saw a significant increase, rising by nearly ₹3,000 from around ₹48,243 in January 2022 to ₹51,243 in June 2022. The gold price remained volatile, reaching a 9-month high in the first week of December 2022 before stabilizing.

Gold futures contracts for February 2023 on the Multi Commodity Exchange (MCX) closed at ₹54,325 per 10 gm on December 16, 2022, showing a minor weekly gain of ₹30 per 10 gm, while spot gold prices settled around \$1,792 per ounce, about \$5 per ounce lower than the previous Friday's close.

Management Discussion and Analysis

Domestic Prices* of Gold (₹/10gm)



*Standard, 0.995 (Mumbai)
Source: CMIE

Gold prices reached a record high of ₹52,916 per 10 grams in August 2020 and subsequently cooled off. By December 2020, gold prices dropped below the ₹50,000 mark and fell to ₹44,776 per 10 grams in March 2021. The decline in prices attracted retail buyers, and pent-up demand for gold from delayed weddings in 2020 contributed to increased gold demand in 2021-22. As a result, gold imports rose from 651,240 kg in 2020-21 to 879,010 kg in 2021-22.

The aggressive interest rate tightening by central banks worldwide to curb inflation is likely to keep gold prices subdued. The Reserve Bank of India's Monetary Policy Committee recently increased the repo rate to 6.25% from 5.90% to focus on withdrawing accommodation while maintaining inflation within the target and supporting growth.

However, gold may find support due to safe-haven demand amid concerns over slowing global growth and geopolitical uncertainty. Additionally, the Russia-Ukraine conflict acts as a catalyst for higher inflation, increasing the appeal of gold as a safe-haven asset and an inflation hedge, further supporting gold prices.

Features of Gold Loan

- 1. Attractive Interest Rates** - Gold loans typically come with lower interest rates compared to other financing options like personal loans or home loans, making them an affordable choice.
- 2. Quick Processing** - Due to the backing of physical gold, gold loans have lenient eligibility criteria and minimal documentation, resulting in faster loan processing.

- 3. Anytime Liquidity** - Termed as 'ATL' (anytime liquidity), gold loans offer instant access to funds, usually within 30 minutes, without excessive paperwork, making them highly convenient.
- 4. Voluntary Interest Payments Option** - Gold loans allow borrowers to pay voluntarily only the interest during the loan tenure, with the option to settle the principal amount upon loan closure.
- 5. Zero Processing Fees** - Gold loans stand out for their absence of processing charges, making them a preferred choice for borrowers.
- 6. No Foreclosure Charges** - Unlike other loans, gold loans do not incur foreclosure charges or prepayment penalties, enabling borrowers to repay the loan early without additional fees.
- 7. No Income Proof Required** - Financial institutions do not demand income or salary proof for gold loan applicants, as the loan is secured against gold, making it accessible to all, regardless of employment status.
- 8. No Credit Score Requirement** - Gold loan approval is not contingent on the borrower's credit score; the loan amount is based on the market value of the gold. However, repaying a gold loan responsibly can help build a good credit score.
- 9. Enhanced Security for Gold** - Lenders offer triple-layered security for the gold ornaments submitted as collateral, ensuring their safekeeping in their vault until the loan is fully repaid.
- 10. Versatile Use of Funds** - Gold loan funds have no restrictions on their end-use, providing borrowers the flexibility to utilize them for various purposes, such as home repairs, education, marriage expenses, or medical emergencies.

Company Review

Muthoot Finance is a leading non-banking financial company (NBFC) headquartered in India, with a strong presence in the financial services industry and is the flagship Company of The Muthoot Group. The Group established its gold loan business in 1939 as a partnership firm called 'Muthoot Bankers' which has grown into a trusted and reliable financial institution over the decades, catering to the diverse needs of customers across the country. Muthoot Finance received its licence to operate as NBFC from Reserve Bank Of India in 2001 and consequently the Group started its gold loan business in Muthoot Finance Ltd.



With a primary focus on gold loans, Muthoot Finance has become a household name in India, providing quick and hassle-free access to funds backed by physical gold. The company's gold loan services are renowned for their attractive interest rates, making them an affordable financing option for customers from various economic backgrounds. Muthoot Finance's gold loans are a preferred choice due to their secure and flexible features, including voluntary interest-only payments during the loan tenure, no foreclosure charges, and anytime liquidity for instant access to funds.

Beyond gold loans, Muthoot Finance offers a range of financial products and services to cater to the diverse needs of its customers. The company provides a variety of retail loan products, including personal loans, business loans, and two-wheeler loans, aimed at meeting the financial aspirations of individuals and businesses alike.

The company's commitment to customer-centricity is evident through its lenient eligibility criteria, minimal documentation requirements, and efficient loan processing. Muthoot Finance has built a reputation for delivering quick and transparent services, backed by a dedicated and professional customer service team.

Muthoot Finance's financial prowess is complemented by its strong business ethics and corporate governance practices. The company adheres to strict compliance standards, ensuring transparency and fairness in all its dealings.

In line with its expansion strategy, Muthoot Finance has steadily grown its branch network, establishing a wide and robust presence across various regions in India. The company's extensive reach allows it to serve customers in both urban and rural areas, contributing to financial inclusion in the country.

SCOT Analysis

Strengths	Challenges
<ol style="list-style-type: none"> 1. Established Brand - Muthoot Finance has a strong and reputable brand image, recognized as the largest Gold Loan NBFC in the country 2. Extensive Branch Network - The company has an extensive branch network across India, providing convenient accessibility to customers in both urban and rural areas. 3. Robust Gold Loan Portfolio - Muthoot Finance's core strength lies in its gold loan business, offering secured loans with attractive interest rates and quick processing, making it a preferred choice for customers. 4. Customer-Centric Approach - The company's customer-centric approach and lenient eligibility criteria ensure a smooth and hassle-free experience for borrowers. 5. Efficient Loan Processing - Muthoot Finance's streamlined loan processing and minimal documentation requirements contribute to its reputation for quick and efficient service delivery. 	<ol style="list-style-type: none"> 1. Operational challenges: Gold Loan operations are spread across large number of branches and are decentralised and hence poses internal and external security threats to its operations. 2. Short term nature of Gold Loans: Since gold loans are of short duration, increasing the loan portfolio and balance sheet size each year poses a challenge. 3. High operational expenses: Since we deal with large number of small ticket size loans spread over large number of branches, our operational expenses are high
Opportunities	Threats
<ol style="list-style-type: none"> 1. Diversification - Muthoot Finance has the opportunity to diversify its loan portfolio by exploring other types of secured and unsecured loans to meet the varied credit requirements of its large customer base. 2. Digital Transformation - Embracing digital technologies and expanding online services can enhance customer convenience and broaden the company's reach to a larger customer base. 	<ol style="list-style-type: none"> 1. Competition - The financial services sector is highly competitive, and Muthoot Finance faces competition from other Gold Loan players as well as from alternative loan products especially the unsecured loan segment.

Management Discussion and Analysis

Operational Review

Please see page 60 of the Annual report for details on operational highlights.

Financial Review

Gross loan assets under Management

We reached gross loan assets under management of ₹ 632,098 million in FY23 at a y-o-y growth rate of 9% compared to ₹ 580,532 million in the previous year

Gold loan assets under Management

We reached gold loan assets under management of ₹ 618,753 million at a y-o-y growth rate of 8% in FY23 compared to ₹ 575,313 million in the previous year.

Revenue

Our total income stood at ₹ 105,437 million in FY23 compared to ₹ 110,984 million in the previous year.

Profit before tax

We achieved Profit Before Tax of ₹ 46,664 million in FY23 compared to ₹ 53,094 million in the previous year.

Profit after tax

We achieved Profit After Tax of ₹ 34,735 million in FY23 compared to ₹ 39,543 million in the previous year.

Capital Adequacy Ratio

We were able to maintain our capital adequacy ratio well above the statutory requirement and achieved a CRAR of 31.77% in FY23 compared to 29.97% in the previous year. Our Tier I CRAR stood at 31.01% in FY23 compared to 29.10% in the previous year. Our Tier II CRAR stood at 0.76% in FY23 as compared to 0.87% in the previous year.

Earnings per Share

We generated an Earnings per Share of ₹ 86.54 in FY23 compared to ₹ 98.55 in the previous year.

Enterprise Risk Management

We strongly believe that every business entail risks, which can vary in terms of their impact, likelihood of occurrence, and speed of onset. These risks are constantly evolving and changing, and we consistently monitor the external environment to identify potential risks and evaluate their potential impact on our objectives. Our primary focus is to manage and mitigate these risks to acceptable levels. To achieve this, we rely on the guidance of the Board's Risk Management Committee, which oversees our enterprise-wide risk management initiatives. We strive to leverage our resources to convert opportunities into tangible outcomes.



Risk management

We are committed to identification of risks to our business, and place in robust risk management mechanisms that enable us to achieve our company's mission and vision

Risk	Definition	Mitigation Measures
Operational	The possibility of direct or indirect loss as a result of system, personnel, or process failures, or as a result of external occurrences.	To mitigate various operational risks, we have robust systems and stringent processes in place. We protect our branches with centralised monitoring and surveillance cameras. Employees are trained on how to spot a fraud, such as unauthentic gold, on a regular basis. We have a centralised system with dedicated audit personnel for overall risk management.
Collateral	Downward fluctuation in gold prices could lead to loss of profits	To address this risk, we have a policy of retaining at least 25% of the gold price of jewellery when calculating the loan amount, excluding design and production charges. Even if the collateral's value falls below the repayment amount, the sentimental value of gold jewellery drives repayment and redemption.
Credit	Failure of counter-party to abide by the terms and conditions of any financial contract with us	We have a strict loan approval and collateral evaluation process in place, as well as an effective non-performing asset monitoring and collection approach. The risk is mitigated to some extent by the collateral's liquidity, as there is a remote chance of recovering less than the amount due on account of adequate security margin.
Market	Fluctuations in interest rate	Interest rate hikes can be passed on to borrowers; fixed rates of interest for the bulk of borrowings, as well as all loans and advances, reduce interest rate risk.
Liquidity	The inability to raise cash from the market at the best possible price to meet operational and debt servicing needs.	We interact with the Asset and Liabilities Management Committee (Committee of Board Of Directors) and ALCO Committee (Committee of Executives) on a regular basis to examine the liquidity position based on future cash flows. Due to the nature of business of the company, which employs funds from a variety of sources, including debentures, external commercial borrowings, and bank loans with longer maturities than the loans given, there is less liquidity risk in operations.
Business cycle	Associated with the seasonal or cyclical nature of an industry	Our extensive presence across India enables us to alleviate cyclical pressures on various regions' economic growth.

Management Discussion and Analysis

Human Resource

Please see Page 62 of the Annual report for details on people practices.

Internal Controls and Adequacy

The Company has an adequate internal control system in place to safeguard assets and protect against losses from any unauthorised use or disposition. The system authorises, records and reports transactions and ensures that recorded data are reliable to prepare financial information and to maintain accountability of assets. The Company's internal controls are supplemented by an extensive programme of internal audits, reviews by the management, and documented policies, guidelines and procedures.

Cautionary Statement

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward-looking statements' within the meaning of applicable laws and regulations. Important developments that could affect the Company's operations include a downtrend in the financial services industry, global or domestic or both, significant changes in the political and economic environment in India or key markets abroad, tax laws, litigation, labour relations, exchange rate fluctuations, interest and other factors. Actual results might differ substantially or materially from those expressed or implied. This report should be read in conjunction with the financial statements included herein and the notes thereto.

**ANNEXURE- 8****SECRETARIAL AUDIT REPORT
For the Financial Year ended 31st March, 2023**

**[Pursuant to Section 204(1) of the Companies Act, 2013 read with
Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To,
The Members,
Muthoot Finance Limited
2nd Floor, Muthoot Chambers,
Opposite Saritha Theatre Complex,
Kochi – 682 018.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Muthoot Finance Limited** [CIN: L65910KL1997PLC011300] (hereinafter called “the Company”). Secretarial Audit was conducted for the financial year ended on 31st March, 2023 in a manner that provided us reasonable basis for evaluating the corporate conduct / statutory compliances and expressing our opinion thereon.

On the basis of our verification of documents, books, papers, minutes, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of the Audit. We hereby report that in our opinion, the Company has, during the period covered under the Audit as aforesaid, complied with the statutory provisions listed hereunder during the year under review and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March, 2023 according to the provisions of:

- (i) The Companies Act, 2013 and the Rules made there under to the extent applicable;
- (ii) The Securities Contracts (Regulation) Act, 1956 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 Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under Securities and Exchange Board of India Act, 1992:
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
 - e) Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities) Regulations, 2021
 - f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993.
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009
 - h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998
 - i) Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- (vi) The other laws as applicable specifically to the company and as examined by us are stated hereunder:
 - a) The Reserve Bank of India Act, 1934
 - b) Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016
 - c) Master Direction- Non-Banking Financial Company Returns (Reserve Bank) Directions, 2016.

Report of the Board of Directors

- d) Raising Money through Private Placement of Non-Convertible Debentures (NCDs) by NBFCs - RBI Guidelines
- e) Master Circular – Non-Banking Financial Companies – Corporate Governance (Reserve Bank) Directions, 2015.

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

- a) Secretarial Standards 1 & 2 issued by The Institute of Company Secretaries of India.
- b) Listing Agreement for equity and debt securities entered into with BSE Limited and National Stock Exchange of India Limited.

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

(viii) On the basis of the information and explanation provided, the Company had no transaction during the period under Audit requiring the compliance of applicable provisions of Act / Regulations / Directions as mentioned above in respect of:

- a) Foreign Direct Investment and External Commercial Borrowings.
- b) Buy-back of securities.
- c) Delisting of shares.
- d) Substantial Acquisition of Shares or Takeovers.
- e) Issue of securities other than Equity shares issued under Employee stock option scheme and issue of non-convertible debt securities.

We further report that

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

Adequate notice and detailed notes on Agenda was given to all Directors at least seven days in advance to schedule the Board Meetings. There exists a system for seeking and obtaining further information and clarifications on the Agenda items before the Meeting and for meaningful participation at the Meeting.

Majority decision is carried through and recorded as part of the minutes. We understand that there were no dissenting members' views requiring to be captured in the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the period covered under the Audit, the Company has made the following specific actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, referred to above:

- a) The Company had raised a sum of ₹ 33,958 million by issue of Non-Convertible Debentures (NCDs) during the financial year on private placement basis, in one or more series/tranches.
- b) The Company had raised a sum of ₹ 13,233.59 million from public issue of Non-Convertible Debentures during the financial year.

For **KSR & Co Company Secretaries LLP**

Dr. K.S. Ravichandran

Managing Partner

(FCS: 3675; CP: 2160)

UDIN: F003675E000768186

PR No: 2635/2022

Date: 9th August, 2023

Place: Coimbatore



KSR/CBE/M-154/485/2023-24

To,
The Members,
Muthoot Finance Limited
2nd Floor, Muthoot Chambers,
Opposite Saritha Theatre Complex,
Kochi – 682 018.

Our Secretarial Audit Report of even date of **Muthoot Finance Limited** [CIN: L65910KL1997PLC011300] hereinafter called “the Company”) is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We had conducted our audit by examining various records and documents including minutes, registers, certificates and other records received through electronic mode as enabled by the company. We state that we have not done a physical verification of the original documents and records. The management has confirmed that the records provided to us for audit through electronic mode are final, true and correct.
3. Further, our audit report is limited to the verification and reporting of the statutory compliances on laws / regulations / guidelines listed in our report and the same pertain to the Financial Year ended on 31st March, 2023.
4. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
5. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
7. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **KSR & Co Company Secretaries LLP**

Dr. K.S. Ravichandran

Managing Partner

(FCS: 3675; CP: 2160)

UDIN: F003675E000768186

PR No: 2635/2022

Date: 9th August, 2023

Place: Coimbatore

Report of the Board of Directors

ANNEXURE- 9

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- a) the ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2022-23 ; the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2022-23;

Sl. No.	Name of Director and KMP	Designation	% increase in remuneration during year 2022-23	Ratio of Remuneration of each Director to median remuneration of employees of the company
1	George Jacob Muthoot	Chairman & Whole Time Director	11%	874:1
2	George Thomas Muthoot	Whole Time Director	11%	874:1
3	George Alexander Muthoot	Managing Director	11%	874:1
4	Alexander George	Whole Time Director	11%	874:1
5	George Muthoot George	Whole Time Director	289%	82:1
6	George Muthoot Jacob	Whole Time Director	289%	82:1
7	George Alexander (Jr.)	Whole Time Director	289%	82:1
8	Jose Mathew	Independent Director	2%	9:1
9	Jacob Benjamin Koshy	Independent Director	2%	8:1
10	Ravindra Pisharody	Independent Director	10%	8:1
11	Pratip Chaudhuri ⁽¹⁾	Independent Director	(50%)	3:1
12	V A George	Independent Director	(5%)	8:1
13	Usha Sunny	Independent Director	10%	8:1
14	Abraham Chacko	Independent Director	105%	8:1
15	C A Mohan ⁽²⁾	Independent Director	Not comparable	5:1
16	Oommen K Mammen	Chief Financial Officer	12%	Not applicable
17	Rajesh A	Company Secretary	3%	Not applicable

⁽¹⁾ Retired from Board of Directors with effect from August 31, 2022

⁽²⁾ Appointed as Independent Director with effect from August 31, 2022

- b) the percentage increase in the median remuneration of employees in the financial year 2022-23: 4.03%
- c) The number of permanent employees on the rolls of company as on March 31, 2023: 27,273
- d) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;

The average percentile in the salaries of employees other than the managerial personnel increased by 3.91%. The total managerial remuneration for the Financial Year 2022-23 was ₹ 965.09 millions as against ₹ 828.85 millions during the previous year, an increase of 16.44%. The increase in managerial remuneration is on account of 16.50% increase in remuneration of Managing Director and six Whole-Time Directors. This was based on the overall performance of the Company during the year. Loan Assets under management increased by 9% reaching an all-time high of ₹ 632,098 millions. Though Profit after tax decreased by 12% at ₹ 34,735 millions, this was achieved amidst extreme competition and was higher than normal levels of profitability. Hence the Board considered increasing variable Annual Performance Incentive of Managing Director and three Whole-Time Directors cumulatively from ₹ 551.91 millions to ₹ 576.08 millions due to exceptional performance of the Company during the year amidst difficult market conditions. Commission to Non-Executive Directors were also increased by 7% for the above reasons. The above increase in managerial remuneration is within the limits approved by shareholders. There is no exceptional circumstance for increase in managerial remuneration except as stated above.

- e) The remuneration paid is as per the remuneration policy of the Company.

For and On Behalf of the Board of Directors

Sd/-

George Jacob Muthoot
Chairman & Whole Time Director
DIN: 00018235

Place: Kochi,
Date: August 11, 2023

Sd/-

George Alexander Muthoot
Managing Director
DIN: 00016787

**ANNEXURE- 10****Disclosure pursuant to Part A of Schedule V read with Regulation 34(3) and 53(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

₹ in Millions

Sl. No.	Loans and Advances in the nature of loans	Amount Outstanding as at 31.03.2023	Maximum Amount Outstanding during the year
(A)	To Subsidiaries	2,600	2,600
(B)	To Associates	N.A	N.A
(C)	To Firms/Companies in which Directors are Interested (other than (A) and (B) above)	Nil	Nil
(D)	Investments by the loanee in the shares of Parent Company and Subsidiary Company when the Company has made a loan or advance in the nature of loan	Nil	Nil

Disclosures of transactions of the listed entity with any person or entity belonging to the promoter/promoter group which hold(s) 10% or more shareholding in the listed entity:

Related Party transactions during the year:

Particulars	George Thomas Muthoot	George Jacob Muthoot
	Year Ended March 31, 2023	Year Ended March 31, 2023
Interest paid on Borrowings	97.70	80.06
Directors Remuneration	222.02	222.02
Loans accepted	2,086.99	1,695.42
Loans repaid	2,529.77	2,762.10
Purchase of Listed NCDs of the Company	539.00	854.00
Redemption of Listed NCDs of the Company	655.16	655.16
Dividend paid	872.62	872.62

Balance outstanding as at the year end: Asset/ (Liability)

Particulars	George Thomas Muthoot	George Jacob Muthoot
	As at March 31, 2023	As at March 31, 2023
NCDs - Listed	(625.84)	(940.84)
Borrowings	(796.63)	(140.34)
Directors Remuneration Payable	(72.15)	(72.15)

For and On Behalf of the Board of Directors

Sd/-
George Jacob Muthoot
 Chairman & Whole Time Director
 DIN: 00018235

Sd/-
George Alexander Muthoot
 Managing Director
 DIN: 00016787

Place: Kochi,
 Date: August 11, 2023

Independent Auditors' Report

To the Members of MUTHOOT FINANCE LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Muthoot Finance Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and Notes to the standalone 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 standalone financial statements give the information required by the Companies Act, 2013, as amended ('the Act') 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, 2023, and its profit, total comprehensive income, its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ('SAs'), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditors' Responsibilities for the Audit of the Standalone 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 together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	Auditors' Response
<p>1. Expected Credit Loss under IND AS 109 "Financial Instruments"</p> <p>The Company recognises Expected Credit Losses (ECL) on loan assets under IND AS 109 "Financial Instruments" based on the Expected Credit Loss model developed by the Company. The estimation of expected credit loss on financial instruments involves significant judgement and estimates. Key estimates involve determining Exposure at Default (EAD), Probability at Default (PD) and Loss Given Default (LGD) using historical information. Hence, we have considered the estimation of ECL as a Key Audit Matter.</p> <p>Refer Note 42 (Risk Management) to the standalone financial statements.</p>	<ul style="list-style-type: none">Assessed the accounting policy for impairment of financial assets and its compliance with IND AS 109.Company obtained an understanding of the Company's Expected Credit Loss (ECL) calculation and the underlying assumptions.Tested the key controls over the assessment and identification of significant increase in credit risk and staging of assets.Sample testing of the accuracy and appropriateness of information used in the estimation of Probability of Default (PD) and Loss Given Default (LGD).Tested the arithmetical accuracy of the computation of PD and LGD and also performed analytical procedures to verify the reasonableness of the computation.Assessed the disclosure made in relation to IND AS 109 for ECL allowance. Further, we also assessed whether the disclosure of key judgements and assumptions are adequate.



Key Audit Matter	Auditors' Response
<p>2. Related Party Transactions</p> <p>We identified related party transactions as a key audit matter due to the significance of related party transactions, regulatory compliance and risk of such transactions remaining undisclosed in the financial statements.</p>	<ul style="list-style-type: none"> Evaluated the Company's policies, processes and procedures in respect of identifying and disclosing related party transactions. Read the minutes of meetings of the Shareholders, Board and Audit Committee regarding the Company's assessment of related party transactions for arm's length pricing. Assessed the compliance with the Act, including authorisation and approvals as specified in sections 177 and 188 of the Act and Rules thereon and the Securities and Exchange Board of India regulations with respect to related party transactions. Tested on a sample basis related party transactions with the underlying contracts and other documents.
<p>3. Compliance and disclosure requirements</p> <p>Compliance and disclosure requirements under the applicable Indian Accounting Standards (Ind AS), Reserve Bank of India (RBI) guidelines and other applicable statutory, regulatory and financial reporting framework.</p>	<ul style="list-style-type: none"> Assessed the systems and processes laid down by the Company to appropriately ensure compliance and disclosures as per the applicable Ind AS, RBI guidelines and other applicable statutory, regulatory and financial reporting framework. Designed and performed audit procedures to assess the completeness and correctness of the details disclosed having regard to the assumptions made by the management in relation to the applicability and extent of disclosure requirements. Relied on internal records of the Company and external confirmations wherever necessary.
<p>4. Litigations</p> <p>The Company has various tax litigations pending under the Income Tax Act 1961, Goods and Services Tax Act 2017, Service Tax under Finance Act 1994 and Value Added Tax Acts of various states. The Company has disputed these in various forums and the outcome of these cases will depend on significant judgements, hence we have identified pending litigation as a Key Audit Matter.</p>	<p>In assessing the litigations, we have:</p> <ul style="list-style-type: none"> Read the communications with the relevant tax authorities in respect to the pending tax litigations and also considered the submissions made by the management to the respective appellate authorities. We verified the accuracy of the disputed amounts with the relevant communication from the tax authority.
<p>5. IT Systems and Controls</p> <p>The Company uses Information Technology (IT) application for financial accounts and reporting process. Any gap in the financial accounting and reporting process may result in a misstatement, hence we have identified IT systems and controls over financial reporting as a Key Audit Matter.</p>	<ul style="list-style-type: none"> Understood the IT systems and controls over key financial accounting and reporting systems. Tested the general IT controls for design and operating effectiveness. Understood the changes made in the IT environment during the year and ascertained its effect on the financial statements controls and accounts. We also assessed, through sample tests, the information generated from these systems which were relied upon for our audit.

Information Other than the Standalone Financial Statements and Auditors' Report thereon (Other Information)

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Corporate Overview, Report of the Board of Directors, Management Discussion and Analysis Report, Business Responsibility Report and Report on Corporate Governance in the Annual Report of the Company for the financial year 2022-23, but does not include the standalone financial statements and our auditors' report thereon. The reports containing the other information as above are expected to be made available to us after the date of this auditors' report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated.

When we read the reports containing the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions as per applicable laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) 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 the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risk of material misstatement of the standalone 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. Under section 143(3) (i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in respect of financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the 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 auditors' report to the related disclosures in the standalone 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 auditors' 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As per 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 'Annexure A', a statement on the matters specified in paragraphs 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 purpose 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. Since the key operations of the Company are automated with the key applications integrated to core banking system/Management Information System, the audit is carried out centrally as all the necessary records

and data required for the purposes of our audit are available therein.

- c. The Standalone Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with books of account;
- d. In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- e. On the basis of the written representation received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2023, from being appointed as a director in terms of section 164(2) of the Act;
- f. With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate report in 'Annexure B' to this report;
- g. With respect to the other matters to be included in the Auditors' report in accordance with section 197(16) of the Act, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V to the Act; and
- h. With respect to other matters to be included in the Auditors' report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigation on its financial position in its standalone financial statements – Refer Note 38 to the standalone financial statements.
 - ii. The Company has made provisions, as required under the applicable law or accounting standards, for material foreseeable losses,

if any, on long term contracts including derivative contracts.

- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. With respect to clause (e) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended;
 1. The Management has represented that, to the best of its knowledge and belief, as disclosed in the standalone financial statements, 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.
 2. The Management has represented, that, to the best of its knowledge and belief, as disclosed in the standalone financial statements, 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.

3. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.
- v. The dividend declared/paid during the year by the Company is in compliance with section 123 of the Act.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For **Elias George & Co.**,
Chartered Accountants
Firm Regn. No. 000801S

Sd/-
Ranjit Mathews P
Partner
Membership No: 205377
UDIN: 23205377BGQGGT8012

May 19, 2023
Kochi

For **Babu A. Kallivayalil & Co.**,
Chartered Accountants
Firm Regn. No. 005374S

Sd/-
Babu Abraham Kallivayalil
Partner
Membership No: 026973
UDIN: 23026973BGUHZE2637

May 19, 2023
Kochi



'ANNEXURE A' REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF MUTHOOT FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2023

- i. a. A. In our opinion the Company is maintaining proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment ('PPE').
- B. In our opinion, the Company is maintaining proper records showing full particulars of intangible assets.
- b. According to the information and explanation given to us, the Company has a regular programme of physical verification of its PPE which in our opinion is reasonable having regard to the size of the Company and nature of its assets. Pursuant to the programme, the Management has physically verified the Property, Plant and Equipment during the year and no material discrepancies were noticed on such verification.
- c. In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company), disclosed in the financial statements are held in the name of the Company. In respect of certain immovable properties acquired under a scheme of amalgamation in a prior year, the title deeds continue to remain in the name of the erstwhile owners, the details of which are as stated below:

S.No:	Description of property	Gross carrying value	Held in name of	Whether promoter, director or their relative or employee	Period held - indicate range, where appropriate	Reason for not being held in name of Company
1	Flat No: 1F in "West Gate Terrace" Pandit Karuppan road, Thevara, Cochin measuring 1224 Sq.ft	7,74,095.00	George Jacob	Promoter	From 01/04/2004	The property was acquired by the Company under a 'Scheme of Arrangement and Amalgamation' effective from April 01, 2004, vide order dated January 31, 2005, by the Hon. High Court of Kerala. The order states that the undertakings of the transferor company shall, with effect from the opening of the business as on the transfer date and without any further act or deed, be shall stand transferred to or vested in the transferee company. Hence no further mutation of the property is required to be done.
2	Office Space in " Vikas Marg", Laxmi Nagar, New Delhi, measuring 1,400 Sq. Ft	3,96,000.00	Late M. G. George, George Thomas, George Jacob and George Alexander	Promoters	From 01/04/2004	-do-
3	Flat No: 4236, 5&6 Sector B in Vasant Kunj, New Delhi 125.09 Sq.Mtr	3,90,343.00	Late M. G. George	Promoter	From 01/04/2004	-do-
4	Office Space in First Floor of "Nehru Place" Satkar Building 79-80 New Delhi measuring 591 Sq. ft.	9,64,534.00	Late M. G. George	Promoter	From 01/04/2004	-do-

S.No:	Description of property	Gross carrying value	Held in name of	Whether promoter, director or their relative or employee	Period held - indicate range, where appropriate	Reason for not being held in name of Company
5	Office Space in "Pattom Building", Trivandrum, situated in 5 cents of land in Sy. No: 1752/B/1 in Nadathuvinnakkam, Trivandrum	3,14,832.00	Late M. G. George, George Thomas, George Jacob and George Alexander	Promoters	From 01/04/2004	-do-
6	Flat No: 221 Block C, in "Sidharth Extension", New Delhi, measuring 900 Sq. ft.	6,94,456.00	Late M. G. George	Promoter	From 01/04/2004	-do-
7	Office space No: 106/107 in "NavakethaSecunderabad", measuring 1446.5 Sq. ft.	16,24,616.00	Late M. G. George, George Thomas, George Jacob and George Alexander	Promoters	From 01/04/2004	-do-
8	Office space in Kurian Towers, Banerjee Road Kochi - 682018, measuring 1,092 Sq. ft. (Sy. No. 318/7)	9,43,088.00	George Alexander	Promoter	From 01/04/2004	-do-
9	Office space in Kurian Towers, Banerjee Road Kochi - 682018, measuring 897 Sq. ft. (Sy. No. 318/7)	7,73,081.00	Anna Alexander	Relative of Promoter	From 01/04/2004	-do-
10	Office space in Kurian Towers, Banerjee Road Kochi - 682018, measuring 1,469.50 Sq ft. (Sy. No. 318/7)	13,09,640.00	George Jacob	Promoter	From 01/04/2004	-do-
11	Office space in Kurian Towers, Banerjee Road Kochi - 682018, measuring 781 Sq. ft. (Sy. No. 318/7)	6,91,956.00	Elizabeth Jacob	Relative of Promoter	From 01/04/2004	-do-
12	Office space in Kurian Towers, Banerjee Road Kochi - 682018, measuring 932 Sq. ft. (Sy. No. 318/7)	8,34,675.00	George Thomas	Promoter	From 01/04/2004	-do-
13	Office space in Kurian Towers, Banerjee Road Kochi - 682018, measuring 1094 Sq. ft. (Sy. No. 318/7)	9,32,925.00	George Thomas	Promoter	From 01/04/2004	-do-
14	Office space in Kurian Towers, Banerjee Road Kochi - 682018, measuring 1000 Sq. ft. (Sy. No. 318/7)	8,57,171.00	Susan Thomas	Relative of Promoter	From 01/04/2004	-do-
15	Office space in Kurian Towers, Banerjee Road Kochi - 682018, measuring 1,637 Sq. ft. (Sy. No. 318/7)	18,73,724.00	Late. M G George	Promoter	From 01/04/2004	-do-
16	Flat No: 2B3 at B-Canty Homes in 1,525 cents of land in Shasthamangalam, Trivandrum	20,38,255.00	George Jacob	Promoter	From 01/04/2004	-do-
17	Office space at "Alpha Plaza, Kadavanthara, Ernakulam measuring 1345 sq.ft	16,76,642.00	Late M. G. George	Promoter	From 01/04/2004	-do-



S.No:	Description of property	Gross carrying value	Held in name of	Whether promoter, director or their relative or employee	Period held - indicate range, where appropriate	Reason for not being held in name of Company
18	Office space at "Alpha Plaza, Kadavanthara, Ernakulam measuring 1500 sq.ft	12,23,635.00	George Alexander	Promoter	From 01/04/2004	-do-
19	Office space at "Alpha Plaza, Kadavanthara, Ernakulam measuring 1733 sq.ft	14,13,706.00	George Alexander	Promoter	From 01/04/2004	-do-
20	Office space at "Alpha Plaza, Kadavanthara, Ernakulam measuring 213 sq.ft	1,73,756.00	George Alexander	Promoter	From 01/04/2004	-do-
21	Office space at "Alpha Plaza, Kadavanthara, Ernakulam measuring 315 sq.ft	2,56,963.00	George Alexander	Promoter	From 01/04/2004	-do-
22	Office space at "Alpha Plaza, Kadavanthara, Ernakulam measuring 2098 sq.ft	19,98,602.00	George Thomas	Promoter	From 01/04/2004	-do-
23	Office space at "Alpha Plaza, Kadavanthara, Ernakulam measuring 1375 sq.ft	13,09,856.00	George Thomas	Promoter	From 01/04/2004	-do-
24	Office space at "Alpha Plaza, Kadavanthara, Ernakulam measuring 1826 sq.ft	24,95,574.00	George Jacob	Promoter	From 01/04/2004	-do-
25	Office space at "Alpha Plaza, Kadavanthara, Ernakulam measuring 2,109 sq.ft	21,60,701.00	George Jacob	Promoter	From 01/04/2004	-do-

- d. According to the information and explanations given to us and based on the books of account of the Company examined by us, the Company has not revalued its PPE (including Right of Use assets) or intangible assets or both during the year.
- e. According to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated or are pending against the Company as at March 31, 2023, for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii. a. The Company is a Non-Banking Finance Company and its business does not require maintenance of inventories. Accordingly, the provision of clause 3(ii)(a) of the Order is not applicable to the Company.
- b. The Company has been sanctioned working capital limits in excess of ₹5 Crores in aggregate from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly statements filed with banks or financial institutions are in agreement with the books of account.
- iii. a. The principal business of the Company is to give loans, hence the requirement to report on clause 3(iii) (a) of the Order is not applicable to the Company.
- b. During the year the investments made, guarantee provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees are, in our opinion, not prejudicial to the Company's interest.

- c. In respect of loans and advances in the nature of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated. Being a Non-Banking (Non-Deposit Taking Systematically Important) Finance Company, there are instances where the repayment of principal and interest are not as per the stipulated terms.
- d. In respect of loans and advances granted by the Company, Refer notes 8(1) and 42(1) to the Standalone Financial Statements for the total amount overdue for more than ninety days under the title 'Stage 3' loans. In our opinion and according to the information and explanations given to us, reasonable steps have been taken by the Company for recovery of the principal and interest.
- e. The principal business of the Company is to give loans, hence the requirement to report on clause 3(iii) (e) of the Order is not applicable to the company.
- 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. Hence the requirement to report loans granted to promoters, related parties as defined in clause 76 of section 2 of the Act or to any other parties on clause 3(iii) (f) of the Order is not applicable.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act in respect of loans granted, investments made and guarantees given, where applicable. The Company has not provided any security for which the provisions of sections 185 and 186 of the Act are applicable.
- v. The Company has not accepted any deposits from the public or amounts which are deemed to be deposits during the year which attract the directives issued by the Reserve Bank of India. Being a Non-Banking Finance Company registered with Reserve Bank of India, the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Rules framed there under regarding acceptance of deposits are not applicable. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- vi. In our opinion and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the Company.
- vii. a. In our opinion and according to the information and explanations given to us, the Company has generally been regular in depositing any undisputed statutory dues including 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 to the appropriate authorities.
- According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, goods and services tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at March 31, 2023, for a period of more than six months from the date they became payable.
- b. In our opinion and according to the information and explanations given to us, there are no disputed amounts dues to be deposited in respect of goods and services tax, provident fund, employees' state insurance, sales tax, duty of customs, duty of excise, value added tax and cess as at March 31, 2023, except the following:



According to the information and explanations given to us the following disputed amounts of income tax and service tax have not been deposited with the authorities as at March 31, 2023:

Nature of dues	Statute	Amount payable (Net of payments made) ₹ in millions	Period to which the amount relates	Forum where the dispute is pending
Service tax (excluding interest)	Finance Act, 1994	3,004.08	2007-2008 to 2011-2012	Customs Excise and Service Tax Appellate Tribunal (Bangalore)
-do-	-do-	94.21	2014-2015	High Court of Kerala
Income tax	Income Tax Act, 1961	53.66	AY 2011-12	Application for rectification pending before assessing officer

- viii. In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no instances of any transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. a. In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- b. According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared a wilful defaulter by any bank or financial institution or any other lender.
- c. In our opinion and according to the information and explanations given to us, the Company has utilized the money obtained by way of term loans for the purpose for which they were obtained.
- d. According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that funds raised on short-term basis have, prima facie not been utilized for long-term purposes by the Company.
- e. According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that 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. According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x. a. According to the information and explanations provided to us and the records of the Company examined by us, the Company has not raised monies by way of initial public offer or further public offer except for the public offer of debt instruments.
- According to the information and explanation provided to us and the records of the Company examined by us, the monies raised by way of public offer of debt instruments during the year were applied for the purposes for which those were raised.
- b. According to the information and explanations given to us, the Company has not made any preferential allotment/private placement of shares or convertible debentures (fully/partly/optionally convertible) during the year except Employee Stock Options issued during the year.
- xi. a. To the best of our knowledge and according to the information and explanations given to us, there have been instances of fraud on the Company

- amounting to ₹52.16 million as included in Note 50 to the standalone financial statements. No fraud by the Company has been noticed or reported during the year, nor have we been informed of any such instance by the management.
- b. No report under sub-section (12) of section 143 of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year by the Statutory Auditors and up to the date of this Report.
 - c. We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.
- xii. The Company is not a Nidhi company as prescribed under Section 406 of the Companies Act. Accordingly, the reporting requirement under clause 3 (xii) of the Order is not applicable.
 - xiii. In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and the details of such transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.
 - xiv. a. In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
 - b. The internal audit is performed as per a planned program approved by the management and those charged with governance of the Company. We have considered, during the course of our audit, the reports of the branch internal audits for the year under audit in accordance with the guidance provided in SA 610 'Using the Work of Internal Auditors' issued by the Institute of Chartered Accountants of India.
 - xv. According to the information and explanations given to us, in our opinion, during the year the Company has not entered into any non-cash transaction with its directors or persons connected with its directors and hence reporting requirement under Clause 3 (xv) of the Order are not applicable to the Company.
 - xvi. a. The Company is a Non-Banking Finance Company and is required to obtain Registration under section 45-IA of the Reserve Bank of India Act, 1934 and such registration has been obtained.
 - b. The Company has a valid Certificate of Registration (CoR) from the Reserve Bank of India (RBI) for conducting Non-Banking Financial activities and no business has been conducted by the Company without a valid CoR.
 - c. The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting requirements under clause 3 (xvi)(c) of the Order is not applicable.
 - d. As per the information and explanations given to us, there are no core investment companies as defined in the regulations made by the Reserve Bank of India as part of its group and hence the reporting requirements under clause 3 (xvi)(d) of the Order are not applicable.
 - xvii. The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.
 - xviii. There has been no resignation of the statutory auditors of the Company during the year.
 - xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which



causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a 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.

- xx. a. In our opinion and according to the information and explanations given to us, there is no unspent amount required to be transferred to a fund specified in Schedule VII of the Companies Act in compliance with second proviso to sub section 5 of section 135 of the said Act for the year.

- b. According to the information and explanation given to us and based on our examination of the records of the Company, the Company has fully spent the required amount towards Corporate Social Responsibility and there are no unspent Corporate Social Responsibility amount for the current Financial Year which is required to be transferred to a fund specified in Schedule VII to the Companies Act, 2013 or special account in compliance with the provisions of sub Section 6 of Section 135 of the said Act. However in respect of the earlier Financial Year the Company has transferred unspent amount under sub Section 5 of Section 135 of the Companies Act, 2013 pursuant to ongoing projects in a special account in compliance with provisions of sub Section 6 of Section 135 of the said Act.

For **Elias George & Co.**,
Chartered Accountants
Firm Regn. No. 000801S

Sd/-
Ranjit Mathews P
Partner
Membership No: 205377
UDIN: 23205377BGQGGT8012

May 19, 2023
Kochi

For **Babu A. Kallivayalil & Co.**,
Chartered Accountants
Firm Regn. No. 005374S

Sd/-
Babu Abraham Kallivayalil
Partner
Membership No: 026973
UDIN: 23026973BGUHZE2637

May 19, 2023
Kochi

'ANNEXURE B' REFERRED TO IN PARAGRAPH 2(f) UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF MUTHOOT FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2023

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

Opinion

We have audited the internal financial controls over financial reporting of Muthoot Finance Limited ('the Company') as of March 31, 2023, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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, 2023, 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 (the 'Guidance Note').

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal standalone financial controls based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 ('the Act').

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by the Institute of Chartered Accountants of India ('ICAI') and deemed to be

prescribed under section 143(10) of the Act, 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 ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with reference to financial statements

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 standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal standalone financial control with reference to standalone financial statements includes those policies and procedures that:

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;



2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with 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.

For **Elias George & Co.**,
Chartered Accountants
Firm Regn. No. 000801S

Sd/-
Ranjit Mathews P
Partner
Membership No: 205377
UDIN: 23205377BGQGGT8012

May 19, 2023
Kochi

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **Babu A. Kallivayalil & Co.**,
Chartered Accountants
Firm Regn. No. 005374S

Sd/-
Babu Abraham Kallivayalil
Partner
Membership No: 026973
UDIN: 23026973BGUHZE2637

May 19, 2023
Kochi

Balance Sheet

as at March 31, 2023

(₹ in millions, except for share data and unless otherwise stated)

Particulars	Notes	As at	
		March 31, 2023	March 31, 2022
I. ASSETS			
1 Financial assets			
a) Cash and cash equivalents	5	64,288.01	91,785.15
b) Bank Balance other than (a) above	5	323.95	643.98
c) Derivative financial instruments	6	-	605.01
d) Receivables	7		
(I) Trade receivables		16.06	21.44
(II) Other receivables		-	-
e) Loans	8	642,648.80	593,842.34
f) Investments	9	13,168.59	13,204.83
g) Other financial assets	10	1,336.19	1,224.98
2 Non-financial Assets			
a) Deferred tax assets (Net)	32	401.54	485.45
b) Property, Plant and Equipment	11	2,682.10	2,636.92
c) Capital work-in-progress	11	674.27	456.48
d) Other intangible assets	12	35.59	37.36
e) Other non-financial assets	13	623.04	602.94
Total Assets		726,198.14	705,546.88
II. LIABILITIES AND EQUITY			
LIABILITIES			
1 Financial Liabilities			
a) Derivative financial instruments	6	1,892.41	4,797.97
b) Payables	14		
(I) Trade payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1,257.70	1,143.66
(II) Other payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		701.68	367.92
c) Debt securities	15	137,383.63	124,978.88
d) Borrowings (other than debt securities)	16	358,992.41	371,709.88
e) Subordinated liabilities	17	967.03	1,423.74
f) Other financial liabilities	18	9,564.12	11,782.01
2 Non-financial Liabilities			
a) Current tax liabilities (net)		789.38	1,353.28
b) Provisions	19	3,515.56	3,598.35
c) Other non-financial liabilities	20	514.94	945.47
EQUITY			
a) Equity share capital	21	4,014.48	4,013.45
b) Other equity	22	206,604.80	179,432.27
Total Liabilities and Equity		726,198.14	705,546.88

Notes on accounts form part of standalone financial statements

As per our report of even date attached

For Elias George & Co.
(FRN : 000801S)

sd/-
Ranjit Mathews P
Partner
Chartered Accountants
Membership No. 205377

For Babu A. Kallivayalil & Co.
(FRN : 005374S)

sd/-
Babu Abraham Kallivayalil
Partner
Chartered Accountants
Membership No. 026973

For and on behalf of the Board of Directors

sd/-
George Jacob Muthoot
Chairman & Whole-time Director
DIN: 00018235

sd/-
Oommen K. Mammen
Chief Financial Officer

sd/-
George Alexander Muthoot
Managing Director
DIN: 00016787

sd/-
Rajesh A
Company Secretary

Place: Kochi
Date: May 19, 2023

Place: Kochi
Date: May 19, 2023



Statement of Profit and Loss

for the year ended March 31, 2023

(₹ in millions, except for share data and unless otherwise stated)

Particulars	Notes	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from operations			
(i) Interest income	23	103,686.11	109,560.28
(ii) Dividend income		23.77	7.88
(iii) Net gain on fair value changes	24	672.70	473.93
(iv) Sale of services	25	90.70	139.69
(v) Service charges		675.21	641.46
(I) Total Revenue from operations		105,148.49	110,823.24
(II) Other Income	26	288.99	160.69
(III) Total Income (I + II)		105,437.48	110,983.93
Expenses			
(i) Finance costs	27	36,991.40	38,357.62
(ii) Impairment on financial instruments	28	605.27	1,270.47
(iii) Employee benefits expenses	29	11,994.41	10,302.16
(iv) Depreciation, amortization and impairment	30	583.14	539.14
(v) Other expenses	31	8,599.00	7,421.00
(IV) Total Expenses (IV)		58,773.22	57,890.39
(V) Profit before tax (III- IV)		46,664.26	53,093.54
(VI) Tax Expense:	32		
(1) Current tax		12,069.87	13,586.13
(2) Deferred tax		(58.47)	(35.63)
(3) Taxes relating to prior years		(82.45)	-
(VII) Profit for the year (V- VI)		34,735.31	39,543.04
(VIII) Other Comprehensive Income			
A) (i) Items that will not be reclassified to profit or loss			
- Remeasurement of defined benefit plans		48.95	23.86
- Fair value changes on equity instruments through other comprehensive income		(84.82)	61.51
- Changes in value of forward element of forward contract		405.35	(670.21)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(92.99)	147.19
Subtotal (A)		276.49	(437.65)
B) (i) Items that will be reclassified to profit or loss			
- Effective portion of gain/(loss) on hedging instruments in cash flow hedges		245.23	(40.34)
(ii) Income tax relating to items that will be reclassified to profit or loss		(61.72)	10.15
Subtotal (B)		183.51	(30.19)
Other Comprehensive Income (A + B) (VIII)		460.00	(467.84)
(IX) Total comprehensive income for the year (VII+VIII)		35,195.31	39,075.20
(X) Earnings per equity share	33		
(Face value of ₹10/- each)			
Basic (₹)		86.54	98.55
Diluted (₹)		86.52	98.50

Notes on accounts form part of standalone financial statements

As per our report of even date attached

For Elias George & Co.
(FRN : 000801S)

sd/-
Ranjit Mathews P
Partner
Chartered Accountants
Membership No. 205377

For Babu A. Kallivayalil & Co.
(FRN : 005374S)

sd/-
Babu Abraham Kallivayalil
Partner
Chartered Accountants
Membership No. 026973

For and on behalf of the Board of Directors

sd/-
George Jacob Muthoot
Chairman & Whole-time Director
DIN: 00018235

sd/-
Oommen K. Mammen
Chief Financial Officer

sd/-
George Alexander Muthoot
Managing Director
DIN: 00016787

sd/-
Rajesh A
Company Secretary

Place: Kochi
Date: May 19, 2023

Place: Kochi
Date: May 19, 2023

Statement of changes in Equity

for the year ended March 31, 2023

(₹ in millions, except for share data and unless otherwise stated)

a. Equity Share Capital

Equity shares of ₹10/- each issued, subscribed and fully paid

Particulars	Number	Amount
As at April 01, 2021	401,195,856	4,011.96
Shares issued in exercise of Employee Stock Options during the year	149,410	1.49
As at March 31, 2022	401,345,266	4,013.45
Shares issued in exercise of Employee Stock Options during the year	102,965	1.03
As at March 31, 2023	401,448,231	4,014.48

b. Other Equity

Particulars	Reserves and Surplus				Other Comprehensive Income				Total		
	Statutory Reserve	Securities Premium	Debt Redemption Reserve (Refer Note 22.1(c))	General Reserve	Share Option Outstanding	Retained Earnings	instruments through Other Comprehensive Income	Equity portion of Cash Flow Hedges		Cost of Hedging Reserve	Comprehensive Income (Remeasurement of defined benefit plans)
Balance as at April 01, 2021	33,520.29	15,016.44	35,123.97	2,676.33	105.00	61,749.05	473.04	(173.95)	(156.74)	43.55	148,376.97
Interim Dividend for 2020-21	-	-	-	-	-	(8,023.92)	-	-	-	-	(8,023.92)
Tax on dividend	-	-	-	-	-	-	-	-	-	-	-
Transfer to/from retained earnings	7,908.62	-	-	-	-	(7,908.62)	-	-	-	-	-
Profit for the year after income tax	-	-	-	-	-	39,543.04	-	-	-	-	39,543.04
Share based payment expenses	-	-	-	-	(1.98)	-	-	-	-	-	(1.98)
Share option exercised during the year	-	47.26	-	-	(41.28)	-	-	-	-	-	5.98
Other Comprehensive Income (OCI) for the year before income tax	-	-	-	-	-	-	61.52	(40.34)	(670.21)	23.86	(625.17)
Income Tax on OCI	-	-	-	-	-	-	(15.48)	10.15	168.68	(6.01)	157.35
Balance as at March 31, 2022	41,428.90	15,063.70	35,123.97	2,676.33	61.74	85,359.55	519.08	(204.14)	(658.28)	61.40	179,432.27
Interim Dividend for 2021-22	-	-	-	-	-	(8,026.91)	-	-	-	-	(8,026.91)
Transfer to/ from retained earnings	6,947.06	-	-	-	-	(6,947.06)	-	-	-	-	-
Profit for the year after income tax	-	-	-	-	-	34,735.31	-	-	-	-	34,735.31
Transfer from ESOP reserves	-	-	-	-	(9.16)	9.16	-	-	-	-	-

Statement of changes in Equity

for the year ended March 31, 2023

(₹ in millions, except for share data and unless otherwise stated)

Particulars	Reserves and Surplus					Other Comprehensive Income				Total		
	Statutory Reserve	Securities Premium	Debt Redemption Reserve (Refer Note 22.1(c))	General Reserve	Share Option Outstanding	Retained Earnings	Equity instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Cost of Hedging Reserve		Comprehensive Income (Remeasurement of defined benefit plans)	Other Items of Other Income
Share based payment expenses	-	-	-	-	-	-	-	-	-	-	-	-
Share option exercised during the year	-	36.59	-	-	(32.46)	-	-	-	-	-	-	4.13
Other Comprehensive Income (OCI) for the year before income tax	-	-	-	-	-	-	(84.82)	245.23	405.35	48.95	48.95	614.71
Income Tax on OCI	-	-	-	-	-	-	21.35	(61.72)	(102.02)	(12.32)	(12.32)	(154.71)
Balance as at March 31, 2023	48,375.96	15,100.29	35,123.97	2,676.33	20.12	105,130.05	455.61	(20.63)	(354.95)	98.03	98.03	206,604.80

Notes on accounts form part of standalone financial statements

As per our report of even date attached

For Elias George & Co.
(FRN : 000801S)

For Babu A. Kallivayalil & Co.
(FRN : 005374S)

For and on behalf of the Board of Directors

sd/-
Ranjit Mathews P
Partner
Chartered Accountants
Membership No. 205377

sd/-
Babu Abraham Kallivayalil
Partner
Chartered Accountants
Membership No. 026973

sd/-
George Jacob Muthoot
Chairman & Whole-time Director
DIN: 00018235

sd/-
George Alexander Muthoot
Managing Director
DIN: 00016787

sd/-
Oommen K. Mammen
Chief Financial Officer

sd/-
Rajesh A
Company Secretary

Place: Kochi

Date: May 19, 2023

Place: Kochi

Date: May 19, 2023

Cash Flow Statement

for the year ended March 31, 2023

(₹ in millions, except for share data and unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
A. Cash flow from Operating activities		
Profit before tax	46,664.26	53,093.54
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation, amortisation and impairment	583.14	539.14
Impairment on financial instruments	605.27	1,270.47
Finance cost	36,991.40	38,357.62
(Profit)/Loss on sale of mutual funds	(672.69)	(445.03)
(Profit)/Loss on sale of investments at amortised cost	-	(28.90)
(Profit)/Loss on sale of Property, plant and equipment	(9.74)	(14.70)
Provision for Gratuity	116.14	152.12
Provision for Compensated absences	29.38	(32.34)
Provision for Employee benefit expense - Share based payments for employees	-	(1.98)
Provision for refund of interest on interest	-	4.55
Interest income on investments	(2,139.31)	(1,495.96)
Dividend income	(23.77)	(7.88)
Unrealised gain on investment	(0.01)	-
Operating Profit Before Working Capital Changes	82,144.07	91,390.65
Adjustments for:		
(Increase)/Decrease in Trade receivables	5.38	13.28
(Increase)/Decrease in Bank balances other than cash and cash equivalents	319.47	87.24
(Increase)/Decrease in Loans	(49,414.35)	(53,854.40)
(Increase)/Decrease in Other financial assets	(128.59)	37.74
(Increase)/Decrease in Other non-financial assets	74.37	95.14
Increase/(Decrease) in Other financial liabilities	206.17	(88.22)
Increase/(Decrease) in Other non-financial liabilities	(430.53)	513.78
Increase/(Decrease) in Trade payables	447.82	(505.53)
Increase/(Decrease) in Provisions	(176.76)	(147.76)
Cash generated from/ (used in) operations	33,047.05	37,541.92
Finance cost paid	(39,500.62)	(35,436.02)
Income tax paid	(12,563.65)	(13,521.26)
Net cash from / (used in) operating activities	(19,017.22)	(11,415.36)
B. Cash flow from Investing activities		
Purchase of Property, plant and equipment and intangible assets (Including Capital work in progress)	(941.46)	(735.73)
Proceeds from sale of Property, plant and equipment	12.39	22.81
(Increase)/Decrease in Investment in mutual funds (Net)	672.69	445.03
(Increase)/Decrease in Investments at amortised cost	10.00	3,400.63
Investments in unquoted equity shares	-	-
Investment in Equity shares of subsidiary	(50.00)	(480.00)
Investment in Preference shares of subsidiary	-	(145.96)
Investments in quoted equity shares	-	-
Interest received on investments	2,148.13	1,561.66
Dividend income	23.77	7.88
Net cash from / (used in) investing activities	1,875.52	4,076.32



Cash Flow Statement

for the year ended March 31, 2023

(₹ in millions, except for share data and unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
C. Cash flow from Financing activities		
Proceeds from issue of equity share capital	5.15	7.47
Increase / (Decrease) in Debt securities	12,309.88	(13,062.49)
Increase / (Decrease) in Borrowings (other than Debt securities)	(14,184.65)	49,711.83
Increase / (Decrease) in Subordinated liabilities	(459.47)	(675.69)
Dividend paid	(8,026.35)	(8,023.92)
Net cash from / (used in) financing activities	(10,355.44)	27,957.20
D. Net increase/(decrease) in cash and cash equivalents (A+B+C)	(27,497.14)	20,618.16
Cash and cash equivalents at April 01, 2022/ April 01, 2021	91,785.15	71,166.99
Cash and cash equivalents at March 31, 2023/ March 31, 2022 (Refer note 5.1)	64,288.01	91,785.15

Notes on accounts form part of standalone financial statements

As per our report of even date attached

For Elias George & Co.
(FRN : 000801S)

For Babu A. Kallivayalil & Co.
(FRN : 005374S)

For and on behalf of the Board of Directors

sd/-
Ranjit Mathews P
Partner
Chartered Accountants
Membership No. 205377

sd/-
Babu Abraham Kallivayalil
Partner
Chartered Accountants
Membership No. 026973

sd/-
George Jacob Muthoot
Chairman & Whole-time Director
DIN: 00018235

sd/-
George Alexander Muthoot
Managing Director
DIN: 00016787

sd/-
Oommen K. Mammen
Chief Financial Officer

sd/-
Rajesh A
Company Secretary

Place: Kochi
Date: May 19, 2023

Place: Kochi
Date: May 19, 2023

Notes

forming part of Financial Statements

1. Corporate Information

Muthoot Finance Limited (“the Company”) was incorporated as a private limited company on 14th March, 1997 and was converted into a public limited company on November 18, 2008. The Company was promoted by Late Mr. M. G. George Muthoot, Mr. George Thomas Muthoot, Mr. George Jacob Muthoot and Mr. George Alexander Muthoot who collectively operated under the brand name of “The Muthoot Group”. The Company obtained permission from the Reserve Bank of India for carrying on the business of Non-Banking Financial Institutions on 13-11-2001 vide Regn No. N 16.00167. The Company is presently classified as Systemically Important Non-Deposit Taking NBFC (NBFC-ND-SI). The Reserve Bank of India vide its press release 2022-2023/975 dated September 30, 2022, has classified Muthoot Finance Limited as Upper Layer NBFC as per their “Scale based regulatory framework”. The Registered Office of the Company is at Second Floor, Muthoot Chambers, Opposite Saritha Theatre Complex, Banerji Road, Kochi - 682 018, India.

The Company made an Initial Public Offer of 51,500,000 Equity Shares of the face value ₹10/- each at a price of ₹175/- raising ₹9,012.50 millions during the month of April 2011. The equity shares of the Company are listed on National Stock Exchange of India Limited and BSE Limited from May 6, 2011.

2. Basis of preparation and presentation

2.1 Statement of Compliance

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). These financial statements may require further adjustments, if any, necessitated by the guidelines / clarifications / directions issued in the future by RBI, Ministry of Corporate Affairs, or other regulators, which will be implemented as and when the same are issued and made applicable.

2.2. Basis of measurement

The financial statements have been prepared on a historical cost basis, except for following assets and liabilities which have been measured at fair value:

- i) fair value through other comprehensive income (FVOCI) instruments,
- ii) derivative financial instruments,
- iii) other financial assets held for trading,
- iv) financial assets and liabilities designated at fair value through profit or loss (FVTPL)

2.3 The financial statements of the Company are presented as per Schedule III (Division III) of the Companies Act, 2013 applicable to NBFCs, as notified by the Ministry of Corporate Affairs (MCA). Financial assets and financial liabilities are generally reported on a gross basis except when, there is an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event and the parties intend to settle on a net basis.

2.4 Functional and presentation currency

The financial statements are presented in Indian Rupees (INR) which is also its functional currency and all values are rounded to the nearest million, except when otherwise indicated.

2.5 New Accounting Standards that are issued but not effective

There are no standards that are issued but not yet effective on March 31, 2023.

3. Significant accounting policies

3.1. Revenue Recognition

3.1.1 Recognition of interest income

The Company recognises Interest income by applying the effective interest rate (EIR) to the gross carrying amount of a financial asset except for purchased or originated credit-impaired financial assets and other credit-impaired financial assets.



Notes

forming part of Financial Statements

For purchased or originated credit-impaired financial assets, the Company applies the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition.

For other credit-impaired financial assets, the Company applies effective interest rate to the amortised cost of the financial asset in subsequent reporting periods.

The effective interest rate on a financial asset is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. While estimating future cash receipts, factors like expected behaviour and life cycle of the financial asset, probable fluctuation in collateral value etc. are considered which has an impact on the EIR.

While calculating the effective interest rate, the Company includes all fees and points paid or received to and from the borrowers that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Interest income on all trading assets and financial assets required to be measured at FVTPL is recognised using the contractual interest rate as net gain on fair value changes.

3.1.2 Recognition of revenue from sale of goods or services

Revenue (other than for Financial Instruments within the scope of Ind AS 109) is measured at an amount that reflects the considerations, to which an entity expects to be entitled in exchange for transferring goods or services to customer, excluding amounts collected on behalf of third parties.

The Company recognises revenue from contracts with customers based on a five-step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation

Revenue from contract with customer for rendering services is recognised at a point in time when performance obligation is satisfied.

3.1.3 Recognition of Dividend Income

Dividend income (including from FVOCI investments) is recognised when the Company's right to receive the payment is established. This is established when it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably.

3.2. Financial instruments

A. Financial Assets

3.2.1. Initial recognition and measurement

All financial assets are recognised initially at fair value when the Company becomes party to the contractual provisions of the financial asset. In case of financial assets which are not recorded at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial assets, are adjusted to the fair value on initial recognition.

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3.2.2. Subsequent measurement

The Company classifies its financial assets into various measurement categories. The classification depends on the contractual terms of the financial assets' cash flows and the Company's business model for managing financial assets.

a. Financial assets measured at amortised cost

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the Financial Asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b. Financial assets measured at fair value through other comprehensive income (FVOCI)

A financial asset is measured at FVOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and contractual terms of financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c. Financial assets measured at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

3.2.3. Investments in Subsidiaries, Associates and Joint Ventures

The Company has accounted for its investments in Subsidiaries, Associates and Joint Ventures at cost less impairment loss, if any.

3.2.4. Other Equity Investments

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the changes in fair value through other comprehensive income (FVOCI).

B. Financial liabilities

3.2.5. Initial recognition and measurement

All financial liabilities are recognized initially at fair value when the company become party to the contractual provisions of the financial liability. In case of financial liability which are not recorded at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial liabilities, are adjusted to the fair value on initial recognition. The company's financial liabilities include trade and other payables, non-convertible debentures loans and borrowings including bank overdrafts.

3.2.6. Subsequent Measurement

Financial liabilities other than financial liabilities at fair value through profit or loss which includes derivative financial instruments are subsequently carried at amortised cost using the effective interest method. Subsequent measurement of derivative financial instruments are at fair value as detailed under Note 3.7 'Derivative Financial Instruments'

3.3. Derecognition of financial assets and liabilities

3.3.1. Financial Asset

The Company derecognizes a financial asset when the contractual cash flows from the asset expire or it transfers its rights to receive contractual cash flows from the financial asset in a transaction in which substantially all the risks and rewards of ownership are transferred. Any rights and obligations created or retained in the transfer of such financial assets by the Company is recognized as a separate asset or liability.

3.3.2. Financial Liability

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and



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the consideration paid is recognised in the Statement of profit and loss.

3.4. Offsetting

Financial assets and financial liabilities are generally reported gross in the balance sheet. Financial assets and liabilities are offset and the net amount is presented in the balance sheet when the Company has a legal right to offset the amounts and intends to settle on a net basis or to realise the asset and settle the liability simultaneously in all the following circumstances:

- a. The normal course of business
- b. The event of default
- c. The event of insolvency or bankruptcy of the Company and/or its counterparties

3.5. Impairment of financial assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' model (ECL), for evaluating impairment of financial assets other than those measured at Fair value through profit or loss.

3.5.1. Overview of the Expected Credit Loss (ECL) model

Expected Credit Loss, at each reporting date, is measured through a loss allowance for a financial asset:

- At an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition.
- At an amount equal to 12-month expected credit losses, if the credit risk on a financial instrument has not increased significantly since initial recognition.

Lifetime expected credit losses means expected credit losses that result from all possible default events over the expected life of a financial asset.

12-month expected credit losses means the portion of Lifetime ECL that represent the ECLs that result from default events on financial assets that are possible within the 12 months after the reporting date.

The Company performs an assessment, at the end of each reporting period, of whether a financial assets credit risk has increased significantly since initial recognition. When making the assessment, the change in the risk of a default occurring over the expected life of the financial instrument is used instead of the change in the amount of expected credit losses.

Based on the above process, the Company categorises its loans into three stages as described below:

For non-impaired financial assets

- Stage 1 is comprised of all non-impaired financial assets which have not experienced a significant increase in credit risk since initial recognition. A 12-month ECL provision is made for stage 1 financial assets. In assessing whether credit risk has increased significantly, the Company compares the risk of a default occurring on the financial asset as at the reporting date with the risk of a default occurring on the financial asset as at the date of initial recognition.
- Stage 2 is comprised of all non-impaired financial assets which have experienced a significant increase in credit risk since initial recognition. The Company recognises lifetime ECL for stage 2 financial assets. In subsequent reporting periods, if the credit risk of the financial instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then entities shall revert to recognizing 12 months ECL provision.

For impaired financial assets:

Financial assets are classified as Stage 3 when there is objective evidence of impairment as a result of one or more loss events that have occurred after initial recognition with a negative impact on the estimated future cash flows of a loan or a portfolio of loans. The Company recognises lifetime ECL for impaired financial assets.

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3.5.2. Estimation of Expected Credit Loss

The mechanics of the ECL calculations are outlined below and the key elements are as follows:

Probability of Default (PD) - The Probability of Default is an estimate of the likelihood of default over a given time horizon.

The Company uses historical information where available to determine PD. Considering the different products and schemes, the Company has bifurcated its loan portfolio into various pools. For certain pools where historical information is available, the PD is calculated considering fresh slippage of past years. For those pools where historical information is not available, the PD/default rates as stated by external reporting agencies is considered.

Exposure at Default (EAD) - The Exposure at Default is an estimate of the exposure at a future default date, considering expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

Loss Given Default (LGD) - The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral.

Forward looking information

While estimating the expected credit losses, the Company reviews macro-economic developments occurring in the economy and market it operates. On a periodic basis, the Company analyses if there is any relationship between key economic trends like GDP, unemployment rates, benchmark rates set by the Reserve Bank of India, inflation etc. with the estimate of PD, LGD determined by the Company based on its internal data. While the internal estimates of PD, LGD rates by the Company may not be always reflective of such relationships, temporary overlays, if any, are embedded in the methodology to reflect such macro-economic trends reasonably.

To mitigate its credit risks on financial assets, the Company seeks to use collateral, where possible. The collateral comes in various forms, such as cash, securities, letters of credit/guarantees, vehicles, etc. However, the fair value of collateral affects the calculation of ECL. The collateral is majorly the property for which the loan is given. The fair value of the same is based on data provided by third party or management judgements.

Loans are written off (either partially or in full) when there is no realistic prospect of recovery. This is generally the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. Any subsequent recoveries against such loans are credited to the Statement of Profit and Loss.

3.6. Determination of fair value of Financial Instruments

The Company measures financial instruments, such as, investments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- i. In the principal market for the asset or liability, or
- ii. In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and



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best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

The financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

Level 1 financial instruments –Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

Level 2 financial instruments–Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Company will classify the instruments as Level 3.

Level 3 financial instruments –Those that include one or more unobservable input that is significant to the measurement as whole.

3.7. Derivative financial instruments

The Company enters into derivative financial instruments such as foreign exchange forward contracts and cross currency swaps to manage its exposure to foreign exchange rate risk and interest rate swaps to manage its interest rate risk.

Derivatives are initially recognised at fair value on the date when a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date and carried as assets when their fair value is positive and as liabilities when their fair value is negative. The resulting gain/loss is recognised in the Statement of Profit and Loss immediately unless the derivative is designated and is effective as a hedging instrument, in which event the timing of the recognition in the Statement of Profit and Loss depends on the nature of the hedge relationship. The Company has designated the derivative financial instruments as cash flow hedges of recognised liabilities and unrecognised firm commitments.

Hedge accounting

In order to manage particular risks, the Company applies hedge accounting for transactions that meet specific criteria.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship and the risk management objective and strategy for undertaking the hedge. The company enters into derivative financial instruments that have critical terms aligned with the hedged item and in accordance with the Risk management policy of the company, the hedging relationship is extended to the entire term of the hedged item. The hedges are expected to be highly effective if the hedging instrument is offsetting changes in fair value or cash flows of the hedged item attributable to the hedged risk. The assessment of hedge effectiveness is carried out at inception and on an ongoing basis to determine that the hedging relationship has been effective throughout the financial reporting periods for which they were designated.

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Cash Flow Hedges

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability (such as all or some future interest payments on variable rate debt) or a highly probable forecast transaction and could affect profit and loss. For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in Other Comprehensive Income (OCI) within equity (cash flow hedge reserve). The ineffective portion of the gain or loss on the hedging instrument is recognised immediately in the Statement of Profit and Loss. When the hedged cash flow affects the Statement of Profit and Loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the Statement of Profit and Loss. When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognised in OCI at that time remains in OCI and is recognised when the hedged forecast transaction is ultimately recognised in the Statement of Profit and Loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the Statement of Profit and Loss.

3.8. Cash and cash equivalents

Cash and cash equivalents comprise of cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts if any, as they are considered as an integral part of the Company's cash management.

3.9. Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties

and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Advances paid towards the acquisition of fixed assets, outstanding at each reporting date are shown under other non-financial assets. The cost of property, plant and equipment not ready for its intended use at each reporting date are disclosed as capital work-in-progress.

Subsequent expenditure related to the asset are added to its carrying amount or recognised as a separate asset only if it increases the future benefits of the existing asset, beyond its previously assessed standards of performance and cost can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

3.9.1. Depreciation

Depreciation on Property, Plant and Equipment is calculated using written down value method to write down the cost of property, plant and equipment to their residual values over their estimated useful lives which is in line with the estimated useful life as specified in Schedule II of the Companies Act, 2013.

The estimated useful lives are as follows:

Particulars	Useful life
Furniture and fixture	10 years
Office equipment	5 years
Server and networking	6 years
Computer	3 years
Building	30 years
Vehicles	8 years
Wind Mill	22 years

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.



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Property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the Statement of Profit and Loss in the year the asset is derecognised. The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

3.10. Intangible assets

An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Company.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of an intangible asset comprises its purchase price including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

Subsequent expenditure related to the asset is added to its carrying amount or recognised as a separate asset only if it increases the future benefits of the existing asset, beyond its previously assessed standards of performance and cost can be measured reliably.

Intangible assets comprising of software is amortised on straight line basis over a period of 5 years, unless it has a shorter useful life.

Gains or losses from derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit and Loss when the asset is derecognised.

3.11. Impairment of non-financial assets: Property, Plant and Equipment and Intangible Assets

The Company assesses, at each reporting date, whether there is any indication that any Property, Plant and Equipment and Intangible Assets or group of assets called Cash Generating Units (CGU) may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount to determine the extent of impairment, if any.

An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation,

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had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

3.12. Employee Benefits Expenses

3.12.1. Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services

3.12.2. Post-Employment Benefits

A. Defined contribution schemes

All eligible employees of the company are entitled to receive benefits under the provident fund, a defined contribution plan in which both the employee and the company contribute monthly at a stipulated percentage of the covered employee's salary. Contributions are made to Employees Provident Fund Organization in respect of Provident Fund, Pension Fund and Employees Deposit Linked Insurance Scheme at the prescribed rates and are charged to Statement of Profit and Loss at actuals. The company has no liability for future provident fund benefits other than its annual contribution.

B. Defined Benefit schemes

Gratuity

The Company provides for gratuity covering eligible employees under which a lumpsum payment is paid to vested employees at retirement, death, incapacitation or termination of employment, of an amount reckoned on the respective employee's salary and his tenor of employment with the Company. The Company accounts for its liability for future gratuity benefits based on actuarial valuation determined at each Balance Sheet date by an Independent Actuary using Projected Unit Credit Method. The Company makes annual contribution to a Gratuity Fund administered by Trustees and separate schemes managed by Kotak Mahindra Old

Mutual Life Insurance Limited and/or ICICI Prudential Life Insurance Company Limited.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on Government Securities as at the Balance Sheet date.

An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Re-measurement, comprising of actuarial gains and losses (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income in the period in which they occur. Re-measurements are not reclassified to profit and loss in subsequent periods.

3.12.3. Other Long term employee benefits

Accumulated compensated absences

The Company provides for liability of accumulated compensated absences for eligible employees on the basis of an independent actuarial valuation carried out at the end of the year, using the projected unit credit method. Actuarial gains and losses are recognised in the Statement of Profit and Loss for the period in which they occur.

3.12.4. Employee share based payments

Stock options granted to the employees under the stock option scheme established are accounted as per the accounting treatment prescribed by the SEBI (Share Based Employee Benefits) Regulations, 2014 issued by Securities and Exchange Board of India.



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The Company follows the fair value method of accounting for the options and accordingly, the excess of market value of the stock options as on the date of grant over the fair value of the options is recognised as deferred employee compensation cost and is charged to the Statement of Profit and Loss on graded vesting basis over the vesting period of the options.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

3.13. Provisions

Provisions are recognised when the enterprise has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

When the effect of the time value of money is material, the enterprise determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the Statement of Profit and Loss net of any reimbursement.

3.14. Taxes

Income tax expense represents the sum of current tax and deferred tax.

3.14.1 Current Tax

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible in accordance with applicable tax laws.

The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the end of reporting date in India where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss i.e., either in other comprehensive income or in equity. Current tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

3.14.2 Deferred tax

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities used in the computation of taxable profit and their carrying amounts in the financial statements for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- i. Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- ii. In respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- i. When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and,

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at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

- ii. In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss ie., either in other comprehensive income or in equity. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

3.15. Contingent Liabilities and Assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources

will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. The company does not have any contingent assets in the financial statements.

3.16. Earnings Per Share

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share (EPS). Basic EPS is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividend and attributable taxes) by the weighted average number of equity shares outstanding during the year.

For calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

3.17. Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in



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a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in the Statement of profit and loss.

3.18. Cash-flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated.

3.19. Leases

Effective 01 April 2019, the Company had applied Ind AS 116 'Leases' to all lease contracts existing on 01 April 2019 by adopting the modified retrospective approach.

The Company evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset.

The Company as a lessee

The Company has elected not to recognise right-of use assets and lease liabilities for short term leases that have a lease term of less than or equal to 12 months and leases with low value assets. The Company determines the lease term as the non-cancellable period of a lease, together with periods covered by an option to extend the lease, where the Company is reasonably certain to exercise that option.

The Company recognises the lease payments associated with these leases as an expense in Statement of Profit and Loss on a straight-line basis over the lease term or another systematic basis if that basis is more representative of the pattern of the lessee's benefit. The related cash flows are classified as operating activities.

Wherever the above exception permitted under Ind AS 116 is not applicable, the Company at the time of initial recognition:

- measures lease liability as present value of all lease payments discounted using the Company's incremental cost of borrowing and directly attributable costs. Subsequently, the lease liability is increased by interest on lease liability, reduced by lease payments made and remeasured to reflect any reassessment or lease modifications specified in Ind AS 116 'Leases', or to reflect revised fixed lease payments.
- measures 'Right-of-use assets' as present value of all lease payments discounted using the Company's incremental cost of borrowing and any initial direct costs. Subsequently, 'Right-of-use assets' is measured using cost model i.e. at cost less any accumulated depreciation (depreciated on straight line basis over the lease period) and any accumulated impairment losses adjusted for any remeasurement of the lease liability specified in Ind AS 116 'Leases'

The Company as a lessor

Leases under which the Company is a lessor are classified as finance or operating leases. Lease contracts where all the risks and rewards are substantially transferred to the lessee, the lease contracts are classified as finance leases. All other leases are classified as operating leases. Lease payments from operating leases are recognised as an income in the Statement of Profit and Loss on a straight-line basis over the lease term or another systematic basis if that basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished.

4. Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with the Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosure and

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the disclosure of contingent liabilities, at the end of the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

4.1. Business Model Assessment

Classification and measurement of financial assets depends on the results of the Solely payments of principal and interest and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

4.2. Effective Interest Rate (EIR) method

The Company's EIR methodology, recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges).

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, probable fluctuations in collateral value as well as expected changes to India's base rate and other fee income/expense that are integral parts of the instrument

4.3. Impairment of loans portfolio

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

4.4. Defined employee benefit assets and liabilities

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.



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4.5. Fair value measurement

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

4.6. Determination of lease term

Ind AS 116 "Leases" requires lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the

lease, if the use of such option is reasonably certain. The Company makes assessment on the expected lease term on lease by lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of lease and the importance of the underlying to the Company's operations taking into account the location of the underlying asset and the availability of the suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

4.7. Other estimates

These include contingent liabilities, useful lives of tangible and intangible assets etc.

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Note 5.1: Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Cash on hand	1,612.98	1,907.74
Balances with Banks		
- in current accounts	57,632.89	35,228.96
- in fixed deposit (maturing within a period of three months)	45.00	26,660.24
Investment in TREPS	4,997.14	27,988.21
Total	64,288.01	91,785.15

Note 5.2: Bank balance other than cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Fixed deposits with bank (maturing after period of three months)	140.00	141.20
Fixed deposits with bank under lien (Refer Note 5.2.1)		
- Maturing within a period of three months	6.96	286.01
- Maturing after period of three months	70.19	65.27
Balance in other escrow accounts		
- Unpaid (Unclaimed) Dividend Account	9.16	8.60
- Unspent CSR expenditure account	22.83	66.83
- Unpaid (Unclaimed) interest and redemption proceeds of Non-Convertible debentures	74.81	76.07
Total	323.95	643.98

Note 5.2.1: Fixed deposits with banks under lien

Fixed Deposits with bank include fixed deposits given as security for borrowings ₹8.49 millions (March 31, 2022: ₹8.44 millions), fixed deposits given as security for guarantees ₹66.65 millions (March 31, 2022: ₹62.03 millions) and fixed deposits on which lien is marked for other purposes ₹2.01 millions (March 31, 2022: ₹280.81 millions).

Note 5.3: The amount of Fixed deposits and Investment in TREPS in Notes 5.1 and 5.2 above does not include interest accrued aggregating to ₹8.76 millions (March 31, 2022: ₹19.30 millions) disclosed separately under Other financial assets in Note 10. Details of such interest accrued is as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Fixed deposit and Investment in TREPS (maturing within a period of three months)	2.59	12.09
Fixed deposits with bank (maturing after period of three months)	3.50	2.49
Fixed deposits with bank under lien (maturing within a period of three months):		
- given as security for borrowings	0.13	0.13
- given as security for guarantees	0.24	0.22
- other purposes	-	0.35
Fixed deposits with bank under lien (maturing after period of three months):		
- given as security for borrowings	0.14	0.18
- given as security for guarantees	2.08	3.81
- other purposes	0.08	0.03
Total	8.76	19.30

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Note 6: Derivative Financial Instruments

Particulars	As at March 31, 2023				As at March 31, 2022			
	Notional amounts (USD millions)	Notional amounts (₹ millions)	Fair value- Assets	Fair value- Liabilities	Notional amounts (USD millions)	Notional amounts (₹ millions)	Fair value- Assets	Fair value- Liabilities
(i) Currency derivatives								
- Forward contracts	609.83	50,109.57	-	1,869.20	851.61	64,545.84	-	4,797.97
- Cross currency swaps	-	-	-	-	212.25	15,796.72	605.01	-
(ii) Interest Rate derivatives								
- Interest rate swaps	-	6,000.00	-	23.21	-	-	-	-
Total	609.83	56,109.57	-	1,892.41	1,063.86	80,342.56	605.01	4,797.97
Included in above are derivatives held for hedging and risk management purposes as follows:								
(i) Fair value hedging	-	-	-	-	-	-	-	-
(ii) Cash flow hedging:								
- Currency derivatives	609.83	50,109.57	-	1,869.20	1,063.86	80,342.56	605.01	4,797.97
- Interest rate derivatives	-	6,000.00	-	23.21	-	-	-	-
(iii) Net investment hedging	-	-	-	-	-	-	-	-
(iv) Undesignated Derivatives	-	-	-	-	-	-	-	-
Total (i)+(ii)+(iii)+(iv)	609.83	56,109.57	-	1,892.41	1,063.86	80,342.56	605.01	4,797.97

The Company undertakes derivative transactions for hedging its exposures to interest rate risk and foreign exchange rate risk. The management of foreign currency risk and interest rate risk is detailed in Note 42.

Note 7: Receivables

Particulars	As at March 31, 2023	As at March 31, 2022
(I) Trade receivables		
a) Receivables considered good - Secured	-	-
b) Receivables considered good - unsecured		
Receivables from Money Transfer business	15.16	19.00
Receivables from Power Generation - Wind Mill	0.90	2.44
c) Receivables which have significant increase in Credit Risk	-	-
d) Receivables - credit impaired	-	-
Total	16.06	21.44
(II) Other receivables	-	-
Less: Allowance for impairment loss	-	-
Total Net Receivable	16.06	21.44

Trade receivables are non-interest bearing and are short-term in nature. These consist of receivable from government and other parties, and does not involve any credit risk.

There are no dues from directors or other officers of the Company or any firm or private company in which any director is a partner, a director or a member

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(₹ in millions, except for share data and unless otherwise stated)

7.1 Trade Receivables Ageing Schedule

Particulars	As at March 31,2023					
	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 years	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	16.06	-	-	-	-	16.06
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-

Particulars	As at March 31,2022					
	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 years	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	21.44	-	-	-	-	21.44
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-

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Note 8: Loans

(₹ in millions, except for share data and unless otherwise stated)

Particulars	As at March 31, 2023						As at March 31, 2022					
	At Fair value			At Fair value			At Fair value			At Fair value		
	Amortised Cost	Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss	Sub-total	Total	Amortised Cost	Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss	Sub-total	Total
(A)												
i) Gold Loan	637,038.17	-	-	-	-	637,038.17	595,873.38	-	-	-	-	595,873.38
ii) Personal Loan	6,972.75	-	-	-	-	6,972.75	3,206.26	-	-	-	-	3,206.26
iii) Corporate Loan	1,185.11	-	-	-	-	1,185.11	206.81	-	-	-	-	206.81
iv) Business Loan	2,270.98	-	-	-	-	2,270.98	1,058.57	-	-	-	-	1,058.57
v) Staff Loan	30.35	-	-	-	-	30.35	17.64	-	-	-	-	17.64
vi) Loans to subsidiaries	2,600.00	-	-	-	-	2,600.00	480.00	-	-	-	-	480.00
vii) Other Loans	209.06	-	-	-	-	209.06	218.59	-	-	-	-	218.59
Total (A) - Gross	650,306.42	-	-	-	-	650,306.42	601,061.25	-	-	-	-	601,061.25
Less: Impairment loss allowance	7,657.62	-	-	-	-	7,657.62	7,218.91	-	-	-	-	7,218.91
Total (A) - Net	642,648.80	-	-	-	-	642,648.80	593,842.34	-	-	-	-	593,842.34
(B)												
I) Secured by tangible assets (including book debts)												
i) Gold Loan	637,038.17	-	-	-	-	637,038.17	595,873.38	-	-	-	-	595,873.38
ii) Corporate Loan	1,185.11	-	-	-	-	1,185.11	206.81	-	-	-	-	206.81
iii) Business Loan	21.54	-	-	-	-	21.54	31.75	-	-	-	-	31.75
iv) Other Loans	0.15	-	-	-	-	0.15	0.15	-	-	-	-	0.15
Total (I) - Gross	638,244.97	-	-	-	-	638,244.97	596,112.09	-	-	-	-	596,112.09
Less: Impairment loss allowance	7,512.81	-	-	-	-	7,512.81	7104.42	-	-	-	-	7,104.42
Total (I) - Net	630,732.16	-	-	-	-	630,732.16	589,007.67	-	-	-	-	589,007.67

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(₹ in millions, except for share data and unless otherwise stated)

Particulars	As at March 31, 2023				As at March 31, 2022							
	At Fair value				At Fair value							
	Amortised Cost	Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss	Sub-total	Total	Amortised Cost	Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss	Sub-total	Total
II) Covered by Bank / Government Guarantees	-	-	-	-	-	-	-	-	-	-	-	-
III) Unsecured												
i) Personal Loan	6,972.75	-	-	-	-	6,972.75	3,206.26	-	-	-	-	3,206.26
ii) Business Loan	2,249.44	-	-	-	-	2,249.44	1,026.82	-	-	-	-	1,026.82
iii) Staff Loan	30.35	-	-	-	-	30.35	17.64	-	-	-	-	17.64
iv) Loans to subsidiaries	2,600.00	-	-	-	-	2,600.00	480.00	-	-	-	-	480.00
v) Other Loans	208.91	-	-	-	-	208.91	218.44	-	-	-	-	218.44
Total (III) - Gross	12,061.45	-	-	-	-	12,061.45	4,949.16	-	-	-	-	4,949.16
Less: Impairment loss allowance	144.81	-	-	-	-	144.81	114.49	-	-	-	-	114.49
Total (III) - Net	11,916.64	-	-	-	-	11,916.64	4,834.67	-	-	-	-	4,834.67
Total (B) (I+II+III) - Net	642,648.80	-	-	-	-	642,648.80	593,842.34	-	-	-	-	593,842.34
(C) (I) Loans in India												
i) Public Sector	-	-	-	-	-	-	-	-	-	-	-	-
ii) Others	650,306.42	-	-	-	-	650,306.42	601,061.25	-	-	-	-	601,061.25
(C) (II) Loans outside India												
Total (C) - Gross	650,306.42	-	-	-	-	650,306.42	601,061.25	-	-	-	-	601,061.25
Less: Impairment loss allowance	7,657.62	-	-	-	-	7,657.62	7,218.91	-	-	-	-	7,218.91
Total (C) - Net	642,648.80	-	-	-	-	642,648.80	593,842.34	-	-	-	-	593,842.34



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8.1 Credit Quality of Loan Assets

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances. Details of the Company's internal grading system are explained in Note 42.

Particulars	As at March 31, 2023				As at March 31, 2022			
	Stage 1 Collective	Stage 2 Collective	Stage 3	Total	Stage 1 Collective	Stage 2 Collective	Stage 3	Total
Internal rating grade								
Performing								
High grade	605,843.31	-	-	605,843.31	552,090.89	-	-	552,090.89
Standard grade	10,859.83	-	-	10,859.83	10,718.16	-	-	10,718.16
Sub-standard grade	-	5,762.32	-	5,762.32	-	11,036.92	-	11,036.92
Past due but not impaired	-	4,178.91	-	4,178.91	-	10,026.41	-	10,026.41
Non-performing								
Individually impaired	-	-	23,985.96	23,985.96	-	-	17,372.24	17,372.24
Total	616,703.14	9,941.23	23,985.96	650,630.33	562,809.05	21,063.33	17,372.24	601,244.61
EIR impact of Service charges received				(323.91)				(183.36)
Gross carrying amount closing balance net of EIR impact of service charge received				650,306.42				601,061.25

8.2 An analysis of changes in the gross carrying amount and the corresponding ECL allowances is, as follows:

Particulars	2022-23				2021-22			
	Stage 1 Collective	Stage 2 Collective	Stage 3	Total	Stage 1 Collective	Stage 2 Collective	Stage 3	Total
Gross carrying amount opening balance	562,809.04	21,063.32	17,372.24	601,244.61	538,922.85	3,555.41	4,641.39	547,119.65
New assets originated or purchased	721,398.32	-	-	721,398.32	663,090.58	-	-	663,090.58
Assets derecognised or repaid (excluding write offs)	(637,685.16)	(18,839.36)	(15,318.92)	(671,843.44)	(602,036.61)	(3,282.34)	(3,357.25)	(608,676.19)
Transfers to Stage 1	33.32	(31.28)	(2.04)	-	7.18	(6.01)	(1.17)	-
Transfers to Stage 2	(8,484.27)	8,485.31	(1.04)	-	(21,000.02)	21,000.05	(0.03)	-
Transfers to Stage 3	(21,368.11)	(736.76)	22,104.87	-	(16,174.94)	(203.79)	16,378.73	-
Amounts written off	-	-	(169.16)	(169.16)	-	-	(289.43)	(289.43)
Gross carrying amount closing balance	616,703.14	9,941.23	23,985.95	650,630.33	562,809.04	21,063.32	17,372.24	601,244.61
EIR impact of Service charges received				(323.91)				(183.36)
Gross carrying amount closing balance net of EIR impact of service charge received				650,306.42				601,061.25

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8.3 Reconciliation of ECL balance is given below:

Particulars	2022-23				2021-22			
	Stage 1 Collective	Stage 2 Collective	Stage 3	Total	Stage 1 Collective	Stage 2 Collective	Stage 3	Total
ECL allowance - opening balance	5,169.69	209.80	1,839.42	7,218.91	5,591.56	60.42	605.51	6,257.49
New assets originated or purchased	5,859.16	-	-	5,859.16	6,037.17	-	-	6,037.17
Assets derecognised or repaid (excluding write offs)	(5,751.47)	(183.72)	(1,605.91)	(7,541.10)	(6,155.80)	(52.35)	(459.78)	(6,667.93)
Transfers to Stage 1	7.61	(5.56)	(2.05)	-	2.29	(1.12)	(1.17)	-
Transfers to Stage 2	(77.31)	78.34	(1.04)	(0.01)	(218.67)	218.70	(0.03)	-
Transfers to Stage 3	(194.91)	(8.71)	203.62	-	(170.15)	(4.39)	174.54	-
Impact on year end ECL of exposures transferred between stages during the year	80.16	9.82	2,199.84	2,289.82	83.29	(11.46)	1,809.78	1,881.61
Amounts written off	-	-	(169.16)	(169.16)	-	-	(289.43)	(289.43)
ECL allowance - closing balance	5,092.93	99.97	2,464.72	7,657.62	5,169.69	209.80	1,839.42	7,218.91

Note 9: Investments

Particulars	As at March 31, 2023						
	Amortised Cost	At Fair value			Sub-total	At cost	Total
		Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss			
i) Government securities	1,874.62	-	-	-	-	-	1,874.62
ii) Equity instruments							
Subsidiaries	-	-	-	-	-	9,272.32	9,272.32
Others	-	1,875.66	0.03	-	1,875.69	-	1,875.69
iii) Preference shares							
Subsidiaries	-	-	-	-	-	145.96	145.96
Total Gross (A)	1,874.62	1,875.66	0.03	-	1,875.69	9,418.28	13,168.59
i) Investments outside India	-	452.03	-	-	452.03	700.10	1,152.13
ii) Investments in India	1,874.62	1,423.63	0.03	-	1,423.66	8,718.18	12,016.46
Total Gross (B)	1,874.62	1,875.66	0.03	-	1,875.69	9,418.28	13,168.59
Less: Allowance for impairment loss (C)	-	-	-	-	-	-	-
Total - Net D = (A) - (C)	1,874.62	1,875.66	0.03	-	1,875.69	9,418.28	13,168.59



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Particulars	As at March 31, 2022							Total
	Amortised Cost	At Fair value			Sub-total	At cost		
		Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss				
i) Government securities	1,876.06	-	-	-	-	-	1,876.06	
ii) Equity instruments								
Subsidiaries	-	-	-	-	-	9,222.32	9,222.32	
Others	-	1,960.47	0.02	-	1,960.49	-	1,960.49	
iii) Preference shares								
Subsidiaries	-	-	-	-	-	145.96	145.96	
Total Gross (A)	1,876.06	1,960.47	0.02	-	1,960.49	9,368.28	13,204.83	
i) Investments outside India	-	630.50	-	-	630.50	700.10	1,330.60	
ii) Investments in India	1,876.06	1,329.97	0.02	-	1,329.99	8,668.18	11,874.23	
Total Gross (B)	1,876.06	1,960.47	0.02	-	1,960.49	9,368.28	13,204.83	
Less: Allowance for impairment loss (C)	-	-	-	-	-	-	-	
Total - Net D = (A) - (C)	1,876.06	1,960.47	0.02	-	1,960.49	9,368.28	13,204.83	

9.1 Details of investments are as follows :-

Government securities

Particulars	As at March 31, 2023		As at March 31, 2022	
	Units	Amount	Units	Amount
State Development Loans	7,690,300	769.59	7,790,300	778.20
Central Government Securities*	11,500,000	1,105.03	11,500,000	1,097.86
Total		1,874.62		1,876.06

*Lien has been marked on Central Government Securities of face value ₹190 Mn as additional margin given to the Clearing Corporation of India Limited.

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Equity instruments

Particulars	As at March 31, 2023		As at March 31, 2022	
	Units	Amount	Units	Amount
Subsidiaries				
Quoted				
Asia Asset Finance PLC, Sri Lanka	90,558,778	554.14	90,558,778	554.14
Unquoted				
Muthoot Homefin (India) Limited	119,155,843	3,639.89	119,155,843	3,639.89
Muthoot Insurance Brokers Private Limited	750,000	200.00	750,000	200.00
Belstar Microfinance Limited (formerly known as Belstar Investment and Finance Private Limited)	27,825,405	2,768.81	27,678,345	2,718.81
Muthoot Trustee Private Limited	1,000,000	10.00	1,000,000	10.00
Muthoot Asset Management Private Limited	100,000,000	1,000.00	100,000,000	1,000.00
Muthoot Money Limited	62,170	1,099.48	62,170	1,099.48
Subtotal		9,272.32		9,222.32
Others				
Quoted				
Union Bank of India	454	0.03	454	0.02
Nabil Bank Limited, Nepal (Refer Note 9.2)	1,198,531	452.03	1,011,418	630.50
Unquoted				
Muthoot Forex Limited	1,970,000	153.76	1,970,000	139.00
Muthoot Securities Limited	2,700,000	238.79	2,700,000	192.92
CRIF High Mark Credit Information Services Private Limited	1,926,531	258.43	1,926,531	247.68
ESAF Small Finance Bank Limited	18,717,244	772.65	18,717,244	750.37
Subtotal		1,875.69		1,960.49
Total		11,148.01		11,182.81

Preference Shares

Particulars	As at March 31, 2023		As at March 31, 2022	
	Units	Amount	Units	Amount
Asia Asset Finance PLC, Sri Lanka	39,687,516	145.96	39,687,516	145.96
Total		145.96		145.96

9.2: The Company holds 1,198,531 equity shares of Nepalese Rupee 100/- each in Nabil Bank Limited, Nepal as at March 31, 2023. The management does not have significant influence over the entity as specified in Ind AS-28 - Investments in Associates and Joint Ventures; and has elected to recognise and measure the investment at fair value through OCI as per the requirements of Ind AS 109 – Financial Instruments.



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(₹ in millions, except for share data and unless otherwise stated)

Note 10: Other financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
Security deposits	985.71	924.80
Interest accrued on fixed deposits with banks and investment in TREPS (Refer Note 5.3)	8.76	19.30
Interest accrued on CG Securities on purchase	-	5.92
Interest accrued on State Securities on purchase	-	0.91
Other financial assets	341.72	274.05
Total	1,336.19	1,224.98

Note 11: Property, plant and equipment

Particulars	Land	Buildings	Furniture and Fixtures	Plant and Equipment*	Computer**	Vehicles	Wind Mill	Total	Capital- work-in progress
Gross block- at cost									
As at April 01, 2021	692.55	655.27	827.71	1,407.65	356.66	111.40	23.35	4,074.59	384.77
Additions	150.74	38.04	190.68	290.09	73.17	-	-	742.72	71.71
Disposals	-	6.07	0.06	12.27	0.03	0.36	-	18.79	-
As at March 31, 2022	843.29	687.24	1,018.33	1,685.47	429.80	111.04	23.35	4,798.52	456.48
Additions	-	6.35	124.87	376.51	104.87	0.59	-	613.19	217.79
Disposals	-	-	0.06	10.88	0.03	1.81	-	12.78	-
As at March 31, 2023	843.29	693.59	1,143.14	2,051.10	534.64	109.82	23.35	5,398.93	674.27
Accumulated depreciation									
As at April 01, 2021	-	204.38	368.30	756.84	263.87	58.54	6.82	1,658.75	-
Charge for the year	-	44.31	161.28	224.89	65.98	15.70	1.37	513.53	-
Disposals	-	1.28	0.06	9.11	0.01	0.22	-	10.68	-
As at March 31, 2022	-	247.41	529.52	972.62	329.84	74.02	8.19	2,161.60	-
Charge for the year	-	43.35	157.97	272.57	79.40	10.84	1.25	565.38	-
Disposals	-	-	0.06	8.53	0.01	1.55	-	10.15	-
As at March 31, 2023	-	290.76	687.43	1,236.66	409.23	83.31	9.44	2,716.83	-
Net Block									
As at March 31, 2022	843.29	439.83	488.81	712.85	99.96	37.02	15.16	2,636.92	456.48
As at March 31, 2023	843.29	402.83	455.71	814.44	125.41	26.51	13.91	2,682.10	674.27

* Includes Office equipment

** Includes Server and networking

Refer note 34 for details of property pledged as security.

The Company has not revalued its Property, Plant and equipment (including Right-of-Use asset) during the year.

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The title deeds of immovable property (other than the properties where the company is the lessee and the lease agreements are duly executed in favour of the Company), disclosed in the financial statements are held in the name of the Company. In respect of certain immovable properties acquired under a scheme of amalgamation in a prior year, the title deeds continue to remain in the name of the erstwhile owners the details of which are as stated below:

S.No:	Description of property	Gross carrying value	Held in name of	Whether promoter, director or their relative or employee	Period held - indicate range, where appropriate	Reason for not being held in name of company
1	Flat No: 1F in "West Gate Terrace" Pandit Cauppen road, Thevara, Cochin measuring 1224 Sq.ft	0.77	George Jacob	Promoter	From 01/04/2004	The property was acquired by the company under a 'Scheme of Arrangement and Amalgamation' effective from 01 st April 2004 vide order dated 31 st January 2005 by the Hon. High Court of Kerala. The order states that the undertakings of the transferor company shall, with effect from the opening of the business as on the transfer date and without any further act or deed, be shall stand transferred to or vested in the transferee company. Hence no further mutation of the property is required to be done.
2	Office Space in "Vikas Marg", Laxmi Nagar, New Delhi, measuring 1,400 Sq. Ft	0.40	Late. M G George, George Thomas, George Jacob, George Alexander	Promoter	From 01/04/2004	The property was acquired by the company under a 'Scheme of Arrangement and Amalgamation' effective from 01 st April 2004 vide order dated 31 st January 2005 by the Hon. High Court of Kerala. The order states that the undertakings of the transferor company shall, with effect from the opening of the business as on the transfer date and without any further act or deed, be shall stand transferred to or vested in the transferee company. Hence no further mutation of the property is required to be done.
3	Flat No: 4236, 5&6 Sector B in Vasanda Kunj, New Delhi 125.09 Sq Mtr	0.39	Late. M G George	Promoter	From 01/04/2004	The property was acquired by the company under a 'Scheme of Arrangement and Amalgamation' effective from 01 st April 2004 vide order dated 31 st January 2005 by the Hon. High Court of Kerala. The order states that the undertakings of the transferor company shall, with effect from the opening of the business as on the transfer date and without any further act or deed, be shall stand transferred to or vested in the transferee company. Hence no further mutation of the property is required to be done.
4	Office Space in First Floor of "Nehru Place" Satkar Building 79-80 New Delhi measuring 591 Sq ft.	0.96	Late. M G George	Promoter	From 01/04/2004	The property was acquired by the company under a 'Scheme of Arrangement and Amalgamation' effective from 01 st April 2004 vide order dated 31 st January 2005 by the Hon. High Court of Kerala. The order states that the undertakings of the transferor company shall, with effect from the opening of the business as on the transfer date and without any further act or deed, be shall stand transferred to or vested in the transferee company. Hence no further mutation of the property is required to be done.
5	Office Space in "Pattom Building", Trivandrum, situated in 5 cents of land in Sy. No: 1752/B/1 in Nadathuvinnakkam, Trivandrum	0.31	Late. M G George, George Thomas, George Jacob, George Alexander	Promoter	From 01/04/2004	The property was acquired by the company under a 'Scheme of Arrangement and Amalgamation' effective from 01 st April 2004 vide order dated 31 st January 2005 by the Hon. High Court of Kerala. The order states that the undertakings of the transferor company shall, with effect from the opening of the business as on the transfer date and without any further act or deed, be shall stand transferred to or vested in the transferee company. Hence no further mutation of the property is required to be done.



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(₹ in millions, except for share data and unless otherwise stated)

S.No:	Description of property	Gross carrying value	Held in name of	Whether promoter, director or their relative or employee	Period held - indicate range, where appropriate	Reason for not being held in name of company
6	Flat No: 221 Block C, in "Sidharth Extension", New Delhi, measuring 900 Sq ft.	0.69	Late. M G George	Promoter	From 01/04/2004	The property was acquired by the company under a 'Scheme of Arrangement and Amalgamation' effective from 01 st April 2004 vide order dated 31 st January 2005 by the Hon. High Court of Kerala. The order states that the undertakings of the transferor company shall, with effect from the opening of the business as on the transfer date and without any further act or deed, be shall stand transferred to or vested in the transferee company. Hence no further mutation of the property is required to be done.
7	Office space No: 106/107 in "Navaketha Secunderabad", measuring 1446.5 Sq ft.	1.62	Late. M G George, George Thomas, George Jacob, George Alexander	Promoter	From 01/04/2004	The property was acquired by the company under a 'Scheme of Arrangement and Amalgamation' effective from 01 st April 2004 vide order dated 31 st January 2005 by the Hon. High Court of Kerala. The order states that the undertakings of the transferor company shall, with effect from the opening of the business as on the transfer date and without any further act or deed, be shall stand transferred to or vested in the transferee company. Hence no further mutation of the property is required to be done.
8	Office space in Kurian Towers, Banerjee Road Kochi - 682018, measuring 1,092 Sq ft. (Sy. No. 318/7)	0.94	George Alexander	Promoter	From 01/04/2004	The property was acquired by the company under a 'Scheme of Arrangement and Amalgamation' effective from 01 st April 2004 vide order dated 31 st January 2005 by the Hon. High Court of Kerala. The order states that the undertakings of the transferor company shall, with effect from the opening of the business as on the transfer date and without any further act or deed, be shall stand transferred to or vested in the transferee company. Hence no further mutation of the property is required to be done.
9	Office space in Kurian Towers, Banerjee Road Kochi - 682018, measuring 897 Sq ft. (Sy. No. 318/7)	0.77	Anna Alexander	Relative of Promoter	From 01/04/2004	The property was acquired by the company under a 'Scheme of Arrangement and Amalgamation' effective from 01 st April 2004 vide order dated 31 st January 2005 by the Hon. High Court of Kerala. The order states that the undertakings of the transferor company shall, with effect from the opening of the business as on the transfer date and without any further act or deed, be shall stand transferred to or vested in the transferee company. Hence no further mutation of the property is required to be done.
10	Office space in Kurian Towers, Banerjee Road Kochi - 682018, measuring 1,469.50 Sq ft. (Sy. No. 318/7)	1.31	George Jacob	Promoter	From 01/04/2004	The property was acquired by the company under a 'Scheme of Arrangement and Amalgamation' effective from 01 st April 2004 vide order dated 31 st January 2005 by the Hon. High Court of Kerala. The order states that the undertakings of the transferor company shall, with effect from the opening of the business as on the transfer date and without any further act or deed, be shall stand transferred to or vested in the transferee company. Hence no further mutation of the property is required to be done.

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S.No:	Description of property	Gross carrying value	Held in name of	Whether promoter, director or their relative or employee	Period held - indicate range, where appropriate	Reason for not being held in name of company
11	Office space in Kurian Towers, Banerjee Road Kochi - 682018, measuring 781 Sq ft. (Sy. No. 318/7)	0.69	Elizabeth Jacob	Relative of Promoter	From 01/04/2004	The property was acquired by the company under a 'Scheme of Arrangement and Amalgamation' effective from 01 st April 2004 vide order dated 31 st January 2005 by the Hon. High Court of Kerala. The order states that the undertakings of the transferor company shall, with effect from the opening of the business as on the transfer date and without any further act or deed, be shall stand transferred to or vested in the transferee company. Hence no further mutation of the property is required to be done.
12	Office space in Kurian Towers, Banerjee Road Kochi - 682018, measuring 932 Sq ft. (Sy. No. 318/7)	0.83	George Thomas	Promoter	From 01/04/2004	The property was acquired by the company under a 'Scheme of Arrangement and Amalgamation' effective from 01 st April 2004 vide order dated 31 st January 2005 by the Hon. High Court of Kerala. The order states that the undertakings of the transferor company shall, with effect from the opening of the business as on the transfer date and without any further act or deed, be shall stand transferred to or vested in the transferee company. Hence no further mutation of the property is required to be done.
13	Office space in Kurian Towers, Banerjee Road Kochi - 682018, measuring 1094 Sq ft. (Sy. No. 318/7)	0.93	George Thomas	Promoter	From 01/04/2004	The property was acquired by the company under a 'Scheme of Arrangement and Amalgamation' effective from 01 st April 2004 vide order dated 31 st January 2005 by the Hon. High Court of Kerala. The order states that the undertakings of the transferor company shall, with effect from the opening of the business as on the transfer date and without any further act or deed, be shall stand transferred to or vested in the transferee company. Hence no further mutation of the property is required to be done.
14	Office space in Kurian Towers, Banerjee Road Kochi - 682018, measuring 1000 Sq ft. (Sy. No. 318/7)	0.86	Susan Thomas	Relative of Promoter	From 01/04/2004	The property was acquired by the company under a 'Scheme of Arrangement and Amalgamation' effective from 01 st April 2004 vide order dated 31 st January 2005 by the Hon. High Court of Kerala. The order states that the undertakings of the transferor company shall, with effect from the opening of the business as on the transfer date and without any further act or deed, be shall stand transferred to or vested in the transferee company. Hence no further mutation of the property is required to be done.
15	Office space in Kurian Towers, Banerjee Road Kochi - 682018, measuring 1,637 Sq ft. (Sy. No. 318/7)	1.87	Late. M G George	Promoter	From 01/04/2004	The property was acquired by the company under a 'Scheme of Arrangement and Amalgamation' effective from 01 st April 2004 vide order dated 31 st January 2005 by the Hon. High Court of Kerala. The order states that the undertakings of the transferor company shall, with effect from the opening of the business as on the transfer date and without any further act or deed, be shall stand transferred to or vested in the transferee company. Hence no further mutation of the property is required to be done.



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(₹ in millions, except for share data and unless otherwise stated)

S.No:	Description of property	Gross carrying value	Held in name of	Whether promoter, director or their relative or employee	Period held - indicate range, where appropriate	Reason for not being held in name of company
16	Flat No: 2B3 at B-Canty Homes in 1,525 cents of land in Shasthamangalam, Trivandrum	2.04	George Jacob	Promoter	From 01/04/2004	The property was acquired by the company under a 'Scheme of Arrangement and Amalgamation' effective from 01 st April 2004 vide order dated 31 st January 2005 by the Hon. High Court of Kerala. The order states that the undertakings of the transferor company shall, with effect from the opening of the business as on the transfer date and without any further act or deed, be shall stand transferred to or vested in the transferee company. Hence no further mutation of the property is required to be done.
17	Office space at "Alpha Plaza, Kadavanthara, Ernakulam measuring 1345 sq.ft	1.68	Late. M G George	Promoter	From 01/04/2004	The property was acquired by the company under a 'Scheme of Arrangement and Amalgamation' effective from 01 st April 2004 vide order dated 31 st January 2005 by the Hon. High Court of Kerala. The order states that the undertakings of the transferor company shall, with effect from the opening of the business as on the transfer date and without any further act or deed, be shall stand transferred to or vested in the transferee company. Hence no further mutation of the property is required to be done.
18	Office space at "Alpha Plaza, Kadavanthara, Ernakulam measuring 1500 sq.ft	1.22	George Alexander	Promoter	From 01/04/2004	The property was acquired by the company under a 'Scheme of Arrangement and Amalgamation' effective from 01 st April 2004 vide order dated 31 st January 2005 by the Hon. High Court of Kerala. The order states that the undertakings of the transferor company shall, with effect from the opening of the business as on the transfer date and without any further act or deed, be shall stand transferred to or vested in the transferee company. Hence no further mutation of the property is required to be done.
19	Office space at "Alpha Plaza, Kadavanthara, Ernakulam measuring 1733 sq.ft	1.41	George Alexander	Promoter	From 01/04/2004	The property was acquired by the company under a 'Scheme of Arrangement and Amalgamation' effective from 01 st April 2004 vide order dated 31 st January 2005 by the Hon. High Court of Kerala. The order states that the undertakings of the transferor company shall, with effect from the opening of the business as on the transfer date and without any further act or deed, be shall stand transferred to or vested in the transferee company. Hence no further mutation of the property is required to be done.
20	Office space at "Alpha Plaza, Kadavanthara, Ernakulam measuring 213 sq.ft	0.17	George Alexander	Promoter	From 01/04/2004	The property was acquired by the company under a 'Scheme of Arrangement and Amalgamation' effective from 01 st April 2004 vide order dated 31 st January 2005 by the Hon. High Court of Kerala. The order states that the undertakings of the transferor company shall, with effect from the opening of the business as on the transfer date and without any further act or deed, be shall stand transferred to or vested in the transferee company. Hence no further mutation of the property is required to be done.

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(₹ in millions, except for share data and unless otherwise stated)

S.No:	Description of property	Gross carrying value	Held in name of	Whether promoter, director or their relative or employee	Period held - indicate range, where appropriate	Reason for not being held in name of company
21	Office space at "Alpha Plaza, Kadavanthara, Ernakulam measuring 315 sq.ft	0.26	George Alexander	Promoter	From 01/04/2004	The property was acquired by the company under a 'Scheme of Arrangement and Amalgamation' effective from 01 st April 2004 vide order dated 31 st January 2005 by the Hon. High Court of Kerala. The order states that the undertakings of the transferor company shall, with effect from the opening of the business as on the transfer date and without any further act or deed, be shall stand transferred to or vested in the transferee company. Hence no further mutation of the property is required to be done.
22	Office space at "Alpha Plaza, Kadavanthara, Ernakulam measuring 2098 sq.ft	2.00	George Thomas	Promoter	From 01/04/2004	The property was acquired by the company under a 'Scheme of Arrangement and Amalgamation' effective from 01 st April 2004 vide order dated 31 st January 2005 by the Hon. High Court of Kerala. The order states that the undertakings of the transferor company shall, with effect from the opening of the business as on the transfer date and without any further act or deed, be shall stand transferred to or vested in the transferee company. Hence no further mutation of the property is required to be done.
23	Office space at "Alpha Plaza, Kadavanthara, Ernakulam measuring 1375 sq.ft	1.31	George Thomas	Promoter	From 01/04/2004	The property was acquired by the company under a 'Scheme of Arrangement and Amalgamation' effective from 01 st April 2004 vide order dated 31 st January 2005 by the Hon. High Court of Kerala. The order states that the undertakings of the transferor company shall, with effect from the opening of the business as on the transfer date and without any further act or deed, be shall stand transferred to or vested in the transferee company. Hence no further mutation of the property is required to be done.
24	Office space at "Alpha Plaza, Kadavanthara, Ernakulam measuring 1826 sq.ft	2.50	George Jacob	Promoter	From 01/04/2004	The property was acquired by the company under a 'Scheme of Arrangement and Amalgamation' effective from 01 st April 2004 vide order dated 31 st January 2005 by the Hon. High Court of Kerala. The order states that the undertakings of the transferor company shall, with effect from the opening of the business as on the transfer date and without any further act or deed, be shall stand transferred to or vested in the transferee company. Hence no further mutation of the property is required to be done.
25	Office space at "Alpha Plaza, Kadavanthara, Ernakulam measuring 2109 sq.ft	2.16	George Jacob	Promoter	From 01/04/2004	The property was acquired by the company under a 'Scheme of Arrangement and Amalgamation' effective from 01 st April 2004 vide order dated 31 st January 2005 by the Hon. High Court of Kerala. The order states that the undertakings of the transferor company shall, with effect from the opening of the business as on the transfer date and without any further act or deed, be shall stand transferred to or vested in the transferee company. Hence no further mutation of the property is required to be done.



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11.1 Capital work-in-progress (CWIP) ageing schedule

Particulars	As at March 31, 2023				
	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	217.79	71.71	97.41	287.36	674.27
Projects temporarily suspended	-	-	-	-	-

Particulars	As at March 31, 2022				
	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	71.71	97.41	59.07	228.29	456.48
Projects temporarily suspended	-	-	-	-	-

Note 12: Other Intangible Assets

Particulars	Computer Software
Gross block- at cost	
As at April 01, 2021	179.16
Additions	9.39
Disposals	-
As at March 31, 2022	188.55
Additions	15.99
Disposals	-
As at March 31, 2023	204.54
Accumulated amortisation	
As at April 01, 2021	125.58
Charge for the year	25.61
Disposals	-
As at March 31, 2022	151.19
Charge for the year	17.76
Disposals	-
As at March 31, 2023	168.95
Net book value	
As at March 31, 2022	37.36
As at March 31, 2023	35.59

The Company has not revalued its Intangible assets during the year.

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(₹ in millions, except for share data and unless otherwise stated)

Note 13: Other non-financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with government authorities	104.96	104.96
Prepaid expenses	93.01	74.38
Capital advances	107.05	12.58
Stock of gold	4.25	6.71
Balances receivable from government authorities	173.68	267.76
CSR Pre-spent account	6.95	-
Other Receivables	133.14	136.55
Total	623.04	602.94

Note 14: Payables

Particulars	As at March 31, 2023	As at March 31, 2022
(I) Trade Payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	1,257.70	1,143.66
(II) Other payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	701.68	367.92
Total	1,959.38	1,511.58

14.1 Trade Payables Ageing Schedule

Particulars	As at March 31, 2023				
	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	1,057.38	48.40	61.47	90.45	1,257.70
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Particulars	As at March 31, 2022				
	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	953.22	92.11	30.42	67.91	1,143.66
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-



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(₹ in millions, except for share data and unless otherwise stated)

14.2 Other Payables Ageing Schedule

Particulars	As at March 31, 2023					Total
	Outstanding for following periods from due date of payment				Total	
	Less than 1 year	1-2 years	2-3 years	More than 3 years		
(i) MSME	-	-	-	-	-	-
(ii) Others	693.45	5.68	2.55	-	701.68	-
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

Particulars	As at March 31, 2022					Total
	Outstanding for following periods from due date of payment				Total	
	Less than 1 year	1-2 years	2-3 years	More than 3 years		
(i) MSME	-	-	-	-	-	-
(ii) Others	364.89	3.03	-	-	367.92	-
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

Note 15: Debt Securities

Particulars	As at March 31, 2023				As at March 31, 2022			
	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
Secured Non-Convertible Debentures*	844.50	-	-	844.50	2,194.56	-	-	2,194.56
(Secured by mortgage of immovable property and pari passu floating charge on current assets, book debts, loans & advances and receivables including gold loan receivables) (Refer note 15.1)								
Secured Non-Convertible Debentures -Listed**	120,763.13	-	-	120,763.13	113,912.67	-	-	113,912.67
(Secured by mortgage of immovable property and pari passu floating charge on current assets, book debts, loans & advances and receivables including gold loan receivables/ Secured by pari passu floating charge on current assets, book debts, loans & advances and receivables including gold loan receivables) (Refer note 15.2 & 15.3)								

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Particulars	As at March 31, 2023				As at March 31, 2022			
	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
Principal Protected Market Linked Secured Non-Convertible Debentures - Listed**	8,201.00	-	-	8,201.00	8,871.65	-	-	8,871.65
(Secured by mortgage of immovable property and pari passu floating charge on current assets, book debts, loans & advances and receivables including gold loan receivables) (Refer note 15.4)								
Secured Redeemable Non-Convertible Debentures - Listed & Separately Transferable Redeemable Principal Parts **	7,575.00	-	-	7,575.00	-	-	-	-
(Secured by pari passu floating charge on current assets, book debts, loans & advances and receivables including gold loan receivables) (Refer note 15.5)								
Total (A)	137,383.63	-	-	137,383.63	124,978.88	-	-	124,978.88
Debt securities in India	137,383.63	-	-	137,383.63	124,978.88	-	-	124,978.88
Debt securities outside India	-	-	-	-	-	-	-	-
Total (B)	137,383.63	-	-	137,383.63	124,978.88	-	-	124,978.88

*Excludes unpaid (unclaimed) matured debentures of ₹199.90 millions (March 31,2022: ₹48.82 millions) shown as a part of Other financial liabilities in Note 18.

**Includes EIR impact of transaction cost, premium/discount on issue of non-convertible debentures; excludes unpaid (unclaimed) matured listed debentures of ₹69.84 millions (March 31,2022: ₹69.00 millions) shown as a part of Other financial liabilities in Note 18.

The amortised cost of Debt Securities in Note 15 above does not include interest accrued but not due aggregating to ₹7,312.46 millions (March 31,2022: ₹8,915.33 millions) disclosed separately under Other financial liabilities in Note 18.



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(₹ in millions, except for share data and unless otherwise stated)

15.1 Secured Redeemable Non-Convertible Debentures

The Company had privately placed Secured Redeemable Non-Convertible Debentures for a maturity period of 60-120 months with a principal amount outstanding of ₹1,044.40 millions (March 31, 2022: ₹2,243.38 millions)

Series	Date of allotment	Amount	Amount	Redemption Period from the date of allotment	Interest Rate %
		As at March 31, 2023	As at March 31, 2022		
CT	14.03.2014-31.03.2014	2.50	2.50	120 months	10.50-12.50
CS	27.02.2014-14.03.2014	5.00	10.00	120 months	10.50-12.50
CR	07.02.2014-27.02.2014	2.50	10.00	120 months	10.50-12.50
CQ	04.02.2014-07.02.2014	3.00	10.50	120 months	10.50-12.50
CP	20.01.2014-04.02.2014	43.00	45.50	120 months	10.50-12.50
CO	10.01.2014-20.01.2014	96.50	105.00	120 months	10.50-12.50
CN	03.01.2014-10.01.2014	56.00	63.50	120 months	10.50-12.50
CM	24.12.2013-03.01.2014	27.50	32.50	120 months	10.50-12.50
CL	05.12.2013-24.12.2013	-	5.50	120 months	10.50-12.50
CK	18.11.2013-05.12.2013	-	5.00	120 months	10.50-12.50
CJ	29.10.2013-18.11.2013	5.00	7.50	120 months	10.50-12.50
CI	09.10.2013-29.10.2013	7.50	12.50	120 months	10.50-12.50
CH	27.09.2013 - 09.10.2013	2.50	7.50	120 months	10.50-12.50
CG	06.09.2013 - 27.09.2013	2.50	7.50	120 months	10.50-12.50
CF	31.08.2013 - 06.09.2013	2.50	2.50	120 months	10.50-12.50
CE	12.08.2013 - 31.08.2013	5.00	15.50	120 months	10.50-12.50
CD	31.07.2013 - 10.08.2013	-	2.50	120 months	10.50-12.50
CC	08.07.2013 - 31.07.2013	2.50	12.50	120 months	10.50-12.50
CB	24.06.2013 - 07.07.2013	173.10	337.06	120 months	10.50-12.50
CA	18.04.2013 - 23.06.2013	327.70	634.07	120 months	10.50-12.50
BZ	01.03.2013 - 17.04.2013	179.48	471.16	120 months	10.50-12.50
BY	18.01.2013 - 28.02.2013	65.51	394.26	120 months	10.50-12.50
BX	26.11.2012 - 17.01.2013	4.25	4.72	60 months	10.50-12.50
BW	01.10.2012 - 25.11.2012	6.52	7.37	60 months	11.50-12.50
BV	17.08.2012 - 30.09.2012	3.80	3.89	60 months	11.50-12.50
BU	01.07.2012 - 16.08.2012	1.67	2.24	60 months	11.50-12.50
BT	21.05.2012 - 30.06.2012	1.03	1.16	60 months	11.50-12.50
BS	01.05.2012 - 20.05.2012	1.47	2.14	60 months	11.50-12.50
BR	01.03.2012 - 30.04.2012	5.65	6.82	60 months	11.50-12.50
BQ	23.01.2012 - 29.02.2012	2.00	2.16	60 months	11.50-12.50
BP	01.12.2011 - 22.01.2012	2.13	2.75	60 months	11.50-12.50
BO	19.09.2011 - 30.11.2011	2.80	3.09	60 months	11.00-12.00
BN	01.07.2011 - 18.09.2011	2.49	2.88	60 months	11.00-12.00
BM	01.04.2011 - 30.06.2011	1.30	2.13	60 months	11.00-12.00
BL	01.01.2011 - 31.03.2011	-	2.83	60 months	10.00-11.50
BK	01.10.2010 - 31.12.2010	-	1.51	60 months	9.50-11.50
BJ	01.07.2010 - 30.09.2010	-	2.56	60 months	9.50-11.00
BI	01.04.2010 - 30.06.2010	-	0.57	60 months	9.00-10.50

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(₹ in millions, except for share data and unless otherwise stated)

Series	Date of allotment	Amount	Amount	Redemption Period from the date of allotment	Interest Rate %
		As at March 31, 2023	As at March 31, 2022		
BH	01.01.2010 - 31.03.2010	-	0.01	60 months	9.00-10.50
Sub Total		1,044.40	2,243.38		
	Less: Unpaid (Unclaimed) matured debentures shown as a part of Other financial liabilities	199.90	48.82		
Total		844.50	2,194.56		

15.2 Secured Redeemable Non-Convertible Debentures - Public Issue & Listed

The principal amount of outstanding Secured Redeemable Non-Convertible Listed Debentures raised through Public Issue stood at ₹72,818.34 millions (March 31,2022: ₹71,761.40 millions).

Series	Date of allotment	Amount	Amount	Redemption Period from the date of allotment	Interest rate %
		As at March 31, 2023	As at March 31, 2022		
PL 26	05.05.2022	237.24	-	120 Months	7.50-8.00
PL 25	20.04.2021	2,290.47	2,290.47	120 Months	8.00-8.25
PL 22	27.12.2019	445.96	445.96	90 Months	9.67
PL 21	01.11.2019	432.00	432.00	90 Months	9.67
PL 20	14.06.2019	322.43	322.43	90 Months	9.67
PL 27	23.06.2022	356.03	-	84 Months	7.50-8.00
PL 26	05.05.2022	86.18	-	84 Months	7.25-7.75
PL 30	10.03.2023	740.73	-	61 Months	7.85-8.60
PL 29	23.12.2022	643.74	-	60 Months	7.50-8.25
PL 28	03.11.2022	997.52	-	60 Months	7.25-8.00
PL 27	23.06.2022	666.67	-	60 Months	7.00-7.75
PL 26	05.05.2022	1,184.15	-	60 Months	6.75-7.50
PL 25	20.04.2021	4,637.49	4,637.49	60 Months	7.35-7.85
PL 24	11.01.2021	1,433.72	1,433.72	60 Months	7.10-7.75
PL 23	05.11.2020	1,425.54	1,425.54	60 Months	7.50-8.00
PL 22	27.12.2019	1,488.68	1,488.68	60 Months	9.75-10.00
PL 21	01.11.2019	1,574.40	1,574.40	60 Months	9.75-10.00
PL 20	14.06.2019	3,061.02	3,061.02	60 Months	9.75-10.00
PL 19	20.03.2019	2,491.39	2,491.39	60 Months	9.75-10.00
PL 18	19.04.2018	9,839.02	9,839.02	60 Months	8.75-9.00
PL 17	24.04.2017	-	2,517.38	60 Months	8.75-9.00
PL 25	20.04.2021	6,223.12	6,223.12	38 Months	6.85-7.35
PL 24	11.01.2021	1,496.14	1,496.14	38 Months	6.75-7.40
PL 23	05.11.2020	18,574.46	18,574.46	38 Months	7.15-7.65
PL 22	27.12.2019	-	2,125.49	38 Months	9.50-9.75
PL 21	01.11.2019	-	1,327.46	38 Months	9.50-9.75
PL 20	14.06.2019	-	3,157.25	38 Months	9.50-9.75
PL 19	20.03.2019	-	3,049.07	38 Months	9.50-9.75
PL 30	10.03.2023	1,495.71	-	37 Months	7.75-8.50



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Series	Date of allotment	Amount	Amount	Redemption Period from the date of allotment	Interest rate %
		As at March 31, 2023	As at March 31, 2022		
PL 29	23.12.2022	725.42	-	36 Months	7.35-8.10
PL 28	03.11.2022	1,270.23	-	36 Months	7.00-7.75
PL 27	23.06.2022	1,629.13	-	36 Months	6.75-7.50
PL 26	05.05.2022	2,269.51	-	36 Months	6.50-7.25
PL 25	20.04.2021	3,848.91	3,848.91	26 Months	6.60-6.85
PL 30	10.03.2023	340.06	-	25 Months	7.75-8.25
PL 29	23.12.2022	181.85	-	24 Months	7.25-7.75
PL 28	03.11.2022	409.42	-	24 Months	7.00-7.50
Sub Total		72,818.34	71,761.40		
Less: EIR impact		159.94	244.87		
Total		72,658.40	71,516.53		

15.3 Secured Redeemable Non-Convertible Debentures - Private Placement & Listed

The principal amount of outstanding Secured Redeemable Non-Convertible Listed Debentures privately placed stood at ₹48,100.00 millions (March 31,2022: ₹42,400.00 millions)

Series	Date of allotment	Amount	Amount	Redemption Period from the date of allotment	Interest Rate %
		As at March 31, 2023	As at March 31, 2022		
18	31.05.2021	2,150.00	2,150.00	9 year & 364 days	7.90
9	18.06.2020	1,250.00	1,250.00	5 year	9.50
25	24.02.2023	1,600.00	-	3year+90days	8.65
23	22.12.2022	1,950.00	-	3year+15days	8.30
22	16.09.2022	2,400.00	-	3year+14days	7.75
24	19.01.2023	10,000.00	-	3year+10days	8.50
20	17.02.2022	5,000.00	5,000.00	3 year & 10 days	6.87
19	26.08.2021	4,000.00	4,000.00	3 year	8.25
16	16.10.2020	4,600.00	4,600.00	3 year	7.50
12	15.07.2020	1,000.00	1,000.00	3 year	8.40
8	02.06.2020	5,000.00	5,000.00	3 year	9.05
25	24.02.2023	4,400.00	-	2year+182days	8.60
10	25.06.2020	-	3,650.00	2 year & 9 days	8.50
14	25.09.2020	-	4,500.00	2 year & 61 days	7.15
17	09.03.2021	1,750.00	1,750.00	2 year & 49 days	6.65
7	14.05.2020	1,000.00	1,000.00	2 year & 363 days	9.00
11	07.07.2020	-	6,500.00	2 year & 32 days	8.30
21	24.02.2022	2,000.00	2,000.00	1 year & 364 days	6.17
Sub Total		48,100.00	42,400.00		
(Add)/Less: EIR impact		(4.73)	3.86		
Total		48,104.73	42,396.14		

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(₹ in millions, except for share data and unless otherwise stated)

15.4 Principal Protected Market Linked Secured Redeemable Non-Convertible Debentures - Private Placement & Listed

The principal amount of outstanding Principal Protected Market Linked Secured Redeemable Non-Convertible Listed Debentures privately placed stood at ₹8,201.00 millions (March 31,2022: 8,873.00 millions)

Series	Date of allotment	Amount	Amount	Redemption Period from the date of allotment	Interest Rate %
		As at March 31, 2023	As at March 31, 2022		
7	11.01.2023	1,033	-	1155 Days	8.14
6	20.09.2022	5,000	-	1157 Days	7.60
5	24.03.2022	2,168	2,168.00	3 Year & 60 Days	7.00
4	07.09.2020	-	2,000.00	760 days	7.15
3	24.07.2020	-	1,000.00	761 days	7.75
2	09.07.2020	-	2,350.00	729 days	8.25
1	12.06.2020	-	1,355.00	728 days	8.75
Sub Total		8,201.00	8,873.00		
Less: EIR impact		-	1.35		
Total		8,201.00	8,871.65		

15.5 Secured Redeemable Non-Convertible Debentures - Private Placement & Listed & Separately Transferable Redeemable Principal Parts (STRPP)

The principal amount of outstanding STRPP Secured Redeemable Non-Convertible Listed Debentures privately placed stood at ₹7,575.00 millions (March 31,2022: NIL)

Series	Face value per STRPP	Paid-up value per STRPP	First & Final Call Amount per STRPP & Date	Date of allotment	Amount	Amount	Redemption Period from the date of allotment	Interest Rate %
					As at March 31, 2023	As at March 31, 2022		
STRPP - 1A	100,000.00	100,000.00	NA	15.03.2023	5,000.00	-	2year+9months	8.65
STRPP - 1B	100,000.00	1,000.00	99,000 on December 15, 2025 at the option of NCD Holder	15.03.2023	50.00	-	4years, Put option on December 15, 2025	8.65
STRPP - 2A	100,000.00	100,000.00	NA	23.03.2023	2,500.00	-	3years	8.65
STRPP - 2B	100,000.00	1,000.00	99,000 on March 23, 2026 at the option of NCD Holder	23.03.2023	25.00	-	4year+184days, Put option on March 23, 2026	8.65
Sub Total					7,575.00	-		
Less: EIR impact					-	-		
Total					7,575.00	-		



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Note 16: Borrowings (other than debt securities)

Particulars	As at March 31, 2023			Total
	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	
(a) Term loan				
(i) from banks*				
Term loan (Secured by pari passu floating charge on current assets, book debts, Loans & advances and receivables including gold loan receivables)	159,381.46	-	-	159,381.46
(Terms of Repayment: ₹857.14 millions in 2 half yearly installments and ₹70,763.33 millions in 1-2-3-4 quarterly installments during FY 2023-24, ₹857.14 millions in 2 half yearly installments, ₹52,849.53 millions in 1-2-3-4 quarterly installments and ₹2,000.00 millions in bullet payment during FY 2024-25, ₹21,742.57 millions in 1-2-3-4 quarterly installments during FY 2025-26, ₹7,169.96 millions in 1-3-4 quarterly installments during FY 2026-27, ₹3,216.01 millions in 1-3-4 quarterly installments during FY 2027-28. Rate of Interest: 7.50-9.55 % p.a.)				
Term Loan (Secured by specific charge on vehicles)	-	-	-	-
(ii) from financial institutions*				
Term loan (Secured by pari passu floating charge on current assets, book debts, Loans & advances and receivables including gold loan receivables)	1,749.57	-	-	1,749.57
(Terms of Repayment: ₹218.75 millions in 1 quarterly installment during FY 2023-24, ₹875 millions in 4 quarterly installments during FY 2024-25, ₹656.25 millions in 3 quarterly installments during FY 2025-26. Rate of Interest: 8.25% p.a.)				
Term Loan (Secured by specific charge on vehicles)	5.37	-	-	5.37
(Terms of Repayment: ₹3.90 millions during FY 2023-24 in 6-8-12 monthly installments, ₹1.48 millions during FY 2024-25 in 7 monthly installments Rate of Interest: 8.90-9.90% p.a.)				
(b) Loans from related party				
Loan from Directors and Relatives (Unsecured)	6,150.14	-	-	6,150.14
(Terms of Repayment: Repayable on demand- Rate of Interest: 8% p.a.)				
(c) Loans repayable on demand				
(i) from banks*				
Overdraft against Deposit with Banks (Secured by a lien on Fixed Deposit with Banks)	-	-	-	-
Cash Credit/Short Term Loan (Secured by pari passu floating charge on current assets, book debts, Loans & advances and receivables including gold loan receivables)	132,999.92	-	-	132,999.92
(ii) from financial institutions*				
Short term loan (Secured by pari passu floating charge on current assets, book debts, Loans & advances and receivables including gold loan receivables)	1,999.51	-	-	1,999.51

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Particulars	As at March 31, 2023			Total
	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	
(d) External Commercial Borrowings				
(i) Senior Secured Notes - US Dollar denominated*				
(Secured by pari passu floating charge on current assets, book debts, Loans & advances and receivables including gold loan receivables)	45,170.78	-	-	45,170.78
(Terms of Repayment: ₹45,193.50 millions (USD 550 million repayable on 02 September 2023-Rate of Interest: 4.40% p.a)				
(e) Commercial paper - Listed				
(Unsecured and repayable within 1 year)	11,535.66	-	-	11,535.66
Total (A)	358,992.41	-	-	358,992.41
Borrowings in India	313,821.63	-	-	313,821.63
Borrowings outside India	45,170.78	-	-	45,170.78
Total (B)	358,992.41	-	-	358,992.41

*Includes EIR impact of transaction cost

The amortised cost of Borrowing (other than debt securities) as at March 31, 2023 in Note 16 above does not include interest accrued but not due amounting to ₹953.13 millions disclosed separately under Other financial liabilities in Note 18.

Where the company has borrowed funds from banks and financial institutions on the basis of security of current assets, it has filed quarterly returns or statements of current assets with banks and financial institutions and the said returns or statements are in agreement with books of accounts.

Particulars	As at March 31, 2022			Total
	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	
(a) Term loan				
(i) from banks*				
Term loan (Secured by pari passu floating charge on current assets, book debts, Loans & advances and receivables including gold loan receivables)	141,308.04	-	-	141,308.04
(Terms of Repayment: ₹857.14 millions in 2 half yearly installments, ₹56,889.86 millions in 1-2-3-4 quarterly installments and ₹167.50 millions in 3 monthly installments during FY 2022-23, ₹857.14 millions in 2 half yearly installments and ₹48,026.14 millions in 1-2-3-4 quarterly installments during FY 2023-24, ₹857.14 millions in 2 half yearly installments and ₹26,555.29 millions in 1-2-3-4 quarterly installments during FY 2024-25, ₹5,199.35 millions in 1-2-3-4 quarterly installments during FY 2025-26, ₹2,000.00 millions in 4 quarterly installments during FY 2026-27. Rate of Interest: 5.79-8.35 % p.a.)				
Term Loan (Secured by specific charge on vehicles)	3.64	-	-	3.64
(Terms of Repayment: ₹3.64 millions during FY 2022-23 in 8 monthly installments. Rate of interest: 8.70% p.a.)				
(ii) from financial institutions				
Term loan (Secured by pari passu floating charge on current assets, book debts, Loans & advances and receivables including gold loan receivables)	-	-	-	-



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Particulars	As at March 31, 2022			Total
	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	
Term Loan (Secured by specific charge on vehicles) (Terms of Repayment: ₹4.40 millions during FY 2022-23 in 12 monthly installments, ₹3.90 millions during FY 2023-24 in 6-8-12 monthly installments, ₹1.48 millions during FY 2024-25 in 7 monthly installments Rate of Interest: 8.90-9.90% p.a.)	9.78	-	-	9.78
(b) Loans from related party				
Loan from Directors and Relatives (Unsecured) (Terms of Repayment: Repayable on demand- Rate of Interest: 8.50% p.a.)	9,725.84	-	-	9,725.84
(c) Loans repayable on demand				
(i) from banks*				
Overdraft against Deposit with Banks (Secured by a lien on Fixed Deposit with Banks)	-	-	-	-
Cash Credit/Short Term Loan (Secured by pari passu floating charge on current assets, book debts, Loans & advances and receivables including gold loan receivables)	132,357.64	-	-	132,357.64
(ii) from financial institutions*				
Short term loan (Secured by pari passu floating charge on current assets, book debts, Loans & advances and receivables including gold loan receivables)	2,749.67	-	-	2,749.67
(d) External Commercial Borrowings				
(i) Senior Secured Notes - US Dollar denominated*				
(Secured by pari passu floating charge on current assets, book debts, Loans & advances and receivables including gold loan receivables) (Terms of Repayment: ₹34,106.63 millions (USD 450 million repayable on 31 October 2022-Rate of Interest: 6.125% p.a.), ₹41,685.87 millions (USD 550 million repayable on 02 September 2023-Rate of Interest: 4.40% p.a.)	75,663.21	-	-	75,663.21
(e) Commercial paper - Listed	9,892.06	-	-	9,892.06
(Unsecured and repayable within 1 year)	-	-	-	-
Total (A)	371,709.88	-	-	371,709.88
Borrowings in India	296,046.67	-	-	296,046.67
Borrowings outside India	75,663.21	-	-	75,663.21
Total (B)	371,709.88	-	-	371,709.88

*Includes EIR impact of transaction cost

The amortised cost of Borrowing (other than debt securities) as at March 31, 2022 in Note 16 above does not include interest accrued but not due amounting to ₹1,603.18 millions disclosed separately under Other financial liabilities in Note 18.

Where the company has borrowed funds from banks and financial institutions on the basis of security of current assets, it has filed quarterly returns or statements of current assets with banks and financial institutions and the said returns or statements are in agreement with books of accounts.

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Note 17: Subordinated Liabilities

Particulars	As at March 31, 2023				As at March 31, 2022			
	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
Subordinated Debt* (Refer note 17.1)	-	-	-	-	-	-	-	-
Subordinated Debt- Listed** (Refer note 17.2 & 17.3)	967.03	-	-	967.03	1,423.74	-	-	1,423.74
Total (A)	967.03	-	-	967.03	1,423.74	-	-	1,423.74
Subordinated Liabilities in India	967.03	-	-	967.03	1,423.74	-	-	1,423.74
Subordinated Liabilities outside India	-	-	-	-	-	-	-	-
Total (B)	967.03	-	-	967.03	1,423.74	-	-	1,423.74

*Excludes unpaid (unclaimed) matured debentures of ₹11.98 millions (March 31, 2022: ₹18.62 millions) shown as a part of Other financial liabilities in Note 18.

**Includes EIR impact of transaction cost; excludes unpaid (unclaimed) matured listed debentures of ₹4.96 millions (March 31, 2022: ₹7.07 millions) shown as a part of Other financial liabilities in Note 18.

The amortised cost of Subordinated Liabilities in Note 17 above does not include interest accrued but not due aggregating to ₹788.91 millions (March 31, 2022: ₹960.06 millions) disclosed separately under Other financial liabilities in Note 18.

17.1 Subordinated Debt

Subordinated Debt is subordinated to the claims of other creditors and qualifies as Tier II capital under the Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016. The principal amount of outstanding privately placed subordinated debt stood at ₹11.98 millions (March 31, 2022: ₹18.62 millions)

Series	Date of allotment	Amount	Amount	Redemption Period from the date of allotment	Interest Rate %
		As at March 31, 2023	As at March 31, 2022		
XII	01.04.2013 - 07.07.2013	2.82	3.77	66 months	12.67
XI	01.10.2012 - 31.03.2013	4.14	5.47	66 months	12.67-13.39
X	01.04.2012 - 30.09.2012	1.58	2.67	66 months	12.67-13.39
IX	01.11.2011 - 31.03.2012	0.92	1.69	66 months	12.67-13.39
VIII	01.07.2011 - 31.10.2011	1.00	1.22	66 months	12.67
VII	01.04.2011 - 30.06.2011	0.48	0.66	66 months	12.67
VII	08.02.2011 - 31.03.2011	0.08	0.08	66 months	12.67
VII	01.01.2011 - 07.02.2011	0.43	0.48	72 months	11.61
VI	01.07.2010 - 31.12.2010	0.37	0.48	72 months	11.61
V	01.01.2010 - 30.06.2010	0.16	0.76	72 months	11.61
IV	17.08.2009 - 31.12.2009	-	0.89	72 months	11.61
IV	01.07.2009 - 16.08.2009	-	0.05	72 months	12.50
IV	01.07.2009 - 16.08.2009	-	0.40	69 months	12.12
	Sub Total	11.98	18.62		
	Less: Unpaid (Unclaimed) matured debentures shown as a part of Other financial liabilities	11.98	18.62		
	Total	-	-		



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17.2 Subordinated Debt - Public & Listed

The principal amount of outstanding Unsecured Redeemable Non- Convertible Listed Debentures issued as Subordinated Debt which qualifies as Tier II capital under the Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions,2016 issued through Public Issue stood at ₹971.32 millions (March 31, 2022: ₹1,330.79 millions).

Series	Date of allotment	Amount	Amount	Redemption Period from the date of allotment	Interest Rate %
		As at March 31, 2023	As at March 31, 2022		
PL 17	24.04.2017	187.17	187.17	96 Months	9.06
PL 16	30.01.2017	317.76	317.76	96 Months	9.06
PL 15	12.05.2016	236.00	236.00	90 Months	9.67
PL 14	20.01.2016	230.39	230.39	87 Months	10.02
PL 13	14.10.2015	-	359.47	84 Months	10.41
Sub Total		971.32	1,330.79		
Less: EIR impact of transaction cost		4.29	7.05		
Total		967.03	1,323.74		

17.3 Subordinated Debt - Private Placement & Listed

The principal amount of outstanding privately placed Unsecured Redeemable Non-Convertible Listed Debentures issued as Subordinated Debt which qualifies as Tier II capital under the Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions,2016 stood at NIL (March 31, 2022: ₹100.00 millions)

Series	Date of allotment	Amount	Amount	Redemption Period from the date of allotment	Interest Rate %
		As at March 31, 2023	As at March 31, 2022		
IA	26.03.2013	-	100.00	120 Months	12.35
Total		-	100.00		

Note 18: Other financial liabilities

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Interest accrued but not due on borrowings	9,054.51	11,478.57
Unpaid (Unclaimed) dividend	9.16	8.60
Unpaid (Unclaimed) matured Non Convertible Debentures and interest accrued thereon	264.02	94.42
Unpaid (Unclaimed) matured Listed Non convertible Debentures and interest accrued thereon	74.81	76.07
Security deposits received	15.63	15.74
Auction surplus refundable	39.91	42.75
Other financial liabilities	106.08	65.86
Total	9,564.12	11,782.01

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Note 19: Provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Provision in excess of ECL (Refer Note 19.1)	2,953.76	2,953.76
Provision for undrawn commitments	6.88	19.59
Provision for employee benefits		
- Gratuity	67.18	128.20
- Compensated absences	380.50	351.12
Provision for unspent expenditure on Corporate Social Responsibility (Refer Note 19.2 and Note 48)	22.83	66.83
Provisions for other losses (Refer Note 19.2)	84.41	78.85
Total	3,515.56	3,598.35

19.1 Provision in excess of ECL represents the provision created on loan assets (including in prior years), which is in excess of the amounts determined and adjusted against such assets as impairment loss on application of expected credit loss method as per Ind AS 109 ('Financial Instruments'), and retained in the books of account as a matter of prudence.

19.2 The movement in Provisions for unspent expenditure on Corporate Social Responsibility and for other losses during 2022-23 and 2021-22 are as follows:

Particulars	Provision for unspent expenditure on Corporate Social Responsibility	Provisions for other losses
As at March 31, 2021	120.49	91.36
Additions	-	1.94
Reversed	-	10.15
Utilised	53.66	4.30
As at March 31, 2022	66.83	78.85
Additions	-	10.11
Reversed	-	4.55
Utilised	44.00	-
As at March 31, 2023	22.83	84.41

Note 20: Other Non-financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory dues payable	506.90	936.22
Advance interest received on loans	8.04	9.25
Total	514.94	945.47



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Note 21: Equity share capital

21.1 The reconciliation of equity shares outstanding at the beginning and at the end of the period

Particulars	As at March 31, 2023	As at March 31, 2022
Authorised		
450,000,000 (March 31, 2022: 450,000,000) Equity shares of ₹10/- each	4,500.00	4,500.00
5,000,000 (March 31, 2022: 5,000,000) Preference shares of ₹1000/- each	5,000.00	5,000.00
Issued, subscribed and fully paid up		
401,448,231 (March 31, 2022: 401,345,266) Equity shares of ₹10/- each fully paid up	4,014.48	4,013.45
Total Equity	4,014.48	4,013.45

21.2 Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹10/- per share. All these shares have the same rights and preferences with respect to the payment of dividend, repayment of capital and voting. The Company declares and pays dividends in Indian rupees. The interim dividend is declared and approved by Board of Directors. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

21.3 Reconciliation of the number of Equity shares and of Equity share capital amount outstanding at the beginning and at the end of the year

Particulars	In Numbers	Amount
As at April 01, 2021	401,195,856	4,011.96
Shares issued in exercise of Employee Stock Options during the year	149,410	1.49
As at March 31, 2022	401,345,266	4,013.45
Shares issued in exercise of Employee Stock Options during the year	102,965	1.03
As at March 31, 2023	401,448,231	4,014.48

21.4 Details of Promoter shareholding and Equity shareholders holding more than 5% shares in the company

Particulars	As at March 31, 2023			As at March 31, 2022		
	No. of shares held	% holding in the class	% change in shareholding of Promoters during the year	No. of shares held	% holding in the class	% change in shareholding of Promoters during the year
Sara George	29,036,548	7.23%	Nil	29,036,548	7.23%	Not Applicable
George Alexander Muthoot (Promoter)	23,630,900	5.89%	Nil	23,630,900	5.89%	-45.84%
George Jacob Muthoot (Promoter)	43,630,900	10.87%	Nil	43,630,900	10.87%	Nil
George Thomas Muthoot (Promoter)	43,630,900	10.87%	Nil	43,630,900	10.87%	Nil
Susan Thomas	29,985,068	7.47%	Nil	29,985,068	7.47%	Not Applicable
Alexander George	22,289,710	5.55%	Nil	22,289,710	5.55%	Not Applicable
George M George	22,289,710	5.55%	Nil	22,289,710	5.55%	Not Applicable

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21.5 Disclosure as to aggregate number and class of shares allotted as pursuant to contract(s) without payment being received in cash, fully paid up by way of bonus shares and shares bought back.

Particulars	Fully paid up pursuant to contract(s) without payment being received in cash	Fully paid up by way of bonus shares	Shares bought back
Equity Shares :			
2022-2023	Nil	Nil	Nil
2021-2022	Nil	Nil	Nil
2020-2021	Nil	Nil	Nil
2019-2020	Nil	Nil	Nil
2018-2019	Nil	Nil	Nil
2017-2018	Nil	Nil	Nil

21.6 Shares reserved for issue under Employee Stock Option Scheme

The Company has reserved 63,485 equity shares (March 31, 2022: 206,865) for issue under the Employee Stock Option Scheme 2013.

Note 22: Other equity

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory Reserve		
Balance at the beginning of the year	41,428.90	33,520.29
Add: Transfer from Retained earnings	6,947.06	7,908.62
Balance at the end of the year	48,375.96	41,428.90
Securities Premium		
Balance at the beginning of the year	15,063.70	15,016.44
Add: Securities premium on share options exercised during the year	36.59	47.26
Balance at the end of the year	15,100.29	15,063.70
Debenture Redemption Reserve		
Balance at the beginning of the year	35,123.97	35,123.97
Add: Amount transferred from Retained earnings	-	-
Balance at the end of the year	35,123.97	35,123.97
General Reserve		
Balance at the beginning of the year	2,676.33	2,676.33
Add: Amount transferred from Retained earnings	-	-
Balance at the end of the year	2,676.33	2,676.33
Share option outstanding account		
Balance at the beginning of the year	61.74	105.00
Add : Share based payment expenses	-	(1.98)
Less: Transfer to Securities premium on account of options exercised	32.46	41.28
Less: Transfer to Retained Earnings on account of expiry/lapse of options	9.16	-
Balance at the end of the year	20.12	61.74



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Particulars	As at March 31, 2023	As at March 31, 2022
Retained Earnings		
Balance at the beginning of the year	85,359.55	61,749.05
Add: Profit for the year	34,735.31	39,543.04
Add : Transfers from share option outstanding account	9.16	-
Less: Appropriation :-		
Interim Dividend on equity shares	8,026.91	8,023.92
Tax on dividend on equity shares	-	-
Transfer to Statutory Reserve	6,947.06	7,908.62
Total appropriations	14,973.97	15,932.54
Balance at the end of the year	105,130.05	85,359.55
Other Comprehensive Income		
Balance at the beginning of the year	(281.95)	185.89
Add: Addition during the year	460.00	(467.84)
Balance at the end of the year	178.06	(281.95)
Total	206,604.80	179,432.27

22.1 Nature and purpose of reserve

(a) Statutory reserve

Statutory Reserve represents the Reserve Fund created under Section 45 IC of the Reserve Bank of India Act, 1934. Accordingly an amount representing 20% of Profit for the period is transferred to the fund for the year.

(b) Securities Premium

This Reserve represents the premium on issue of equity shares and can be utilized in accordance with the provisions of the Companies Act, 2013.

(c) Debenture Redemption Reserve

Pursuant to Rule 18(7)(b)(iii) of the Companies (Share Capital and Debentures) Rules, 2014, as amended vide the Companies (Share Capital and Debentures) Amendment Rules dated August 16, 2019, the Company, being an NBFC registered with the Reserve Bank of India under Section 45 IA of the RBI Act, 1934, is not required to create a Debenture Redemption Reserve, in respect of public issue of debentures and debentures issued by it on a private placement basis.

(d) General Reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of profit for the period at a specified percentage in accordance with applicable regulations. Consequent to introduction

of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

(e) Share Options outstanding account

The fair value of equity settled share based payments transactions is recognised in the Statement of Profit and Loss with corresponding credit to Share option outstanding account.

(f) Retained earnings

This Reserve represents the cumulative profits of the Company. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

(g) Other Comprehensive Income

Equity instruments through Other Comprehensive Income

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated in the FVOCI equity investments reserve. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

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Effective portion of Cash Flow Hedges and Cost of Hedging Reserve

Effective portion of cash flow hedges represents the cumulative gains/(losses) arising on changes in fair value of the derivative instruments designated as cash flow hedges through OCI. The amount recognized as effective portion of Cash flow hedge is reclassified to profit or loss when the hedged item affects profit or loss. The company designates the spot element of foreign currency forward contracts as hedging instruments. The changes in the fair value of forward element of the forward contract on reporting date is deferred and retained in the cost of hedging reserve.

(₹ in millions, except for share data and unless otherwise stated)

Remeasurement of defined benefit plans

It represents the gain/(loss) on remeasurement of Defined Benefit Obligation and of Plan assets

22.2 Dividend proposed to be distributed to equity shareholders for the period

Dividend proposed to be distributed to equity shareholders for the period (not recognised as liability)

Interim dividend for 2022-23 @ ₹22/- per equity share	8,831.86
Date of declaration of interim dividend for the period	April 06, 2023

Note 23: Interest income

Particulars	Year ended March 31, 2023			Year ended March 31, 2022		
	On Financial asset measured at fair value through OCI	On Financial asset measured at amortised cost	Interest income on financial assets classified at fair value through profit or loss	On Financial asset measured at fair value through OCI	On Financial asset measured at amortised cost	Interest income on financial assets classified at fair value through profit or loss
Interest on Loans :						
Gold Loan	-	100,274.25	-	-	107,288.57	-
Personal Loan	-	809.34	-	-	532.84	-
Corporate Loan	-	80.66	-	-	25.38	-
Business Loan	-	221.13	-	-	122.38	-
Staff Loan	-	3.84	-	-	2.78	-
Loans to subsidiaries	-	66.55	-	-	56.58	-
Other Loans	-	32.14	-	-	28.26	-
Interest income from investments	-	1,740.95	-	-	1,228.09	-
Interest on deposits with bank	-	398.36	-	-	267.87	-
Other interest income	-	58.89	-	-	7.53	-
Total	-	103,686.11	-	-	109,560.28	-



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Note 24: Net gain on fair value changes

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(A) Net gain on financial instruments at fair value through profit or loss		
(i) On trading portfolio		
- Investments	672.69	445.03
- Others	-	28.90
(B) Gain on fair valuation of equity shares	0.01	-
Total Net gain on fair value changes (C)	672.70	473.93
Fair Value changes:		
- Realised	672.69	473.93
- Unrealised	0.01	-
Total Net gain on fair value changes	672.70	473.93

Note 25: Sale of services

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Income from Money Transfer business	87.45	121.44
Income from Power Generation - Windmill	3.25	18.25
Total	90.70	139.69

Note 26: Other Income

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Bad debt recovered	127.18	72.11
Rental income	6.76	3.73
Others	155.05	84.85
Total	288.99	160.69

Note 27: Finance Costs

Particulars	Year ended March 31, 2023		Year ended March 31, 2022	
	On financial liabilities measured at fair value through profit or loss	On financial liabilities measured at amortised cost	On financial liabilities measured at fair value through profit or loss	On financial liabilities measured at amortised cost
Interest on borrowings (other than debt securities)	-	26,941.77	-	26,522.63
Interest on debt securities	-	9,839.59	-	11,541.30
Interest on subordinated liabilities	-	210.04	-	293.69
Total	-	36,991.40	-	38,357.62

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Note 28: Impairment on financial instruments

Particulars	Year ended March 31, 2023		Year ended March 31, 2022	
	On financial instruments measured at fair value through OCI	On financial instruments measured at amortised cost	On financial instruments measured at fair value through OCI	On financial instruments measured at amortised cost
Loan Assets	-	426.00	-	979.10
Bad Debts Written Off	-	169.16	-	289.43
Other Assets	-	10.11	-	1.94
Total	-	605.27	-	1,270.47

Note 29: Employee Benefits Expenses

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salaries and Wages	11189.08	9,538.51
Contributions to Provident and Other Funds	663.04	661.08
Share based payments to employees	-	(1.98)
Staff Welfare Expenses	142.29	104.55
Total	11,994.41	10,302.16

Note 30: Depreciation, amortization and impairment

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation of tangible assets	565.38	513.53
Amortization of intangible assets	17.76	25.61
Total	583.14	539.14

Note 31: Other Expenses

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Rent	2,486.92	2,349.54
Rates & Taxes	638.28	610.16
Energy Costs	408.76	316.60
Repairs and Maintenance	504.50	568.06
Communication Costs	421.87	497.55
Printing and Stationery	191.73	149.85
Advertisement & Publicity	1,581.18	1,196.62
Directors' Sitting Fee	4.48	4.17
Commission to Non-Executive Directors	10.15	8.82
Auditors' fees and expenses (Refer Note 31.1)	9.32	7.08
Legal & Professional Charges	401.90	282.92
Insurance	83.13	101.40
Internal Audit and Inspection Expenses	144.44	113.55
Vehicle Hire & Maintenance	11.27	9.01
Travelling and Conveyance	365.00	271.12
Business Promotion Expenses	206.16	7.24



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Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Bank Charges	101.65	88.42
Business Support Charges	57.54	20.61
Contribution to Political parties	5.58	0.50
Miscellaneous expense	7.69	6.38
Expenditure on Corporate Social Responsibility (Refer Note 48)	957.45	811.40
Total	8,599.00	7,421.00

Note 31.1 Auditors' fees and expenses:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
As Auditor's (including limited review)	7.50	6.50
For Other Services	1.82	0.56
For Reimbursement of Expenses	-	0.02
Total	9.32	7.08

Note 32: Income Tax

The components of income tax expense for the year ended March 31, 2023 and year ended March 31, 2022 are:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Current tax	12,069.87	13,586.13
Adjustment in respect of current income tax of prior years	(82.45)	-
Deferred tax relating to origination and reversal of temporary differences	(58.47)	(35.63)
Income tax expense reported in statement of profit and loss	11,928.95	13,550.50
Income tax recognised in other comprehensive income (OCI)		
Current tax related to items recognised in OCI during the period:		
- Remeasurement of defined benefit plans	12.32	6.00
Deferred tax related to items recognised in OCI during the period:		
- Fair value changes on equity instruments through other comprehensive income"	(21.35)	15.48
- Changes in value of forward element of forward contract	102.02	(168.68)
- Effective portion of gain on hedging instruments in cash flow hedges	61.72	(10.15)
Income tax charged to OCI	154.71	(157.35)

In accordance with the provisions of Section 115BAA of the Income Tax Act, 1961, the Company has opted to pay income tax at a reduced rate of 22% (plus surcharge @ 10% and cess @ 4%).

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Reconciliation of the total tax charge:

The tax charge shown in the Statement of Profit and Loss differ from the tax charge that would apply if all the profits had been charged at India corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended March 31, 2023 and year ended March 31, 2022 is, as follows:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Accounting profit before tax	46,664.26	53,093.54
At India's statutory income tax rate of 25.168% (2022: 25.168%)	11,744.46	13,362.58
Adjustments in respect of current income tax of previous year	(82.45)	-
Expenses disallowed in Income Tax Act	242.38	190.83
Effect of derecognition of previously recognised deferred tax assets due to change in tax rate	-	-
Income not subject to tax:		
Dividend from Indian Company	-	-
Interest on income tax grouped under Current tax charge	28.34	43.09
Others	(3.78)	(46.00)
Income tax expense reported in the Statement of Profit and Loss	11,928.95	13,550.50

The following table shows deferred tax recorded in the balance sheet and changes recorded in the Income tax expense:

Deferred Tax Assets/(Liabilities)

Particulars	As at March 31, 2023	As at March 31, 2022
Fixed asset: Timing difference on account of Depreciation and Amortisation	279.75	256.77
On application of Expected Credit Loss method for loan loss provisions and related adjustments as per Ind AS 109 and amortisation of net income under Effective Interest Rate Method not adjusted under Income Tax Act, 1961	102.77	66.00
On Fair Value Changes of derivative asset not adjusted under Income Tax Act, 1961	135.20	381.05
On Amortisation of expenses under Effective Interest Rate method for financial liabilities not permitted under Income Tax Act, 1961	(74.63)	(148.08)
Net gain on fair valuation of Investments not adjusted under Income Tax Act, 1961	(147.93)	(169.27)
On Other Provisions/Disallowances	106.38	98.98
Deferred Tax Assets/(Liabilities) (Net)	401.54	485.45

Reconciliation of deferred tax assets/(liabilities)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	485.45	286.47
Tax income/(expense) during the period recognised in Statement of Profit and Loss	58.47	35.63
Tax income/(expense) during the period recognised in OCI	(142.38)	163.36
Closing balance	401.54	485.45



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Note 33: Earnings per Equity share

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Net profit attributable to ordinary equity holders	34,735.31	39,543.04
Weighted average number of equity shares for basic earnings per share	401,397,883	401,268,121
Effect of dilution	60,216	196,527
Weighted average number of equity shares for diluted earnings per share	401,458,099	401,464,648
Earnings per equity share:		
Basic earnings per share (₹)	86.54	98.55
Diluted earnings per share (₹)	86.52	98.50

Note 34: Assets pledged as security

The carrying amounts of assets pledged as security for secured debt securities as well as for secured borrowings other than debt securities are as below:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Financial assets		
Cash and cash equivalents	64,288.01	91,785.15
Bank Balance other than Cash and cash equivalent	140.00	141.20
Trade Receivables	16.06	21.45
Loans(excluding the impact of EIR/ECL)	650,630.34	601,244.61
Investments(maturing within one year)	51.89	35.18
Other Financial assets	350.48	300.18
Non-financial Assets		
Other non financial assets	237.35	217.65
Total	715,714.13	693,745.42

Above assets have been provided as security on first pari-passu floating charge basis for secured debt securities as well as for secured borrowings other than debt securities excluding term loans taken by specific charge on vehicles.

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Property, Plant and Equipment		
Building	5.54	7.44
Vehicle	5.39	15.43
Total	10.93	22.87

Building as above have been provided as security on first pari-passu floating charge basis for specific secured debt securities.

Vehicles as above have been provided as security for vehicle loans

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Note 35: Retirement Benefit Plan

Defined Contribution Plan

The Company makes contributions to Provident Fund which are defined contribution plan for qualifying employees. The Company recognized ₹434.13 millions (March 31, 2022: ₹404.44 millions) for Provident Fund contributions in the Statement of Profit and Loss.

Defined Benefit Plan

The Company has a defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Every employee who has completed five years or more of service gets a gratuity on leaving the service of the company at 15 days salary (last drawn salary) for each completed year of service.

Gratuity liability is funded through a Gratuity Fund managed by Kotak Mahindra Old Mutual Life Insurance Limited and ICICI Prudential Life Insurance Company Limited.

The following tables summarise the components of net benefit expense recognized in the Statement of Profit and Loss and the funded status and amounts recognized in the Balance Sheet for the gratuity plan.

Net liability/(assets) recognised in the Balance Sheet

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Present value of funded obligations	1,311.44	1,327.68
Fair value of plan assets	(1,244.25)	(1,199.48)
Defined Benefit obligation/(asset)	67.19	128.20

Net benefit expense recognised in Statement of Profit and Loss

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Current service cost	162.53	160.27
Net Interest on net defined benefit liability/ (asset)	9.12	4.42
Net benefit expense	171.65	164.68

Details of changes in present value of defined benefit obligations as follows:

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Present value of defined benefit obligation at the beginning of the year	1,327.68	1,257.31
Current service cost	162.53	160.27
Interest cost on benefit obligations	82.32	72.92
Re-measurements:	-	-
a. Actuarial loss/ (gain) arising from changes in financial assumptions	(65.65)	(30.07)
b. Actuarial loss/ (gain) arising from experience over the past years	(8.77)	(2.27)
Benefits paid	(186.67)	(130.48)
Present value of defined benefit obligation at the end of the year	1,311.44	1,327.68



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Details of changes in fair value of plan assets are as follows: -

Particulars	As at March 31, 2023	As at March 31, 2022
Fair value of plan assets at the beginning of the year	1,199.48	1,182.27
Interest income on plan assets	73.20	68.51
Employer contributions	183.71	87.67
Benefits paid	(186.67)	(130.48)
Re-measurements:		
a. Return on Plan assets, excluding amount included in net interest on the net defined benefit liability/(asset)	(25.47)	(8.48)
Fair value of plan assets as at the end of the year	1,244.25	1,199.48
Actual return on plan assets	47.73	60.03
Expected employer contributions for the coming year	150.00	150.00

Remeasurement gain/ (loss) in Other Comprehensive Income (OCI)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Re-measurements on defined benefit obligation		
Actuarial gain/(loss) arising from changes in financial assumptions	65.65	30.07
Actuarial gain/(loss) arising from experience over the past years	8.77	2.27
Re-measurements on plan assets		
Return on Plan assets, excluding amount included in net interest on the net defined benefit liability/(asset)	(25.47)	(8.48)
Actuarial gain /(loss) (through OCI)	48.95	23.86

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

Particulars	As at March 31, 2023	As at March 31, 2022
Salary Growth Rate	7.00% p.a.	7.00% p.a.
Discount Rate	7.10% p.a.	6.20% p.a.
Withdrawal Rate	15.00% p.a.	15.00% p.a.
Mortality	IALM 2012-14 Ult.	IALM 2012-14 Ult.
Interest rate on net DBO/ (Assets)	6.20% p.a.	5.80% p.a.
Expected weighted average remaining working life	5 years	5 years

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Investments quoted in active markets:

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Equity instruments	0.00%	0.00%
Debt instruments	0.00%	0.00%
Real estate	0.00%	0.00%
Derivatives	0.00%	0.00%
Investment Funds with Insurance Company	100.00%	100.00%
Of which, Unit Linked	100.00%	100.00%
Of which, Traditional/ Non-Unit Linked	0.00%	0.00%
Asset-backed securities	0.00%	0.00%
Structured debt	0.00%	0.00%
Cash and cash equivalents	0.00%	0.00%
Total	100.00%	100.00%

None of the assets carry a quoted market price in an active market or represent the entity's own transferable financial instruments or are property occupied by the entity.

A quantitative sensitivity analysis for significant assumptions as at March 31, 2023 and March 31, 2022 are as shown below:

Assumptions	Sensitivity Level	As at	As at
		March 31, 2023	March 31, 2022
Discount Rate	Increase by 1%	(66.30)	(69.90)
Discount Rate	Decrease by 1%	73.32	77.67
Further Salary Increase	Increase by 1%	72.68	76.31
Further Salary Increase	Decrease by 1%	(66.96)	(70.03)
Employee turnover	Increase by 1%	(2.65)	(5.75)
Employee turnover	Decrease by 1%	2.68	6.10
Mortality Rate	Increase in expected lifetime by 1 year	0.06	0.06
Mortality Rate	Increase in expected lifetime by 3 years	0.15	0.15

The sensitivity is performed on the DBO at the respective valuation date by modifying one parameter whilst retaining other parameters constant. There are no changes from the previous period to the methods and assumptions underlying the sensitivity analyses. The weighted average duration of the defined benefit obligation as at March 31, 2023 is 5 years (2022: 5 years). The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Description of Asset Liability Matching (ALM) Policy

The Company primarily deploys its gratuity investment assets in insurer-offered debt market-linked plans. As investment returns of the plan are highly sensitive to changes in interest rates, the liability movement is broadly hedged by asset movement if the duration is matched.

Description of funding arrangements and funding policy that affect future contributions

The liabilities of the fund are funded by assets. The company aims to maintain a close to full-funding position at each Balance Sheet date. Future expected contributions are disclosed based on this principle.

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

The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations. The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments, mortality, withdrawals and other relevant factors.

Note 36: Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled and considering contractual terms. For Loans and advances to customers, maturity analysis is based on expected repayment behaviour.

Particulars	As at March 31, 2023			As at March 31, 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial assets						
Cash and cash equivalents	64,288.01	-	64,288.01	91,785.15	-	91,785.15
Bank Balance other than above	266.75	57.20	323.95	640.63	3.35	643.98
Derivative Financial Instruments	-	-	-	605.01	-	605.01
Trade receivables	16.06	-	16.06	21.44	-	21.44
Loans	605,961.35	37,011.36	642,972.71	579,927.26	19,477.94	599,405.20
- Adjustment on account of EIR/ECL	-	-	(323.91)	-	-	(5,562.86)
Investments	51.90	13,116.69	13,168.59	35.18	13,169.65	13,204.83
Other financial assets	348.52	987.67	1,336.19	299.82	925.16	1,224.98
Non-financial Assets						
Deferred tax assets (net)	-	401.54	401.54	-	485.45	485.45
Property, plant and equipment	-	2,682.10	2,682.10	-	2,636.92	2,636.92
Capital work-in-progress	-	674.27	674.27	-	456.48	456.48
Other intangible assets	-	35.59	35.59	-	37.36	37.36
Other non financial assets	509.04	114.00	623.04	590.36	12.58	602.94
Total assets	671,441.63	55,080.42	726,198.14	673,904.85	37,204.89	705,546.88

Particulars	As at March 31, 2023			As at March 31, 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Liabilities						
Financial Liabilities						
Derivative financial instruments	1,892.41	-	1,892.41	1,326.58	3,471.39	4,797.97
Trade payables	1,257.70	-	1,257.70	1,143.66	-	1,143.66
Other payables	701.68	-	701.68	367.92	-	367.92
Debt Securities	52,444.43	85,094.41	137,538.84	35,079.57	90,149.39	125,228.96
- Adjustment on account of EIR	-	-	(155.21)	-	-	(250.08)
Borrowings (other than debt securities)	269,754.39	89,367.94	359,122.33	246,854.78	125,186.32	372,041.10
- Adjustment on account of EIR	-	-	(129.92)	-	-	(331.22)
Subordinated Liabilities	466.39	504.93	971.32	459.47	971.32	1,430.79
- Adjustment on account of EIR	-	-	(4.29)	-	-	(7.05)
Other Financial liabilities	7,785.13	1,778.99	9,564.12	9,398.79	2,383.22	11,782.01

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(₹ in millions, except for share data and unless otherwise stated)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Non-financial Liabilities						
Current tax liabilities (net)	789.38	-	789.38	1,353.28	-	1,353.28
Provisions	3,149.17	366.39	3,515.56	3,198.45	399.90	3,598.35
Deferred tax liabilities (net)	-	-	-	-	-	-
Other non-financial liabilities	514.94	-	514.94	945.47	-	945.47
Total Liabilities	338,755.62	177,112.66	515,578.86	300,127.97	222,561.54	522,101.16
Net	332,686.01	(122,032.24)	210,619.28	373,776.88	(185,356.65)	183,445.72

Note 37: Change in liabilities arising from financing activities disclosed as per Ind AS 7, Cash flow statements

Particulars	As at April 01, 2022	Cash Flows	Changes in fair value	Others	As at March 31, 2023
Debt Securities	124,978.88	12,309.88	-	94.87	137,383.63
Borrowings other than debt securities	371,709.88	(14,184.65)	1,265.88	201.30	358,992.41
Subordinated Liabilities	1,423.74	(459.47)	-	2.76	967.03
Total liabilities from financing activities	498,112.50	(2,334.24)	1,265.88	298.93	497,343.07

Particulars	As at April 01, 2021	Cash Flows	Changes in fair value	Others	As at March 31, 2022
Debt Securities	137,960.58	(13,062.49)	-	80.79	124,978.88
Borrowings other than debt securities	319,405.81	49,711.83	2,530.40	61.84	371,709.88
Subordinated Liabilities	2,096.37	(675.69)	-	3.06	1,423.74
Total liabilities from financing activities	459,462.76	35,973.65	2,530.40	145.69	498,112.50

Note 38: Contingent liabilities, commitments and leasing arrangements

(A) Contingent Liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Claims against the company not acknowledged as debt		
(i) Income Tax Demands	53.66	56.24
(ii) Service Tax Demands	4,995.05	4,995.05
(iii) Others	426.97	426.97
(iv) Disputed claims against the company under litigation not acknowledged as debts	89.77	71.26
(b) Guarantees - Counter Guarantees Provided to Banks	88.01	88.19
(c) Corporate Guarantee issued in favour of National Housing Bank for loan availed by wholly owned subsidiary M/s Muthoot Homefin (India) Limited [Amount of Guarantee ₹2750 million (₹2250 million as at March 31,2022)]	1,940.91	1,466.41
(d) Others	-	-



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(₹ in millions, except for share data and unless otherwise stated)

(B) Commitments

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Estimated amount of contracts remaining to be executed on capital account, net of advances and not provided for	223.46	324.02
Commitments related to loans sanctioned but undrawn	9,549.28	18,461.96

(C) Lease Disclosures

Finance Lease :

The Company has not taken or let out any assets on financial lease.

Operating Lease :

Lease disclosures under Ind AS 116

All operating lease agreements entered into by the Company are cancellable in nature. Consequently, the Company has not recognised any right-of-use asset and lease liability during the year.

Lease rentals received for assets let out on operating lease ₹6.76 millions (₹3.73 millions for the year ended March 31, 2022) are recognized as income in the Statement of Profit and Loss under the head 'Other Income' and lease rental payments for assets taken on an operating lease ₹2,486.92 millions (₹2,349.54 millions for the year ended March 31, 2022) are recognized as 'Rent' in the Statement of Profit and Loss.

Note 39: Related Party Disclosures

Names of Related parties

(A) Subsidiaries

1. Asia Asset Finance PLC, Sri Lanka
2. Muthoot Homefin (India) Limited
3. Belstar Microfinance Limited (formerly Belstar Microfinance Private Limited)
4. Muthoot Insurance Brokers Private Limited
5. Muthoot Money Limited
6. Muthoot Asset Management Private Limited
7. Muthoot Trustee Private Limited

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(₹ in millions, except for share data and unless otherwise stated)

(B) Key Management Personnel (Directors)

1. George Jacob Muthoot
2. George Thomas Muthoot
3. George Alexander Muthoot
4. Alexander George
5. George Muthoot George
6. George Muthoot Jacob
7. George Alexander
8. Jose Mathew
9. Justice (Retd.) Jacob Benjamin Koshy
10. Pratip Chaudhuri
11. Vadakkakara Antony George
12. Ravindra Pisharody
13. Usha Sunny
14. Abraham Chacko
15. Chamacheril Mohan Abraham

Designation

- Chairman & Whole-time Director
- Whole-time Director
- Managing Director
- Whole-time Director
- Whole-time Director
- Whole-time Director
- Whole-time Director
- Independent Director
- Independent Director
- Independent Director (Retired on August 31, 2022)
- Independent Director
- Independent Director
- Independent Director
- Independent Director
- Independent Director (w.e.f August 31, 2022)

(C) Enterprises owned or significantly influenced by key management personnel or their relatives (Directors)

1. Muthoot Vehicle & Asset Finance Limited	11. Muthoot Forex Limited
2. Xandari Resorts Private Limited (Formerly known as Muthoot Leisure And Hospitality Services Private Limited)	12. Xandari Pearl Beach Resorts Private Limited (Formerly known as Marari Beach Resorts Private Limited)
3. MGM Muthoot Medical Centre Private Limited	13. Muthoot Health Care Private Limited
4. Muthoot Securities Limited	14. Muthoot Properties & Investments
5. Muthoot Housing & Infrastructure	15. Muthoot Precious Metals Corporation
6. Muthoot Gold Bullion Corporation	16. GMG Associates
7. Muthoot M George Institute of Technology	17. St. Georges Educational Society
8. Emsyne Technologies Private Limited (Formerly known as Muthoot Systems & Technologies Private Limited)	18. M.G. George Muthoot Charitable Trust (Formerly known as Muthoot M George Charitable Trust)
9. Muthoot Educational Trust	19. Muthoot Finance Education Trust (Tamilnadu)
10. Geem Marketing Services Private Limited (Formerly known as Muthoot Marketing Service Private Limited)	



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(₹ in millions, except for share data and unless otherwise stated)

(D) Relatives of Key Management Personnel (Directors)

Name of Relative	Relationship	Key Management Personnel
Elizabeth Jacob	Spouse	George Jacob Muthoot
Reshma Susan Jacob	Daughter	George Jacob Muthoot
Susan Thomas	Spouse	George Thomas Muthoot
Anna Thomas, Tania Thomas	Daughter	George Thomas Muthoot
Anna Alexander	Spouse	George Alexander Muthoot
Eapen Alexander	Son	George Alexander Muthoot
Radhika George Verghese, Swathy Eapen	Son's wife	George Alexander Muthoot
Sara George	Mother	Alexander George, George Muthoot George
Radhika George Verghese	Spouse	George Alexander
Leela Zachariah	Sister	George Alexander Muthoot, George Jacob Muthoot, George Thomas Muthoot
Sindhu Mohan	Spouse	Chamacheril Mohan Abraham

(E) Key Management Personnel (other than Directors) Designation

- | | |
|----------------------------|-------------------------|
| 1. Oommen Mammen Kaithayil | Chief Financial Officer |
| 2. Rajesh Achutha Warriar | Company Secretary |

Related Party transactions during the year:

Particulars	Key Management Personnel (Directors)		Relatives of Key Management Personnel (Directors)	
	Year Ended March 31, 2023	Year Ended March 31, 2022	Year Ended March 31, 2023	Year Ended March 31, 2022
Purchase of Travel Tickets for Company Executives/ Directors/ Customers	-	-	-	-
Accommodation facilities for Company Executives/ Clients/ Customers	-	-	-	-
Staff Welfare expense	-	-	-	-
Complementary Medical Health Check Up for Customers/ Employees	-	-	-	-
Brokerage paid for NCD Public Issue	-	-	-	-
Professional Charges Paid	-	-	-	-
Advertisement Expenses	-	-	-	-
Expenditure on Corporate Social Responsibility (includes payments made on behalf of beneficiaries)	-	-	-	-
Foreign Currency purchased for travel	-	-	-	-
Interest paid on Borrowings	444.22	673.85	411.91	505.93
Interest paid on NCD	-	-	5.61	0.52
Interest paid on NCD - Listed	15.30	24.14	5.45	7.48
Directors Remuneration	950.18	815.68	-	-
Commission and sitting fee to Non-executive Directors	14.63	12.99	-	-
Salaries and Allowances	-	-	20.70	41.92
Loans accepted	8,279.94	5,751.92	4,927.32	4,910.81
Loans repaid	10,573.45	7,762.14	6,209.51	2,992.13
Purchase of Listed NCD of the Company	3,827.00	1,868.00	3,694.64	300.00
Redemption of NCD of the Company	-	-	5.00	-

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Particulars	Key Management Personnel (Directors)		Relatives of Key Management Personnel (Directors)	
	Year Ended March 31, 2023	Year Ended March 31, 2022	Year Ended March 31, 2023	Year Ended March 31, 2022
Redemption of Listed NCD of the Company	2,669.52	245.99	1,502.42	1,038.95
Interest Received on Loan	-	-	-	-
Loan Given	-	-	-	-
Loan Recovered	-	-	-	-
Rent paid	-	-	2.09	1.46
Rent received	-	-	-	-
Rent deposit given	-	-	-	-
Rent deposit repaid	-	-	-	-
Dividend paid	3,760.94	3,063.65	2,134.72	2,838.97
Dividend Received	-	-	-	-
Commission Received on Money Transfer business	-	-	-	-
Service Charges Collected	-	-	-	-
Purchase of Fixed asset by company	-	-	-	-
Sale of Fixed asset by company	-	-	-	-
Investment in Equity shares of Subsidiary companies	-	-	-	-
Investment in Preference shares of Subsidiary companies	-	-	-	-
Security deposit accepted	-	-	-	-
Security deposit received, adjusted against dues	-	-	-	-
Corporate Guarantee given	-	-	-	-

Related Party transactions during the year:

Particulars	Entities over which Key Management Personnel and their relatives are able to exercise significant influence (Directors)		Subsidiaries	
	Year Ended March 31, 2023	Year Ended March 31, 2022	Year Ended March 31, 2023	Year Ended March 31, 2022
Purchase of Travel Tickets for Company Executives/ Directors/ Customers	-	0.02	-	-
Accommodation facilities for Company Executives/ Clients/ Customers	12.90	7.52	-	-
Staff Welfare expense	0.11	0.18	-	-
Complementary Medical Health Check Up for Customers/ Employees	0.88	-	-	-
Brokerage paid for NCD Public Issue	5.49	1.24	-	-
Professional Charges Paid	4.50	-	-	-
Advertisement Expenses	-	0.33	-	-
Expenditure on Corporate Social Responsibility (includes payments made on behalf of beneficiaries)	732.79	568.31	-	-
Foreign Currency purchased for travel	0.92	0.17	-	-
Interest paid on Borrowings	0.24	0.44	-	-
Interest paid on NCD	-	-	-	-
Interest paid on NCD - Listed	28.84	31.45	-	-
Directors Remuneration	-	-	-	-
Commission and sitting fee to Non-executive Directors	-	-	-	-
Salaries and Allowances	-	-	-	-



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(₹ in millions, except for share data and unless otherwise stated)

Particulars	Entities over which Key Management Personnel and their relatives are able to exercise significant influence (Directors)		Subsidiaries	
	Year Ended	Year Ended	Year Ended	Year Ended
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Loans accepted	-	-	-	-
Loans repaid	2.24	2.05	-	-
Purchase of Listed NCD of the Company	373.81	141.02	-	-
Redemption of NCD of the Company	-	-	-	-
Redemption of Listed NCD of the Company	87.09	194.73	-	-
Interest Received on Loan	-	-	66.55	56.58
Loan Given	-	-	2,600.00	1,110.00
Loan Recovered	-	-	480.00	2,910.00
Rent paid	26.13	25.26	-	0.14
Rent received	2.26	2.00	3.66	0.94
Rent deposit given	-	-	-	-
Rent deposit repaid	0.20	-	-	-
Dividend paid	-	-	-	-
Dividend Received	-	-	14.41	7.88
Commission Received on Money Transfer business	3.49	3.99	-	-
Service Charges Collected	1.74	1.76	0.05	0.06
Purchase of Fixed asset by company	-	-	-	0.34
Sale of Fixed asset by company	-	-	-	29.05
Investment in Equity shares of Subsidiary companies	-	-	50.00	480.00
Investment in Preference shares of Subsidiary companies	-	-	-	145.96
Security deposit accepted	-	-	-	-
Security deposit received, adjusted against dues	-	-	-	-
Corporate Guarantee given	-	-	500.00	-

Related Party transactions during the year:

Particulars	Key Management Personnel (other than Directors)		Others*	
	Year Ended	Year Ended	Year Ended	Year Ended
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Purchase of Travel Tickets for Company Executives/ Directors/ Customers	-	-	-	-
Accommodation facilities for Company Executives/ Clients/ Customers	-	-	-	-
Staff Welfare expense	-	-	-	-
Complementary Medical Health Check Up for Customers/ Employees	-	-	-	-
Brokerage paid for NCD Public Issue	-	-	-	-
Professional Charges Paid	-	-	-	-
Advertisement Expenses	-	-	-	-
Expenditure on Corporate Social Responsibility (includes payments made on behalf of beneficiaries)	-	-	-	-
Foreign Currency purchased for travel	-	-	-	-
Interest paid on Borrowings	-	-	-	-
Interest paid on NCD	-	-	-	-

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(₹ in millions, except for share data and unless otherwise stated)

Particulars	Key Management Personnel (other than Directors)		Others*	
	Year Ended March 31, 2023	Year Ended March 31, 2022	Year Ended March 31, 2023	Year Ended March 31, 2022
Interest paid on NCD - Listed	0.09	0.09	0.27	0.27
Directors Remuneration	-	-	-	-
Commission and sitting fee to Non-executive Directors	-	-	-	-
Salaries and Allowances	24.17	22.03	-	-
Loans accepted	-	-	-	-
Loans repaid	-	-	-	-
Purchase of Listed NCD of the Company	-	-	5.00	-
Redemption of NCD of the Company	-	-	-	-
Redemption of Listed NCD of the Company	-	-	-	-
Interest Received on Loan	-	-	-	-
Loan Given	-	-	-	-
Loan Recovered	-	-	-	-
Rent paid	-	-	-	-
Rent received	-	-	-	-
Rent deposit given	-	-	-	-
Rent deposit repaid	-	-	-	-
Dividend paid	1.10	1.91	-	-
Dividend Received	-	-	-	-
Commission Received on Money Transfer business	-	-	-	-
Service Charges Collected	-	-	-	-
Purchase of Fixed asset by company	-	-	-	-
Sale of Fixed asset by company	-	-	-	-
Investment in Equity shares of Subsidiary companies	-	-	-	-
Investment in Preference shares of Subsidiary companies	-	-	-	-
Security deposit accepted	-	-	-	-
Security deposit received, adjusted against dues	-	-	-	-
Corporate Guarantee given	-	-	-	-

*Others refers to relatives of Key Management Personnel (Other than Directors)

Balance outstanding as at the year end: Asset/ (Liability)

Particulars	Key Management Personnel (Directors)		Relatives of Key Management Personnel (Directors)	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Investments in Equity Shares	-	-	-	-
Investments in Preference Shares	-	-	-	-
NCD	-	-	-	(5.00)
NCD - Listed	(4,346.48)	(3,183.49)	(4,025.45)	(1,827.23)
Security Deposit	-	-	-	-
Rent Deposit	-	-	-	-
Borrowings	(2,976.22)	(5,269.73)	(3,173.92)	(4,456.11)
Directors Remuneration Payable	(288.62)	(279.93)	-	-
Commission payable to Non-executive Directors	(9.14)	(8.45)	-	-



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(₹ in millions, except for share data and unless otherwise stated)

Particulars	Key Management Personnel (Directors)		Relatives of Key Management Personnel (Directors)	
	As at	As at	As at	As at
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Interest payable on NCD	-	-	-	(1.45)
Interest payable on Borrowings	-	-	-	-
Corporate guarantee	-	-	-	-
Trade Payables	-	-	-	-
Loans	-	-	-	-
Trade Receivables	-	-	-	-
Other financial assets	-	-	-	-
Amounts payable (net) to related parties	(7,620.46)	(8,741.60)	(7,199.37)	(6,289.79)

Balance outstanding as at the year end: Asset/ (Liability)

Particulars	Entities over which Key Management Personnel and their relatives are able to exercise significant influence (Directors)		Subsidiaries	
	As at	As at	As at	As at
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Investments in Equity Shares	392.55	331.92	9,272.33	9,222.33
Investments in Preference Shares	-	-	145.96	145.96
NCD	-	-	-	-
NCD - Listed	(553.94)	(267.23)	-	-
Security Deposit	(10.00)	(10.00)	-	-
Rent Deposit	13.94	14.14	-	-
Borrowings	(1.54)	(3.78)	-	-
Directors Remuneration Payable	-	-	-	-
Commission payable to Non-executive Directors	-	-	-	-
Interest payable on NCD	-	-	-	-
Interest payable on Borrowings	(0.01)	(0.02)	-	-
Corporate Guarantee	-	-	(2,750.00)	(2,250.00)
Trade Payables	(0.11)	(0.11)	-	-
Loans	-	-	2,600.00	480.00
Trade Receivables	0.28	0.38	-	-
Other financial assets	0.17	0.32	-	0.14
Amounts payable (net) to related parties	(158.66)	65.62	9,268.29	7,598.43

Notes

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(₹ in millions, except for share data and unless otherwise stated)

Balance outstanding as at the year end: Asset/ (Liability)

Particulars	Key Management Personnel (other than Directors)		Others*	
	As at	As at	As at	As at
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Investments in Equity Shares	-	-	-	-
Investments in Preference Shares	-	-	-	-
NCD	-	-	-	-
NCD - Listed	(1.20)	(1.20)	(8.00)	(3.00)
Security Deposit	-	-	-	-
Rent Deposit	-	-	-	-
Borrowings	-	-	-	-
Directors Remuneration Payable	-	-	-	-
Commission payable to Non-executive Directors	-	-	-	-
Interest payable on NCD	-	-	-	-
Interest payable on Borrowings	-	-	-	-
Corporate guarantee	-	-	-	-
Trade Payables	-	-	-	-
Loans	-	-	-	-
Trade Receivables	-	-	-	-
Other financial assets	-	-	-	-
Amounts payable (net) to related parties	(1.20)	(1.20)	(8.00)	(3.00)

*Others refers to relatives of Key Management Personnel (Other than Directors)

Note:

- a) Related parties and the transactions have been identified on the basis of the declaration received by the management and other records available.

Compensation of key management personnel of the Company:

Key management personnel are those individuals who have the authority and responsibility for planning and exercising power to directly or indirectly control the activities of the Company and its employees. The Company considers the members of the Board of Directors which include independent directors (and its sub-committees) to be key management personnel for the purposes of IND AS 24 Related Party Disclosures.

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Short-term employee benefits	964.81	828.67
Total	964.81	828.67

The Company has included Key Managerial Personnel defined under Section 2(51) of the Companies Act, 2013 other than Directors as Key Management Personnel (other than Directors) as per the disclosure requirements under RBI's Scale Based Regulation for NBFCs.



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(₹ in millions, except for share data and unless otherwise stated)

Note 40: Capital

Capital Management

The primary objective of the Company's capital management policy is to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and requirements of the financial covenants. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

Regulatory capital	As at March 31, 2023	As at March 31, 2022
Common Equity Tier1 capital (CET1)	208,943.81	182,960.89
Other Tier 2 capital instruments (CET2)	5,130.36	5,502.37
Total capital	214,074.17	188,463.26
Risk weighted assets	673,758.71	628,762.36
CET1 capital ratio	31.01%	29.10%
CET2 capital ratio	0.76%	0.87%
Total capital ratio	31.77%	29.97%

Regulatory capital consists of CET1 capital, which comprises share capital, share premium, statutory reserve, share option outstanding account, retained earnings including current year profit less accrued dividends. Certain adjustments are made to Ind AS-based results and reserves, as prescribed by the Reserve Bank of India. The other component of regulatory capital is other Tier 2 Capital Instruments.

Note 41: Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

Fair Value Hierarchy of financial instruments measured at fair value

The fair value measurement hierarchy for financial instruments measured at fair value as at March 31, 2023 is as follows:

Particulars	At Fair Value Through Profit or Loss			Total
	Level-1	Level-2	Level-3	
Investments	0.03	-	-	0.03

Particulars	At Fair Value Through Other Comprehensive Income			Total
	Level-1	Level-2	Level-3	
Investments	452.03	1,423.63	-	1,875.66
Derivative Financial Instruments (assets)	-	-	-	-
Derivative Financial Instruments (liabilities)	-	1,892.41	-	1,892.41

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The fair value measurement hierarchy for financial instruments measured at fair value as at March 31, 2022 is as follows:

Particulars	At Fair Value Through Profit or Loss			Total
	Level-1	Level-2	Level-3	
Investments	0.02	-	-	0.02

Particulars	At Fair Value Through Other Comprehensive Income			Total
	Level-1	Level-2	Level-3	
Investments	630.50	1,329.97	-	1,960.47
Derivative Financial Instruments (assets)	-	605.01	-	605.01
Derivative Financial Instruments (liabilities)	-	4,797.97	-	4,797.97

Valuation methodologies of financial instruments measured at fair value

Fair values of financial assets, other than those which are subsequently measured at amortised cost, have been arrived at as under:

Investments at fair value through profit or loss

For investments at fair value through profit and loss, valuation is done using quoted prices from active markets at the measurement date. The equity instruments which are actively traded on public stock exchanges with readily available active prices on a regular basis are classified as Level 1.

Derivative Financial Instruments (assets/liabilities) at fair value through other comprehensive income

The financial assets/liabilities on derivative contracts have been valued at fair value through other comprehensive income using closing rate and is classified as Level 2.

Investments at fair value through other comprehensive income

Equity instruments in non-listed entities are initially recognised at transaction price and re-measured as per fair valuation report on a case-by-case basis and classified as Level 2. The equity instruments which are actively traded on public stock exchanges with readily available active prices on a regular basis are classified as Level 1.

Financial instruments not measured at fair value

Set out below is a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments that are initially measured at fair value and subsequently carried at amortised cost in the financial statements. This table does not include the fair values of investments in subsidiaries measured at cost.

Particulars	Level	Carrying Value		Fair Value	
		As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Financial assets					
Cash and cash equivalents	1	64,288.01	91,785.15	64,288.01	91,785.15
Bank Balance other than above	1	323.95	643.98	323.95	643.98
Trade receivables	3	16.06	21.44	16.06	21.44
Loans	3	642,648.80	593,842.34	642,648.80	593,842.34
Investments- at amortised cost	1	1,874.62	1,876.06	1,808.12	1,843.08
Other Financial assets	3	1,336.19	1,224.98	1,336.19	1,224.98
Financial assets		710,487.63	689,393.95	710,421.13	689,360.97



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Particulars	Level	Carrying Value		Fair Value	
		As at	As at	As at	As at
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Financial Liabilities					
Trade Payables	3	1,959.38	1,511.58	1,959.38	1,511.58
Debt securities	2	137,383.63	124,978.88	138,247.17	129,626.23
Borrowings (other than debt securities)	2	358,992.41	371,709.88	358,992.41	371,709.88
Subordinated liabilities	2	967.03	1,423.74	967.03	1,423.74
Other financial liabilities	3	9,564.12	11,782.01	9,564.12	11,782.01
Financial Liabilities		508,866.57	511,406.09	509,730.11	516,053.44

Valuation methodologies of financial instruments not measured at fair value

Short-term financial assets and liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include cash and cash equivalents, trade receivables, balances other than cash and cash equivalents and trade payables without a specific maturity.

Loans and advances to customers

The fair values of loans and receivables are estimated by discounted cash flow models that incorporate assumptions for credit risks, probability of default and loss given default estimates. Since comparable data is not available, Credit risk is derived using historical experience, management view and other information used in its collective impairment models.

Fair values of portfolios are calculated using a portfolio-based approach, grouping loans as far as possible into homogenous groups based on similar characteristics i.e., type of loan. The Company then calculates and extrapolates the fair value to the entire portfolio using effective interest rate model that incorporate interest rate estimates considering all significant characteristics of the loans. The credit risk is applied as a top-side adjustment based on the collective impairment model incorporating probability of defaults and loss given defaults. Hence, the carrying amount of such financial assets at amortised cost net of impairment loss allowance is of reasonable approximation of their fair value.

Investments- at amortised cost

For Government Securities, the market value of the respective Government stock as on the date of reporting has been considered for fair value computations.

Debt Securities

The fair value of debt securities is estimated by a discounted cashflow model incorporating interest rate estimates from market observable data such as secondary prices for its traded debt itself.

Financial liabilities at amortised cost

The fair values of financial liabilities held-to-maturity (financial liabilities other than trade payables and debt securities) are estimated using effective interest rate model based on contractual cash flows using actual yields. Since the cost of borrowing on the reporting date is not expected to be significantly different from the actual yield considered under effective interest rate model, the carrying value of such financial liabilities at amortised cost is considered a reasonable approximation of their fair value.

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Note 42: Risk Management

The Company's principal financial liabilities comprise borrowings and trade and other payables. The main purpose of these financial liabilities is to finance and support the Company's operations. The Company's principal financial assets include loans, investments, cash and cash equivalents and other receivables that are derived directly from its operations. As a financial lending institution, Company is exposed to various risks that are related to lending business and operating environment. The principal objective in Company's risk management processes is to measure and monitor the various risks that Company is subject to and to follow policies and procedures to address such risks.

The Company's Risk Management Committee of the Board of Directors constituted in accordance with the Reserve Bank of India regulations has overall responsibility for overseeing the implementation of the Risk Management Policy. The committee meets at least twice in a year to review the Risk Management practices. Risk Management department periodically places its report to the committee for review. The committee's suggestions for improving the Risk Management Practices are implemented by the Risk Management department.

Risk Management department shall be responsible for the following:

- a) Identifying the various risks associated with the activities of the Company and assessing their impact on the business.
- b) Measuring the risks and suggesting measures to effectively mitigate the risks.

However, the primary responsibility for managing the various risks on a day to day basis will be with the heads of the respective business units of the Company."

The Company is generally exposed to credit risk, liquidity risk, market risk and operational risk.

I) Credit Risk

Credit Risk arises from the risk of loss that may occur from the default of Company's customers under loan agreements. Customer defaults and inadequate collateral may lead to loan losses.

(₹ in millions, except for share data and unless otherwise stated)

The Company addresses credit risk through following processes:

- a) Credit risk on Gold loan is considerably reduced as collateral is in the form of Gold ornaments which can be easily liquidated and there is only a distant possibility of losses due to adequate margin of 25% or more retained while disbursing the loan. Credit risk is further reduced through a quick but careful collateral appraisal and loan approval process. Hence overall, the Credit risk is normally low.
- b) Sanctioning powers for Gold Loans is delegated to various authorities at branches/controlling offices. Sanctioning powers are used only for granting loans for legally permitted purposes. The maximum Loan to Value does not exceed the limit stipulated by the Reserve Bank of India under any circumstances.
- c) Gold ornaments brought for pledge is the primary responsibility of Branch Manager. Branch executives should enquire with the customers about the ownership of the ornaments being pledged for loan and the loan should be granted only after they are convinced about the genuineness of the customer and his capacity to own that much quantity of gold. In addition to the above, customers are also required to sign a declaration of ownership of ornaments offered as security for the loan. Extra care is taken if the gold jewellery brought for pledge by any customer at any one time or cumulatively is more than 20 gm. The declaration should also contain an explanation specifically as to how the ownership was vested with the customer.
- d) Auctions are conducted as per the Auction Policy of the Company and the guidelines issued by Reserve Bank of India. Auction is generally conducted before loan amount plus interest exceeds realizable value of gold. After reasonable time is given to the customers for release after loan becomes overdue and on exhausting all efforts for persuasive recovery, auction is resorted to as the last measure in unavoidable cases. Company has the right to recover dues remaining even after set off of amount received on auctions from the customer. Any excess amount received on auctions over and above the dues are refunded to the customer.



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- e) In case of loans other than Gold Loan, loans are given whether with primary/collateral security, like secured loans or without any primary/collateral security like unsecured loans, more than ordinary care is taken such that loans are granted only to persons/firms/companies of repute with credit worthiness, future cash flows to repay the loan and track record.

Impairment Assessment

The Company is mainly engaged in the business of providing gold loans. The tenure of the loans generally is for 12 months.

The Company also provides unsecured personal loans to salaried individuals and unsecured loans to traders and self employed. The tenure of the loans ranges from 12 months to 60 months.

The Company also provides loans to corporate entities which are secured/ unsecured for periods upto 3 years.

The Company's impairment assessment and measurement approach is set out in this note. It should be read in conjunction with the Summary of significant accounting policies.

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Definition of default and cure

The Company considers a financial instrument as defaulted and therefore Stage 3 (credit-impaired) for Expected Credit Loss (ECL) calculations in all cases when the borrower becomes 91 days past due including the due date on its contractual payments.

As a part of a qualitative assessment of whether a customer is in default, the Company also considers a variety of instances that may indicate unlikeliness to pay. When such events occur, the Company carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations.

It is the Company's policy to consider a financial instrument as 'cured' and therefore re-classified out of Stage 3 only when none of the default criteria have been present. The decision whether to classify an asset as Stage 2 or Stage 1 once cured depends on the updated credit grade, at the time of the cure, and whether this indicates there has been a significant increase in credit risk compared to initial recognition.

Company's internal credit rating grades and staging criteria for loans are as follows:

Rating	Loans Days past due (DPD) including the due date	Stages
High grade	Not yet due	Stage 1
Standard grade	1-30 DPD	Stage 1
Sub-standard grade	31-60 DPD	Stage 2
Past due but not impaired	61- 90 DPD	Stage 2
Individually impaired	91 DPD or More	Stage 3

Exposure at Default (EAD)

The Exposure at Default is an estimate of the exposure at a future default date, considering expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest.

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Probability of Default (PD)

The Probability of Default is an estimate of the likelihood of default over a given time horizon. For Stage 1 financial assets, the Company assesses the possible default events within 12 months for the calculation of the 12 month ECL. For Stage 2 and Stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments. The Company uses historical information wherever available to determine PD. PD is calculated using Incremental 91 DPD approach considering fresh slippage using historical information. Where historical information is not available, the PD/default rates as stated by external reporting agencies is considered.

Portfolio	As at March 31, 2023			As at March 31, 2022		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Gold Loan	8.47%	8.47%	100%	9.21%	9.21%	100%
Personal Loan	0.27%	15.13%	100%	0.29%	16.23%	100%
Corporate Loan	6.43%	6.43%	100%	10.41%	10.41%	100%
Business Loan	0.26%	16.15%	100%	0.30%	19.04%	100%
Staff Loan	0.00%	0.00%	100%	0.00%	0.00%	100%
Loan to Subsidiaries	0.00%	0.00%	100%	0.00%	0.00%	100%
Other Loans	3.86%	3.86%	100%	5.05%	5.05%	100%

Based on its review of macro-economic developments and economic outlook, the Company has assessed that no adjustment is required for temporary overlays to determine qualitative impact on its PD's as at March 31, 2023 and March 31, 2022. Reference is drawn to Note 65 which explains the impact of COVID-19 pandemic.

Loss Given Default (LGD)

LGD is the estimated loss that the Company might suffer if the borrower defaults. The Company determines its recovery (net present value) by analysing the recovery trends, borrower rating, collateral value and expected proceeds from sale of asset/collateral.

Portfolio	As at March 31, 2023			As at March 31, 2022		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Gold Loan	9.81%	9.81%	9.81%	10.00%	10.00%	10.00%
Personal Loan	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Corporate Loan	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%
Business Loan	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Staff Loan	0.00%	0.00%	100.00%	0.00%	0.00%	100.00%
Loan to Subsidiaries	0.00%	0.00%	100.00%	0.00%	0.00%	100.00%
Other Loans	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%

LGD Rates have been computed internally based on the discounted recoveries in defaulted accounts that are closed/written off/ repossessed and upgraded during the year.

When estimating ECLs on a collective basis for a group of similar assets, the Company applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

Company has adopted 65% as the LGD which is the rate drawn reference from Internal Rating Based (IRB) approach guidelines issued by Reserve Bank of India for Banks to calculate LGD where sufficient past information is not available.



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Credit risk exposure analysis

As at March 31, 2023	Stage 1 Collective	Stage 2 Collective	Stage 3	Total
Per region				
North	140,486.20	1,610.66	4,370.06	146,466.92
South	296,168.38	5,985.81	14,390.29	316,544.48
East	59,299.67	722.96	1,500.45	61,523.08
West	120,748.90	1,621.81	3,725.15	126,095.86
EIR impact on service charges received				(323.91)
Gross amount net of EIR impact of service charge received				650,306.43
As at March 31, 2022	Stage 1 Collective	Stage 2 Collective	Stage 3	Total
Per region				
North	121,197.76	3,876.91	4,194.20	129,268.87
South	285,658.25	12,010.77	8,482.25	306,151.28
East	49,752.10	1,723.35	1,408.16	52,883.61
West	106,200.92	3,462.13	3,277.80	112,940.85
EIR impact on service charges received				(183.36)
Gross amount net of EIR impact of service charge received				601,061.25

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Collateral and other credit enhancements

The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are in place covering the acceptability and valuation of each type of collateral.

The tables on the following pages show the maximum exposure to credit risk by class of financial asset. They also show the total fair value of collateral, any surplus collateral (the extent to which the fair value of collateral held is greater than the exposure to which it relates), and the net exposure to credit risk.

The main types of collateral are as follows: -

Company provides loans against security of gold ornaments. The gold ornaments are pledged with the company and based on the company policy of loan to value ratio, the loan is provided.

As at March 31, 2023	Maximum exposure to credit risk	Fair value of collateral and credit enhancements held							Total collateral	Net exposure	Associated ECL
		Cash	Securities	Bank and government guarantees	Household used Gold Ornaments	Book debts, Inventory and other working capital items	Building	Surplus collateral			
Cash and cash equivalents	64,288.01	64,288.01	-	-	-	-	-	-	64,288.01	-	-
Bank Balance other than Cash and cash equivalents	323.95	323.95	-	-	-	-	-	-	323.95	-	-
Loans (Gross):											
i) Gold Loan	637,038.17	-	-	-	637,038.17	-	-	347,675.80	984,713.97	-	7,454.15
ii) Personal Loan	6,972.75	-	-	-	-	-	-	-	-	6,972.75	119.89
iii) Corporate Loan	1,185.11	-	-	-	-	1,185.11	-	124.45	1,309.56	-	49.76
iv) Business Loan	2,270.99	-	-	-	-	-	21.54	93.15	114.69	2,249.45	24.81
v) Staff Loan	30.35	-	-	-	-	-	-	-	-	30.35	1.38
vi) Loans to subsidiaries	2,600.00	-	-	-	-	-	-	-	-	2,600.00	-
vii) Other Loans	209.06	-	0.15	-	-	-	-	0.44	0.59	208.91	7.63
Government securities at amortised cost	1,874.62	-	-	-	-	-	-	-	-	1,874.62	-
Trade receivables	16.06	-	-	-	-	-	-	-	-	16.06	-
Other financial assets	1,336.19	-	-	-	-	-	-	-	-	1,336.19	-
Total financial assets at amortised cost	718,145.26	64,611.96	0.15	-	637,038.17	1,185.11	21.54	347,893.84	1,050,750.77	15,288.33	7,657.62

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(₹ in millions, except for share data and unless otherwise stated)

As at March 31, 2023	Maximum exposure to credit risk	Fair value of collateral and credit enhancements held								Total collateral	Net exposure	Associated ECL
		Cash	Securities	Bank and government guarantees	Household used Gold Ornaments	Book debts, Inventory and other working capital items	Building	Surplus collateral				
Financial assets at FVTPL ¹	0.03	-	-	-	-	-	-	-	-	-	0.03	-
Total financial instruments at fair value through profit or loss¹	0.03	-	-	-	-	-	-	-	-	-	0.03	-
Financial assets at fair value through OCI ¹	1,875.66	-	-	-	-	-	-	-	-	-	1,875.66	-
Total financial instruments at fair value through OCI¹	1,875.66	-	-	-	-	-	-	-	-	-	1,875.66	-
	720,020.94	64,611.96	0.15	-	637,038.17	1,185.11	21.54	347,893.84	1,050,750.77	17,164.01	7,657.62	-
Other commitments	9,549.28	-	-	-	16.26	-	-	12.05	28.31	9,533.02	6.88	-
	729,570.22	64,611.96	0.15	-	637,054.43	1,185.11	21.54	347,905.89	1,050,779.08	26,697.03	7,664.50	-

¹Including equity instruments

As at March 31, 2022	Maximum exposure to credit risk	Fair value of collateral and credit enhancements held								Total collateral	Net exposure	Associated ECL
		Cash	Securities	Bank and government guarantees	Household used Gold Ornaments	Book debts, Inventory and other working capital items	Building	Surplus collateral				
Cash and cash equivalents	91,785.15	91,785.15	-	-	-	-	-	-	-	91,785.15	-	-
Bank Balance other than Cash and cash equivalents	643.98	643.98	-	-	-	-	-	-	-	643.98	-	-
Loans (Gross):												
i) Gold Loan	595,873.38	-	-	-	595,873.38	-	-	285,289.09	881,162.47	-	7,081.40	-
ii) Personal Loan	3,206.26	-	-	-	-	-	-	-	-	-	3,206.26	89.02
iii) Corporate Loan	206.81	-	-	-	-	206.81	-	23.69	230.50	-	14.08	-
iv) Business Loan	1,058.57	-	-	-	-	-	31.86	82.83	114.69	1,026.71	19.92	-
v) Staff Loan	17.64	-	-	-	-	-	-	-	-	-	17.64	1.24
vi) Loans to subsidiaries	480.00	-	-	-	-	-	-	-	-	-	480.00	-
vii) Other Loans	218.59	-	0.12	-	-	-	-	0.47	0.59	218.46	13.25	-
Government securities at amortised cost	1,876.06	-	-	-	-	-	-	-	-	-	1,876.06	-

Financial assets

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(₹ in millions, except for share data and unless otherwise stated)

As at March 31, 2022	Maximum exposure to credit risk	Fair value of collateral and credit enhancements held												
		Cash	Securities	Bank and government guarantees	Household used Gold Ornaments	Book debts, Inventory and other working capital items	Building	Surplus collateral	Total collateral	Net exposure	Associated ECL			
Trade receivables	21.44	-	-	-	-	-	-	-	-	-	-	21.44	-	-
Other financial assets	1,224.98	-	-	-	-	-	-	-	-	-	-	1,224.98	-	-
Total financial assets at amortised cost	696,612.85	92,429.13	0.12	-	595,873.38	206.81	31.86	285,396.08	973,937.38	8,071.55	7,218.91			
Financial assets at FVTPL ¹	0.02	-	-	-	-	-	-	-	-	-	-	0.02	-	-
Total financial instruments at fair value through profit or loss¹	0.02	-	-	-	-	-	-	-	-	-	-	0.02	-	-
Financial assets at fair value through OCI ¹	2,565.48	-	-	-	-	-	-	-	-	-	-	2,565.48	-	-
Total financial instruments at fair value through OCI¹	2,565.48	-	-	-	-	-	-	-	-	-	-	2,565.48	-	-
Other commitments	699,178.35	92,429.13	0.12	-	595,873.38	206.81	31.86	285,396.08	973,937.38	10,637.05	7,218.91			
	18,461.96	-	-	-	88.51	-	-	51.41	139.92	18,373.45	19.59			
	717,640.31	92,429.13	0.12	-	595,961.89	206.81	31.86	285,447.49	974,077.30	29,010.50	7,238.50			

¹Including equity instruments

II) Liquidity risk

Liquidity risk is the risk of being unable to raise necessary funds from the market at optimal cost to meet operational and debt servicing requirements. The purpose of liquidity management is to ensure sufficient cash flow to meet all financial commitments and to capitalise on opportunities for business expansion. Board of Directors will have overall responsibility of monitoring, supervision and control of the Asset Liability Management (ALM) mechanism. Board will have a sub-committee of Directors (ALM Committee) to review the ALM position of the Company on at least half yearly intervals. An Asset Liability Committee (ALCO) consisting of senior executives of the Company including the Managing Director shall be responsible for the day to day as well as periodic monitoring and control of Asset Liability management.

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Asset Liability Management (ALM)

(₹ in millions, except for share data and unless otherwise stated)

The table below shows the maturity pattern of the assets and liabilities. In the case of loans, contracted tenor of gold loan is maximum of 12 months. However, on account of high incidence of prepayment before contracted maturity, the below maturity profile has been prepared by the management on the basis of historical pattern of repayments. In case of loans other than gold loan, the maturity profile is based on contracted maturity.

Maturity pattern of assets and liabilities as on March 31, 2023:

Particulars	Upto 1 month	1 to 2 months	2 to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	Over 5 years	Not sensitive to ALM *	Total
Financial assets										
Cash and cash equivalents	64,206.58	30.00	-	-	51.43	-	-	-	-	64,288.01
Bank Balance other than Cash and cash equivalents	106.87	6.73	0.17	8.94	144.05	56.78	0.41	-	-	323.95
Derivative Financial Instruments	-	-	-	-	-	-	-	-	-	-
Trade Receivables	15.16	-	-	0.90	-	-	-	-	-	16.06
Loans	130,791.37	96,983.64	78,229.61	152,121.63	147,835.10	14,148.62	22,843.39	19.35	(323.91)	642,648.80
Investments	-	2.37	22.71	16.81	10.00	-	-	13,116.70	-	13,168.59
Other Financial assets	335.24	1.99	-	0.30	10.99	987.65	0.02	-	-	1,336.19
Total	195,455.22	97,024.73	78,252.49	152,148.58	148,051.57	15,193.05	22,843.82	13,136.05	(323.91)	721,781.60
Financial Liabilities										
Derivative Financial Instruments	-	-	53.22	1,815.98	23.21	-	-	-	-	1,892.41
Payables	1,598.62	-	-	-	360.76	-	-	-	-	1,959.38
Debt Securities	11,799.74	1,140.10	9,004.75	1,130.34	29,369.50	66,808.08	12,425.68	5,860.65	(155.21)	137,383.63
Borrowings (other than Debt Securities)	5,094.14	3,792.05	48,938.96	101,010.98	110,918.26	78,981.98	10,385.96	-	(129.92)	358,992.41
Subordinated Liabilities	230.39	-	-	-	236.00	504.93	-	-	(4.29)	967.03
Other Financial liabilities	4,323.42	381.04	729.17	549.77	1,801.73	1,176.19	601.51	1.29	-	9,564.12
Total	23,046.31	5,313.19	58,726.10	104,507.07	142,709.46	147,471.18	23,413.15	5,861.94	(289.42)	510,758.98

*represents adjustments on account of EIR/ECL

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Maturity pattern of assets and liabilities as on March 31, 2022:

Particulars	Upto 1 month	1 to 2 months	2 to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	Over 5 years	Not sensitive to ALM *	Total
Financial assets										
Cash and cash equivalents	66,174.91	20,030.24	5,580.00	-	-	-	-	-	-	91,785.15
Bank Balance other than Cash and cash equivalents	431.72	5.66	0.14	8.77	194.34	3.35	-	-	-	643.98
Derivative Financial Instruments	-	-	-	-	605.01	-	-	-	-	605.01
Trade Receivables	19.01	-	-	2.43	-	-	-	-	-	21.44
Loans	107,293.72	74,463.87	63,096.11	155,860.85	179,212.71	18,737.08	713.10	27.76	(5,562.86)	593,842.34
Investments	-	1.58	16.97	6.63	10.00	20.00	-	13,149.65	-	13,204.83
Other Financial assets	277.13	7.57	8.39	0.40	6.33	925.16	-	-	-	1,224.98
Total	174,196.49	94,508.92	68,701.61	155,879.08	180,028.39	19,685.59	713.10	13,177.41	(5,562.86)	701,327.73
Financial Liabilities										
Derivative Financial Instruments	25.90	-	-	54.30	1,246.38	3,471.39	-	-	-	4,797.97
Payables	1,192.84	-	-	-	318.74	-	-	-	-	1,511.58
Debt Securities	2,770.54	3,168.92	1,511.25	16,918.80	10,710.05	73,593.78	11,237.18	5,318.44	(250.08)	124,978.88
Borrowings (other than Debt Securities)	26,443.80	14,389.60	55,786.70	39,930.66	110,304.01	117,986.97	7,199.36	-	(331.22)	371,709.88
Subordinated Liabilities	-	-	-	-	459.47	784.15	187.17	-	(7.05)	1,423.74
Other Financial liabilities	3,746.93	748.06	980.53	2,121.24	1,802.03	1,849.30	321.63	212.29	-	11,782.01
Total	34,180.01	18,306.58	58,278.48	59,025.00	124,840.68	197,685.59	18,945.34	5,530.73	(588.35)	516,204.06

*represents adjustments on account of EIR/ECL



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The table below shows the maturity of the Company's contingent liabilities and commitments based on estimates of the management and contractual expiry. Each undrawn loan commitment is included in the time band containing the earliest date it can be drawn down.

For issued financial guarantee contracts, the maximum amount of the guarantee is allocated to the earliest period in which the guarantee could be called.

Particulars	On Demand	Upto 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 year & upto 5 years	Over 5 years	Total
As at March 31, 2023								
Income Tax Demands	-	-	-	-	53.66	-	-	53.66
Service Tax Demands	-	-	-	-	4,995.05	-	-	4,995.05
Other Claims	-	-	-	-	426.97	-	-	426.97
Guarantees and counter guarantees	88.01	-	-	-	-	-	-	88.01
Corporate Guarantee issued in favour of National Housing Bank for loan availed by wholly owned subsidiary M/s Muthoot Homefin (India) Limited	-	-	-	-	1,940.91	-	-	1,940.91
Disputed claims against the Company under litigation not acknowledged as debts	-	-	-	-	89.77	-	-	89.77
Other contingent liabilities	-	-	-	-	-	-	-	-
Commitments related to loans sanctioned but undrawn	9,549.28	-	-	-	-	-	-	9,549.28
Estimated amount of contracts remaining to be executed on capital account, net of advances	-	111.66	71.62	20.00	20.18	-	-	223.46
As at March 31, 2022								
Income Tax Demands	-	-	-	-	56.24	-	-	56.24
Service Tax Demands	-	-	-	-	4,995.05	-	-	4,995.05
Other Claims	-	-	-	-	426.97	-	-	426.97
Guarantees and counter guarantees	88.19	-	-	-	-	-	-	88.19
Corporate Guarantee issued in favour of National Housing Bank for loan availed by wholly owned subsidiary M/s Muthoot Homefin (India) Limited	-	-	-	-	1,466.41	-	-	1,466.41
Disputed claims against the Company under litigation not acknowledged as debts	-	-	-	-	71.26	-	-	71.26
Other contingent liabilities	-	-	-	-	-	-	-	-
Commitments related to loans sanctioned but undrawn	18,461.96	-	-	-	-	-	-	18,461.96
Estimated amount of contracts remaining to be executed on capital account, net of advances	-	150.33	102.14	71.55	-	-	-	324.02

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III) Market risk

Market Risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity, and other market changes. The objective of market risk management is to avoid excessive exposure of our earnings and equity to loss and reduce our exposure to the volatility inherent in financial instruments. The Company is exposed to four types of market risk as follows:

a) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is subject to interest rate risk, primarily since it lends to customers at fixed rates and for maturity periods shorter than the funding sources. Majority of our borrowings are at fixed rates. However, borrowings at floating rates gives rise to interest rate risk. Interest rates are highly sensitive to many factors beyond control, including the monetary policies of the Reserve Bank of India, domestic and international economic and political conditions, inflation and other factors. In order to manage interest rate risk, the Company seek to optimize borrowing profile between short-term and long-term loans. The Company adopts funding strategies to ensure diversified resource-raising options to minimize cost and maximize stability of funds. Assets and liabilities are categorized into various time buckets based on their maturities and Asset Liability Management Committee supervise an interest rate sensitivity report periodically for assessment of interest rate risks. The Interest Rate Risk is mitigated by availing funds at very competitive rates through diversified borrowings and for different tenors.

During the year, Company has undertaken derivative transactions for hedging interest rate risk on certain domestic currency exposures linked to external benchmark through Interest Rate Swaps as below:

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Domestic Currency Exposure	6,000.00	-

The following table demonstrates the sensitivity to a reasonably possible change in the interest rates on the portion of borrowings affected. With all other variables held constant, the profit before taxes affected through the impact on floating rate borrowings are as follows:

Impact on Profit before taxes	As at	As at
	March 31, 2023	March 31, 2022
On Floating Rate Borrowings		
1% increase in interest rates	2582.41	2,400.21
1% decrease in interest rates	(2,582.41)	(2,400.21)

b) Price risk

Sudden fall in the gold price and fall in the value of the pledged gold ornaments can result in some of the customers to default if the loan amount and interest exceeds the market value of gold. This risk is in part mitigated by a minimum 25% margin retained on the value of gold jewellery for the purpose of calculation of the loan amount. Further, we appraise the gold jewellery collateral solely based on the weight of its gold content, excluding weight and value of the stone studded in the jewellery. In addition, the sentimental value of the gold jewellery to the customers may induce repayment and redemption of the collateral even if the value of gold ornaments falls below the value of the repayment amount. An occasional decrease in gold prices will not increase price risk significantly on account of our adequate collateral security margins. However, a sustained decrease in the market price of gold can additionally cause a decrease in the size of our loan portfolio and our interest income.



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Equity price risk is the risk that the fair value of equities decrease as the result of changes in level of equity indices and individual stocks. The trading equity price risk exposure arises from equity securities classified at FVTPL and the non-trading equity price risk exposure arises from equity securities classified at FVOCI.

A 10% increase/(decrease) in the equity price (traded and non-traded) would have the impact as follows:

Particulars	Increase/(Decrease) in percentage	Sensitivity of profit or loss	Sensitivity of Other Comprehensive Income
As at March 31, 2023	10/(10)	0.00/(0.00)	187.57/(187.57)
As at March 31, 2022	10/(10)	0.00/(0.00)	196.05/(196.05)

c) Foreign currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency risk for the Company arises majorly on account of foreign currency borrowings. The Company's foreign currency exposures are managed in accordance with its Foreign Exchange Risk Management Policy which has been approved by its Board of Directors. The Company has hedged its foreign currency risk on its foreign currency borrowings as on March 31, 2023 by entering into forward contracts with the intention of covering the entire term of foreign currency exposure. The counterparties for such hedge transactions are banks.

The Company's exposure on account of Foreign Currency Borrowings at the end of the reporting period expressed in Indian Rupees are as follows:

Particulars	Foreign currency	As at March 31, 2023	As at March 31, 2022
External Commercial Borrowings - Senior Secured Notes (principal amount and interest accrued but not due on reporting date)	USD	45,359.21	76,815.78

Since the foreign currency exposure is completely hedged by equivalent derivative instrument, there will not be any significant impact on sensitivity analysis due to the possible change in the exchange rates where all other variables are held constant. On the date of maturity of the derivative instrument, considering the hedging for the entire term of the foreign currency exposure, the sensitivity of profit and loss to changes in the exchange rates will be Nil.

d) Prepayment risk

Prepayment risk is the risk that the Company will incur a financial loss because its customers and counterparties repay or request repayment earlier than expected, such as fixed rate loans when interest rates fall.

IV) Operational and business risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to operate effectively, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Company cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes including the use of internal audit.

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Note 43: Disclosure with regard to dues to Micro Enterprises and Small Enterprises

Based on the information available with the Company and which has been relied upon by the auditors, none of the suppliers have confirmed to be registered under “The Micro, Small and Medium Enterprises Development (‘MSMED’) Act, 2006”. Accordingly, no disclosures relating to principal amounts unpaid as at the period ended March 31, 2023 together with interest paid /payable are required to be furnished.

Note 44: Dividend remitted in foreign currency

There was no dividend remitted in foreign currency during the year ended March 31, 2023 and March 31, 2022.

Note 45: Segment reporting

The Company is engaged in the business segment of Financing, whose operating results are regularly reviewed by the entity’s chief operating decision maker to make decisions about resources to be allocated and to assess its performance, and for which discrete financial information is available. Further other business segments do not exceed the quantitative thresholds as defined by the Ind AS 108 on “Operating Segment”. Hence, there are no separate reportable segments, as required by the Ind AS 108 on “Operating Segment”.

Note 46: Share based payments

Pursuant to approval by the shareholders at their meeting held on September 27, 2013, the Company has established “Muthoot ESOP 2013” scheme administered by the ESOP Committee of Board of Directors. The following options were granted as on March 31, 2023. The fair value of the share options is estimated at the grant date using a Black-Scholes pricing model, taking into account the terms and conditions upon which the share options were granted. However, the above performance condition is only considered in determining the number of instruments that will ultimately vest.

I The Company has formulated various share-based payment schemes for its employees. Details of all grants in operation during the year ended March 31, 2023 are as given below:

Particulars	Tranche 1	
	Grant A	Grant B
Scheme Name		
Date of grant	November 09, 2013	November 09, 2013
Date of Board approval	November 09, 2013	November 09, 2013
Method of settlement	Equity settled	Equity settled
No. of equity shares for an option	One option - One share	One option - One share
No. of options granted	3,711,200	1,706,700
Exercise price per option (in ₹)	₹50	₹50
Vesting period	1-5 years	2-6 years
Manner of vesting	In a graded manner over a 5 year period with 10%,15%,20%,25% and 30% of the grants vesting in each year commencing from the end of 12 months from the date of grant	In a graded manner over a 6 year period with 10%,15%,20%,25% and 30% of the grants vesting in each year commencing from the end of 24 months from the date of grant



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Particulars	Tranche 1	
	Grant A	Grant B
A) Fixed Vesting period is as follows on following dates :-		
1 st vesting "12 months from the date of grant (for Grant A & Loyalty)" and "24 months from the date of grant (for Grant B)"	November 09, 2014	November 09, 2015
2 nd vesting "On expiry of one year from the 1 st vesting date"	November 09, 2015	November 09, 2016
3 rd vesting "On expiry of one year from the 2 nd vesting date"	November 09, 2016	November 09, 2017
4 th vesting "On expiry of one year from the 3 rd vesting date"	November 09, 2017	November 09, 2018
5 th vesting "On expiry of one year from the 4 th vesting date"	November 09, 2018	November 09, 2019
B) Conditional Vesting	Service only - graded vesting	Service only - graded vesting
Exercise period	8 Years	

Particulars	Tranche 2		Tranche 3
	Grant A	Grant B	Grant A
Date of grant	July 08, 2014	July 08, 2014	March 06, 2015
Date of Board approval	July 08, 2014	July 08, 2014	March 06, 2015
Method of settlement	Equity settled	Equity settled	Equity settled
No. of equity shares for an option	One option - One share	One option - One share	One option - One share
No. of options granted	456,000	380,900	325,000
Exercise price per option (in ₹)	₹50	₹50	₹50
Vesting period	1-5 years	2-6 years	1-5 years
Manner of vesting	In a graded manner over a 5 year period with 10%,15%,20%,25% and 30% of the grants vesting in each year commencing from the end of 12 months from the date of grant	In a graded manner over a 6 year period with 10%,15%,20%,25% and 30% of the grants vesting in each year commencing from the end of 24 months from the date of grant	In a graded manner over a 5 year period with 10%,15%,20%,25% and 30% of the grants vesting in each year commencing from the end of 12 months from the date of grant
A) Fixed Vesting period is as follows on following dates :-			
1 st vesting "12 months from the date of grant (for Grant A & Loyalty)" and "24 months from the date of grant (for Grant B)"	July 08, 2015	July 08, 2016	March 06, 2016
2 nd vesting "On expiry of one year from the 1 st vesting date"	July 08, 2016	July 08, 2017	March 06, 2017
3 rd vesting "On expiry of one year from the 2 nd vesting date"	July 08, 2017	July 08, 2018	March 06, 2018
4 th vesting "On expiry of one year from the 3 rd vesting date"	July 08, 2018	July 08, 2019	March 06, 2019
5 th vesting "On expiry of one year from the 4 th vesting date"	July 08, 2019	July 08, 2020	March 06, 2020
B) Conditional Vesting	Service only - graded vesting	Service only - graded vesting	Service only - graded vesting
Exercise period	8 Years		8 Years

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Particulars	Tranche 4		
	Grant A	Grant B	Loyalty
Scheme Name	Grant A	Grant B	Loyalty
Date of grant	June 27, 2016	June 27, 2016	June 27, 2016
Date of Board approval	June 27, 2016	June 27, 2016	June 27, 2016
Method of settlement	Equity settled	Equity settled	Equity settled
No. of equity shares for an option	One option - One share	One option - One share	One option - One share
No. of options granted	390,400	728,300	8,150
Exercise price per option (in ₹)	₹50	₹50	₹10
Vesting period	1-5 years	2-6 years	1-2 years
Manner of vesting	In a graded manner over a 5 year period with 10%,15%,20%,25% and 30% of the grants vesting in each year commencing from the end of 12 months from the date of grant	In a graded manner over a 6 year period with 10%,15%,20%,25% and 30% of the grants vesting in each year commencing from the end of 24 months from the date of grant	In a graded manner over a 2 year period with 50% vesting at the end of 12 months from the date of grant and the remaining 50% of the grants vesting at the end of 24 months from the date of grant
A) Fixed Vesting period is as follows on following dates :-			
1 st vesting "12 months from the date of grant (for Grant A & Loyalty)" and "24 months from the date of grant (for Grant B)"	June 27, 2017	June 27, 2018	June 27, 2017
2 nd vesting "On expiry of one year from the 1 st vesting date"	June 27, 2018	June 27, 2019	June 27, 2018
3 rd vesting "On expiry of one year from the 2 nd vesting date"	June 27, 2019	June 27, 2020	-
4 th vesting "On expiry of one year from the 3 rd vesting date"	June 27, 2020	June 27, 2021	-
5 th vesting "On expiry of one year from the 4 th vesting date"	June 27, 2021	June 27, 2022	-
B) Conditional Vesting	Service only - graded vesting	Service only - graded vesting	Service only - graded vesting
Exercise period		8 Years	5 Years

Particulars	Tranche 5		
	Grant A	Grant B	Loyalty
Scheme Name	Grant A	Grant B	Loyalty
Date of grant	August 07, 2017	August 07, 2017	August 07, 2017
Date of Board approval	August 07, 2017	August 07, 2017	August 07, 2017
Method of settlement	Equity settled	Equity settled	Equity settled
No. of equity shares for an option	One option - One share	One option - One share	One option - One share
No. of options granted	248,200	342,900	1,150
Exercise price per option (in ₹)	₹50	₹50	₹10
Vesting period	1-5 years	2-6 years	1-2 years
Manner of vesting	In a graded manner over a 5 year period with 10%,15%,20%,25% and 30% of the grants vesting in each year commencing from the end of 12 months from the date of grant	In a graded manner over a 6 year period with 10%,15%,20%,25% and 30% of the grants vesting in each year commencing from the end of 24 months from the date of grant	In a graded manner over a 2 year period with 50% vesting at the end of 12 months from the date of grant and the remaining 50% of the grants vesting at the end of 24 months from the date of grant



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Particulars	Tranche 5		
	Grant A	Grant B	Loyalty
A) Fixed Vesting period is as follows on following dates :-			
1 st vesting "12 months from the date of grant (for Grant A & Loyalty)" and "24 months from the date of grant (for Grant B)"	August 07, 2018	August 07, 2019	August 07, 2018
2 nd vesting "On expiry of one year from the 1 st vesting date"	August 07, 2019	August 07, 2020	August 07, 2019
3 rd vesting "On expiry of one year from the 2 nd vesting date"	August 07, 2020	August 07, 2021	-
4 th vesting "On expiry of one year from the 3 rd vesting date"	August 07, 2021	August 07, 2022	-
5 th vesting "On expiry of one year from the 4 th vesting date"	August 07, 2022	August 07, 2023	-
B) Conditional Vesting	Service only - graded vesting	Service only - graded vesting	Service only - graded vesting
Exercise period		8 Years	5 Years

II Computation of fair value of options granted during the year

The Black-Scholes Model has been used for computing the weighted average fair value considering the following:

Particulars	Tranche 1	
	Grant A	Grant B
Share price on the date of grant (₹)	117.30	117.30
Exercise price (₹)	₹50	₹50
Expected volatility (%)	57.68%	57.68%
Life of the options granted (years)		
Expected life of options	1.5-5.5 years	2.5-6.5 years
Weighted average contractual life	4 years	5 years
Risk-free interest rate (%)	8.4% - 8.8% p.a.	8.4% - 8.95% p.a.
Expected dividend yield (%)	3.84 % p.a.	3.84 % p.a.
Model used	Black-Scholes Model	Black-Scholes Model
Fair value per option tranche on grant date (₹)	₹68.75 (Nov 9, 2014)	₹70.21 (Nov 9, 2015)
(corresponding vesting date shown in brackets)	₹70.21 (Nov 9, 2015)	₹71.13 (Nov 9, 2016)
	₹71.13 (Nov 9, 2016)	₹71.52 (Nov 9, 2017)
	₹71.52 (Nov 9, 2017)	₹71.47 (Nov 9, 2018)
	₹71.47 (Nov 9, 2018)	₹71.11 (Nov 9, 2019)

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. Volatility is estimated by the actual movement in share prices of the company for one year preceding the grant date. This historical volatility is the annualised standard deviation of the continuously compounded rates of daily stock returns.

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Particulars	Tranche 2		Tranche 3
	Grant A	Grant B	Grant A
Share price on the date of grant (₹)	₹184.30	₹184.30	₹219.05
Exercise price (₹)	₹50	₹50	₹50
Expected volatility (%)	53.96%	53.96%	34.50%
Life of the options granted (years)			
Expected life of options	1.5-5.5 years	2.5-6.5 years	1.5-5.5 years
Weighted average contractual life	4 years	5 years	4 years
Risk-free interest rate (%)	8.26% - 8.35% p.a.	8.24% - 8.32% p.a.	7.45% - 7.60 % p.a.
Expected dividend yield (%)	3.26% p.a.	3.26% p.a.	2.74% p.a.
Model used	Black-Scholes Model	Black-Scholes Model	Black-Scholes Model
Fair value per option tranche on grant date (₹) (corresponding vesting date shown in brackets)	₹131.77 (July 8, 2015)	₹130.56 (July 8, 2016)	₹165.61 (Mar 6, 2016)
	₹130.56 (July 8, 2016)	₹129.33 (July 8, 2017)	₹163.16 (Mar 6, 2017)
	₹129.33 (July 8, 2017)	₹127.91 (July 8, 2018)	₹160.66 (Mar 6, 2018)
	₹127.91 (July 8, 2018)	₹126.26 (July 8, 2019)	₹158.13 (Mar 6, 2019)
	₹126.26 (July 8, 2019)	₹124.39 (July 8, 2020)	₹155.57 (Mar 6, 2020)

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. Volatility is estimated by the actual movement in share prices of the company for one year preceding the grant date. This historical volatility is the annualised standard deviation of the continuously compounded rates of daily stock returns.

Particulars	Tranche 4		
	Grant A	Grant B	Loyalty
Share price on the date of grant (₹)	₹280.35	₹280.35	₹280.35
Exercise price (₹)	₹50	₹50	₹10
Expected volatility (%)	36.98%	36.98%	36.98%
Life of the options granted (years)			
Expected life of options	1.5-5.5 years	2.5-6.5 years	1.5-2.5 years
Weighted average contractual life	4 years	5 years	2 years
Risk-free interest rate (%)	6.91% - 7.41% p.a.	7.08% - 7.47% p.a.	6.91% - 7.08% p.a.
Expected dividend yield (%)	2.14% p.a.	2.14% p.a.	2.14% p.a.
Model used	Black-Scholes Model	Black-Scholes Model	Black-Scholes Model
Fair value per option tranche on grant date (₹) (corresponding vesting date shown in brackets)	₹226.42 (June 27, 2017)	₹223.87 (June 27, 2018)	₹262.48 (June 27, 2017)
	₹223.87 (June 27, 2018)	₹221.34 (June 27, 2019)	₹257.37 (June 27, 2018)
	₹221.34 (June 27, 2019)	₹218.80 (June 27, 2020)	-
	₹218.80 (June 27, 2020)	₹216.20 (June 27, 2021)	-
	₹216.20 (June 27, 2021)	₹213.54 (June 27, 2022)	-

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. Volatility is estimated by the actual movement in share prices of the company for one year preceding the grant date. This historical volatility is the annualised standard deviation of the continuously compounded rates of daily stock returns.



Notes

forming part of Financial Statements

(₹ in millions, except for share data and unless otherwise stated)

Particulars	Tranche 5		
	Grant A	Grant B	Loyalty
Share price on the date of grant (₹)	₹473.00	₹473.00	₹473.00
Exercise price (₹)	₹50	₹50	₹10
Expected volatility (%)	40.24%	40.24%	40.24%
Life of the options granted (years)			
Expected life of options	1.5-5.5 years	2.5-6.5 years	1.5-2.5 years
Weighted average contractual life	5 years	6 years	2 years
Risk-free interest rate (%)	6.16% - 6.59% p.a.	6.27% - 6.67% p.a.	6.16% - 6.27% p.a.
Expected dividend yield (%)	1.27% p.a.	1.27% p.a.	1.27% p.a.
Model used	Black-Scholes Model	Black-Scholes Model	Black-Scholes Model
Fair value per option tranche on grant date (₹) (corresponding vesting date shown in brackets)	₹416.95 (August 7, 2018)	₹413.92 (August 7, 2019)	₹452.31 (August 7, 2018)
	₹413.92 (August 7, 2019)	₹410.90 (August 7, 2020)	₹447.05 (August 7, 2019)
	₹410.90(August 7, 2020)	₹407.88 (August 7, 2021)	-
	₹407.88(August 7, 2021)	₹404.82 (August 7, 2022)	-
	₹404.82(August 7, 2022)	₹401.71 (August 7, 2023)	-

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. Volatility is estimated by the actual movement in share prices of the company for one year preceding the grant date. This historical volatility is the annualised standard deviation of the continuously compounded rates of daily stock returns.

III Reconciliation of options

Particulars	Tranche 1		Tranche 2		Tranche 3
	Grant A	Grant B	Grant A	Grant B	Grant A
Financial Year 2022-23					
Options outstanding at April 1, 2022	-	-	1,860	3,000	15,000
Granted during the year	-	-	-	-	-
Forfeited during the year	-	-	-	-	-
Exercised during the year	-	-	-	3,000	15,000
Expired / lapsed during the year	-	-	1,860	-	-
Options outstanding at March 31, 2023	-	-	-	-	-
Options exercisable at March 31, 2023	-	-	-	-	-
Weighted average remaining contractual life (in years)	-	-	-	-	-
Weighted average share price at the time of exercise*	-	-	-	992.20	1,028.08

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(₹ in millions, except for share data and unless otherwise stated)

Particulars	Tranche 4			Tranche 5		
	Grant A	Grant B	Loyalty	Grant A	Grant B	Loyalty
Financial Year 2022-23						
Options outstanding at April 1, 2022	22,520	43,645	-	64,925	55,915	-
Granted during the year	-	-	-	-	-	-
Forfeited during the year	-	-	-	-	-	-
Exercised during the year	2,120	22,235	-	49,335	11,275	-
Expired / lapsed during the year	3,400	10,115	-	3,790	21,250	-
Options outstanding at March 31, 2023	17,000	11,295	-	11,800	23,390	-
Options exercisable at March 31, 2023	17,000	11,295	-	11,800	9,350	-
Weighted average remaining contractual life (in years)	-	-	-	-	0.35	-
Weighted average share price at the time of exercise*	992.2	1048.18	-	1045.97	1,044.13	-

* Disclosure of weighted average share price at the time of exercise is applicable only for plans where there has been an exercise of options in respective financial year.

The Company has used Fair value method for accounting of Share based payments cost.

Particulars	Tranche 1		Tranche 2		Tranche 3
	Grant A	Grant B	Grant A	Grant B	Grant A
Financial Year 2021-22					
Options outstanding at April 1, 2021	10,295	5,725	2,680	3,340	27,500
Granted during the year	-	-	-	-	-
Forfeited during the year	-	-	-	-	-
Exercised during the year	2,495	2,070	310	340	12,500
Expired / lapsed during the year	7,800	3,655	510	-	-
Options outstanding at March 31, 2022	-	-	1,860	3,000	15,000
Options exercisable at March 31, 2022	-	-	1,860	3,000	15,000
Weighted average remaining contractual life (in years)	-	-	-	-	-
Weighted average share price at the time of exercise*	1,488.51	1,474.72	1,505.05	1,505.05	1,445.25

Particulars	Tranche 4			Tranche 5		
	Grant A	Grant B	Loyalty	Grant A	Grant B	Loyalty
Financial Year 2021-22						
Options outstanding at April 1, 2021	77,920	81,425	875	115,350	90,705	-
Granted during the year	-	-	-	-	-	-
Forfeited during the year	-	-	-	-	-	-
Exercised during the year	52,305	24,945	-	42,280	12,165	-
Expired / lapsed during the year	3,095	12,835	875	8,145	22,625	-
Options outstanding at March 31, 2022	22,520	43,645	-	64,925	55,915	-
Options exercisable at March 31, 2022	22,520	13,015	-	10,955	12,410	-
Weighted average remaining contractual life (in years)	-	0.24	-	0.35	0.90	-
Weighted average share price at the time of exercise*	1497.85	1501.47	-	1501.23	1,501.18	-

* Disclosure of weighted average share price at the time of exercise is applicable only for plans where there has been an exercise of options in respective financial year.

The Company has used Fair value method for accounting of Share based payments cost.

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(₹ in millions, except for share data and unless otherwise stated)

Note 47: Utilization of proceeds of Public Issue of Non - Convertible Debentures

The Company has during the year raised through public issue ₹13,233.59 millions of Secured Redeemable Non-Convertible Debentures. As at March 31, 2023, the company has utilised the entire proceeds of the public issue, net of issue expenses in accordance with the objects stated in the offer documents.

Note 48: Corporate Social Responsibility (CSR)

The Company has constituted CSR Committee and has undertaken CSR activities in accordance with Schedule VII to the Companies Act, 2013. The gross amount required to be spent by the Company as per Section 135 of the Companies Act, 2013 for the year ended March 31, 2023 was ₹957.45 millions (March 31, 2022: ₹808.68 millions) and the Company has spent ₹964.40 millions during the year (March 31, 2022: ₹811.40 millions). The Board of Directors has passed a resolution to carry forward the excess amount spent of ₹6.95 million for utilisation in future years upto a period of three years. Details are as below:

- a) Gross amount required to be spent by the Company during the year ₹957.45 millions
 b) Amount approved by the Board (CSR Committee) to be spent during the year ₹964.40 millions
 c) Amount spent during the year on:

Sl no. Particulars	2022-23			2021-22		
	Amount spent	Amount unspent	Total	Amount spent	Amount unspent	Total
i) Construction / acquisition of any asset	-	-	-	-	-	-
ii) On purposes other than (i) above	957.45	-	957.45	811.40	-	811.40
iii) Amount spent carried forward for set off in future years on purposes other than (i) above	6.95	-	6.95	-	-	-
Total	964.40	-	964.40	811.40	-	811.40

- d) Details of related party transactions in relation to CSR expenditure is given in Note 39
 e) Details of CSR Unspent Amount:

Sl no. Particulars	2022-23	2021-22
i) Opening Balance	66.83	120.49
ii) Amount deposited in Specified Fund of Schedule VII	-	-
iii) Amount required to be spent during the year	957.45	808.68
iv) Amount spent during the year*	1,001.45	862.34
v) Closing Balance (CSR Unspent Amount)	22.83	66.83

*Excludes amount of ₹6.95 million and ₹2.62 million spent in excess of amount required to be spent under sl no (iii) above for the year ended March 31, 2023 and March 31, 2022 respectively

- f) Amounts Earmarked for Ongoing Projects

Particulars	2022-23			2021-22		
	With Company	In Separate CSR Unspent A/c	Total	With Company	In Separate CSR Unspent A/c	Total
Opening Balance	-	66.83	66.83	120.49	-	120.49
Amount required to be spent during the year	-	-	-	-	-	-
Transfer to Separate CSR unspent A/c	-	-	-	(120.49)	120.49	-
Amount spent during the year	-	44.00	44.00	-	53.66	53.66
Closing Balance	-	22.83	22.83	-	66.83	66.83

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(₹ in millions, except for share data and unless otherwise stated)

g) Details of excess amounts spent carried forward for utilisation in future years:

Sl no. Particulars	2022-23
i) Opening Balance	-
ii) Amount required to be spent during the year	957.45
iii) Amount spent during the year	964.40
iv) Closing Balance	6.95

There is no shortfall in the CSR amount required to be spent by the Company as per section 135(5) of the Act for the financial year ended March 31, 2023 and March 31, 2022.

CSR activities include activities for employment enhancing vocational skills, social business projects, promotion of education, promoting and supporting technology and innovations, promoting sports activities, medical assistance to poor patients, environmental protection activities and activities for sustainable development, and various other activities including assistance and support in disaster management activities which are specified under Schedule VII of Companies Act, 2013.

Note 49: Investments in Subsidiaries

During the financial year 2022-23, the Company has acquired 1,47,060 equity shares of the face value of ₹10 each in Belstar Microfinance Limited for a total consideration of ₹50.00 millions.

Note 50: Frauds during the year

During the year, frauds committed by employees and customers of the company amounted to ₹52.16 millions (March 31, 2022: ₹13.30 millions) which has been recovered /written off / provided for. Of the above, fraud by employees of the company amounted to ₹39.47 millions (March 31,2022: ₹6.35 millions).

Note 51: Disclosures required as per Reserve Bank of India Circular No RBI/2019-20/88/DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated November 04, 2019

(i) Funding Concentration based on significant counterparty (both deposits and borrowings):

Date	Number of Significant Counterparties	Amount	% of Total Deposits	% of Total Liabilities
31/03/2023	21	319,038.28	Not Applicable	61.88%
31/03/2022	20	290,748.33	Not Applicable	55.69%

(ii) Top 20 large deposits: Not Applicable

(iii) Top 10 borrowings :

Date	Amount	% of Total Borrowings
31/03/2023	229,638.00	46.17%
31/03/2022	211,260.07	42.41%



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(₹ in millions, except for share data and unless otherwise stated)

(iv) Funding Concentration based on significant instrument/product

Name of the instrument/product	As March 31, 2023		As March 31, 2022	
	Amount	% of Total Liabilities	Amount	% of Total Liabilities
Secured Non-Convertible Debentures	137,383.64	26.65%	124,978.88	23.94%
Borrowings from Banks/FIs	296,135.83	57.44%	276,428.77	52.95%
Subordinated Debt	967.03	0.19%	1,423.74	0.27%
Commercial Paper	11,535.66	2.24%	9,892.07	1.89%
External Commercial borrowings-Senior Secured Notes	45,170.77	8.76%	75,663.21	14.49%
Other Loans-Loans from Directors and relatives	6,150.14	1.19%	9,725.84	1.86%
Total	497,343.07	96.47%	498,112.51	95.41%

Note:

- The disclosures in (i) and (iii) above excludes details of the beneficiary holders of the External Commercial Borrowings-Senior Secured Notes.
- Total Liabilities represent Total Liabilities and Equity as per Balance Sheet less Equity.

(v) Stock Ratios:

Stock Ratios	As at March 31, 2023	As at March 31, 2022
Commercial Paper as a % of Total Public Funds	2.35%	2.03%
Commercial Paper as a % of Total Liabilities	2.24%	1.89%
Commercial Paper as a % of Total Assets	1.59%	1.40%
Non-convertible debentures (NCDs)(original maturity of less than one year) as a % of Total Public Funds	Nil	Nil
Non-convertible debentures (NCDs)(original maturity of less than one year) as a % of Total Liabilities	Nil	Nil
Non-convertible debentures (NCDs)(original maturity of less than one year) as a % of Total Assets	Nil	Nil
Other Short-term Liabilities to Total Public Funds	66.62%	59.43%
Other Short-term Liabilities to Total Liabilities	63.47%	55.59%
Other Short-term Liabilities to Total Assets	45.06%	41.14%

Note:

- Public Fund represents Debt Securities, Borrowings (other than debt securities) and Subordinated Liabilities and excludes Loan from Directors and Relatives.
- Total Liabilities represent Total Liabilities and Equity as per Balance Sheet less Equity.
- Other Short Term Liabilities represent all liabilities (excluding Commercial Paper) maturing within a year.

Notes

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(₹ in millions, except for share data and unless otherwise stated)

(vi) Institutional set-up for Liquidity Risk Management

The Board shall have the overall responsibility for management of liquidity risk. The Board shall decide the strategy, policies and procedures to manage liquidity risk in accordance with the liquidity risk tolerance/limits decided by it from time to time.

The ALM Committee of the Board of Directors shall be responsible for evaluating the liquidity risk.

The Asset-Liability Management Committee (ALCO) consisting of the NBFC's top management shall be responsible for ensuring adherence to the risk tolerance/limits set by the Board as well as implementing the liquidity risk management strategy of the NBFC. The Managing Director heads the Committee. The role of the ALCO with respect to liquidity risk include, inter alia, decision on desired maturity profile and mix of incremental assets and liabilities, sale of assets as a source of funding, the structure, responsibilities and controls for managing liquidity risk, and overseeing the liquidity positions of the Company.

The ALM Support Group headed by Chief Financial Officer and consisting of operating staff who will be responsible for analysing, monitoring and reporting the liquidity risk profile to the ALCO.

Note 52: Other disclosures required as per Reserve Bank of India Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 and under Scale Based regulation for NBFCs

Sl. No.	Particulars	As at March 31, 2023		As at March 31, 2022	
		Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
1	Loans and advances* availed by the non-banking financial company inclusive of interest accrued thereon but not paid :-				
	(a) Debentures : Secured	144,851.31	Nil	134,144.30	Nil
	: Unsecured	Nil	Nil	Nil	Nil
	(other than falling within the meaning of public deposits)				
	: Perpetual Debt Instrument	Nil	Nil	Nil	Nil
	(b) Deferred credits	Nil	Nil	Nil	Nil
	(c) Term Loans	161,692.56	Nil	141,764.39	Nil
	(d) Inter-corporate loans and borrowing	Nil	Nil	Nil	Nil
	(e) Commercial Paper	11,583.51	Nil	9,921.36	Nil
	(f) Other Loans :				
	Loan from Directors/ Relatives of Directors	6,150.14	Nil	9,725.84	Nil
	Subordinated Debt	1,760.23	Nil	2,390.85	Nil
	Borrowings from Banks/FI	135,290.03	Nil	135,416.86	Nil
	Overdraft against Deposit with Banks	Nil	Nil	Nil	Nil
	External Commercial Borrowings	45,359.21	Nil	76,815.78	Nil

*Principal amounts of loans and advances availed



Notes

forming part of Financial Statements

(₹ in millions, except for share data and unless otherwise stated)

Sl.No. Assets :	As at March 31, 2023	As at March 31, 2022
2 Break-up of Loans and Advances including bills receivables (other than those included in (3) below) :-		
(including interest accrued)		
(a) Secured	638,401.03	596,222.32
(b) Unsecured	14,204.59	6,871.66
3 Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities:-		
(i) Lease assets including lease rentals under sundry debtors:-		
(a) Financial lease	Nil	Nil
(b) Operating lease	Nil	Nil
(ii) Stock on hire including hire charges under sundry debtors		
(a) Assets on hire	Nil	Nil
(b) Repossessed Assets	Nil	Nil
(iii) Other loans counting towards AFC activities		
(a) Loans where assets have been repossessed	Nil	Nil
(b) Loans other than (a) above	Nil	Nil
4 Break-up of Investments (net of provision for diminution in value) :-		
Current Investments:-		
1. Quoted:		
(i) Shares: (a) Equity	Nil	Nil
(b) Preference	Nil	Nil
(ii) Debentures and Bonds	Nil	Nil
(iii) Units of mutual funds	Nil	Nil
(iv) Government Securities(net of amortisation)	51.89	35.18
(v) Others	Nil	Nil
2. Unquoted:		
(i) Shares: (a) Equity	Nil	Nil
(b) Preference	Nil	Nil
(ii) Debentures and Bonds	Nil	Nil
(iii) Units of mutual funds	Nil	Nil
(iv) Government Securities	Nil	Nil
(v) Others	Nil	Nil

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forming part of Financial Statements

(₹ in millions, except for share data and unless otherwise stated)

Sl.No. Assets :	As at March 31, 2023	As at March 31, 2022
Long Term Investments:-		
1. Quoted:		
(i) Shares: (a) Equity	1,006.20	1,184.66
(b) Preference	145.96	145.96
(ii) Debentures and Bonds	Nil	Nil
(iii) Units of mutual funds	Nil	Nil
(iv) Government Securities(net of amortisation)	1,822.73	1,840.88
(v) Others	Nil	Nil
2. Unquoted:		
(i) Shares: (a) Equity	10,141.81	9,998.15
(b) Preference	Nil	Nil
(ii) Debentures and Bonds	Nil	Nil
(iii) Units of mutual funds	Nil	Nil
(iv) Government Securities	Nil	Nil
(v) Others - Investment in Pass Through Certificates	Nil	Nil

5 Borrower Group-wise Classification of Assets Financed* as in (2) and (3) above:-

Category	As at March 31, 2023			As at March 31, 2022		
	Amount (Principal, Net of provisioning)			Amount (Principal, Net of provisioning)		
	Secured	Unsecured	Total	Secured	Unsecured	Total
1. Related Parties						
(a) Subsidiaries	Nil	2,600.00	2,600.00	Nil	480.00	480.00
(b) Companies in the same group	Nil	Nil	Nil	Nil	Nil	Nil
(c) Other related parties	Nil	Nil	Nil	Nil	Nil	Nil
2. Other than related parties	612,452.65	9,387.40	621,840.06	568,448.81	4,384.04	572,832.85
Total	612,452.65	11,987.40	624,440.06	568,448.81	4,864.04	573,312.85

*Principal amounts of assets financed

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

Category	As at March 31, 2023		As at March 31, 2022	
	Market Value / Break up value or fair value or Net Asset Value	Book Value (Net of provisioning)	Market Value / Break up value or fair value or Net Asset Value	Book Value (Net of provisioning)
1. Related Parties				
(a) Subsidiaries	9,049.57	9,418.29	8,944.51	9,368.29
(b) Companies in the same group	392.55	392.55	331.92	331.92
(c) Other related parties	Nil	Nil	Nil	Nil
2. Other than related parties	3,291.25	3,357.75	3,471.65	3,504.62
Total	12,733.37	13,168.59	12,748.08	13,204.83



Notes

forming part of Financial Statements

(₹ in millions, except for share data and unless otherwise stated)

7 Other information

Sl. No.	Particulars	Amount outstanding	
		As at March 31, 2023	As at March 31, 2022
(i)	Gross Non-Performing Assets*		
	(a) With Related parties	Nil	Nil
	(b) With Others	23,985.96	17,372.24
(ii)	Net Non-Performing Assets*		
	(a) With Related parties	Nil	Nil
	(b) With Others	21,521.24	15,532.83
(iii)	Assets acquired in satisfaction of debt		
	(a) With Related parties	Nil	Nil
	(b) With Others	Nil	Nil

* Stage 3 Loan assets under Ind AS

8. Details of the Auctions conducted with respect to Gold Loan

The Company auctioned 4,60,267 loan accounts (Previous Year: 9,51,143 accounts) during the financial year. The outstanding dues on these loan accounts were ₹32,244.91 millions (March 31, 2022: ₹74,405.94 millions) till the respective date of auction. The Company realised ₹29,419.12 millions (March 31, 2022: ₹65,370.15 millions) on auctioning of gold jewellery taken as collateral security on these loans. Company confirms that none of its sister concerns participated in the above auctions.

9 a) Capital

Particulars	As at March 31, 2023	As at March 31, 2022
i) CRAR (%)	31.77	29.97
ii) CRAR-Tier I capital (%)	31.01	29.10
iii) CRAR-Tier II capital (%)	0.76	0.87
iv) Amount of subordinated debt raised as Tier-II capital	984.54	1,449.41
v) Amount raised by issue of Perpetual Debt Instruments	Nil	Nil

9 b) Investments

Particulars	As at March 31, 2023	As at March 31, 2022
1) Value of Investments		
(i) Gross Value of Investments		
(a) In India	12,016.46	11,874.23
(b) Outside India	1,152.13	1,330.60
(ii) Provisions for Depreciation		
(a) In India	Nil	Nil
(b) Outside India	Nil	Nil
(iii) Net Value of Investments		
(a) In India	12,016.46	11,874.23
(b) Outside India	1,152.13	1,330.60

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(₹ in millions, except for share data and unless otherwise stated)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
2) Movement of provisions held towards		
Depreciation on investments		
(i) Opening balance	Nil	Nil
(ii) Add : Provisions made during the year	Nil	Nil
(iii) Less : Write-off / write-back of excess provisions during the year	Nil	Nil
(iv) Closing balance	Nil	Nil

9 c) Derivatives

Forward Rate Agreement / Interest Rate Swap

The Company has entered into Cross Currency Swaps to convert the foreign currency principal and interest payment liability to fixed Indian Rupee liabilities and Interest Rate Swaps to convert certain domestic borrowings linked to external benchmark into fixed rate liabilities. The notional value and fair value of such swaps agreements have been disclosed as under

Particulars	As at	As at
	March 31, 2023	March 31, 2022
(i) The notional principal of swap agreements	6,000.00	15,796.72
(ii) Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements	Nil	Nil
(iii) Collateral required by the NBFC upon entering into swaps	Nil	Nil
(iv) Concentration of credit risk arising from swaps	Nil	Nil
(v) The fair value of the swap book	(23.21)	605.01

The company has hedged its foreign currency borrowings through Cross Currency Swaps and interest rate risk on certain domestic currency exposures linked to external benchmark through Interest Rate Swaps. For Accounting Policy and Risk Management Policy, refer notes 3 and 42 respectively.

Exchange traded interest rate (IR) derivatives

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Exchange traded interest rate (IR) derivatives	Nil	Nil

Disclosures on risk exposures of derivatives

Qualitative disclosures

The Company has a Board approved policy in dealing with derivative transactions. The Company undertakes derivative transactions for hedging its foreign currency exposures to mitigate the foreign currency risk and interest rate risk on certain domestic currency exposures linked to external benchmark. During the year, the company has hedged its foreign currency borrowings through foreign exchange forward contracts and Cross Currency Swaps and interest rate risk on certain domestic currency exposures linked to external benchmark through Interest Rate Swaps. The Asset Liability Management Committee monitors such transactions and reviews the risks involved.



Notes

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(₹ in millions, except for share data and unless otherwise stated)

The derivative transactions are accounted in accordance with IND AS 109 and the accounting policy for recording hedge and non hedge transactions and valuation of outstanding contracts detailed in Note 3.7

Quantitative disclosures

Particulars	As at March 31, 2023		As at March 31, 2022	
	Currency derivatives	Interest rate derivatives	Currency derivatives	Interest rate derivatives
(i) Derivatives (Notional principal amount)				
For hedging	50,109.57	6,000.00	80,342.56	Nil
(ii) Marked to market positions				
a) Asset	Nil	Nil	605.01	Nil
b) Liability	1,869.20	23.21	4,797.97	Nil
(iii) Credit exposure	Nil	Nil	Nil	Nil
(iv) Unhedged exposures	Nil	Nil	Nil	Nil

The quantitative disclosures above relate to Currency Derivatives and Interest Rate Derivatives as detailed in Note 6

9 d) Disclosure relating to securitisation

Particulars	As at March 31, 2023	As at March 31, 2022
i) Disclosure relating to securitisation	Nil	Nil

Statement of changes in Equity

for the year ended March 31, 2023

(₹ in millions, except for share data and unless otherwise stated)

9 e) Asset Liability Management

Maturity pattern of certain items of assets and liabilities

As at 31.03.2023	1 to 7 days	8 to 14 days	15 days to 30/31 days	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 year	Over 3 to 5 years	Over 5 years	Non sensitive to ALM **	Total
Liabilities												
Deposits	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
Borrowings(excluding External Commercial Borrowings-Senior Secured Notes)	2,841.71	47.04	14,235.52	4,932.15	57,943.71	56,947.82	140,523.76	146,294.98	22,811.64	5,860.65	(266.70)	452,172.30
Foreign Currency Liabilities(External Commercial Borrowing-Senior Secured Notes including interest accrued but not due)	-	-	-	-	-	45,359.21	-	-	-	-	(22.72)	45,336.49
Assets												
Advances*	30,587.60	30,403.64	69,800.13	96,983.64	78,229.61	152,121.63	147,835.10	14,148.62	22,843.39	19.35	(323.91)	642,648.80
Investments	-	-	-	2.37	22.71	16.81	10.00	-	-	11,964.56	-	12,016.45
Foreign Currency assets	-	-	-	-	-	-	-	-	-	1,152.13	-	1,152.13

*Contracted tenor of gold loan is maximum of 12 months. However, on account of high incidence of prepayment before contracted maturity, the above maturity profile has been prepared by the management on the basis of historical pattern of repayments. In case of loans other than gold loan, the maturity profile is based on contracted maturity.

**represents adjustments on account of EIR/ECL

As at 31.03.2022	1 to 7 days	8 to 14 days	15 days to 30/31 days	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 year	Over 3 to 5 years	Over 5 years	Non sensitive to ALM **	Total
Liabilities												
Deposits	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
Borrowings(excluding External Commercial Borrowings-Senior Secured Notes)	13,837.98	2,018.10	13,358.25	17,558.52	57,297.96	56,849.46	87,366.90	150,679.03	18,623.70	5,318.44	(459.06)	422,449.28
Foreign Currency Liabilities(External Commercial Borrowing-Senior Secured Notes including interest accrued but not due)	-	-	870.43	-	-	152.85	34,106.63	41,685.88	-	-	(129.29)	76,686.50
Assets												
Advances*	25,017.41	24,973.25	57,303.06	74,463.87	63,096.11	155,860.85	179,212.71	18,737.08	713.10	27.76	(5,562.86)	593,842.34
Investments	-	-	-	1.58	16.97	6.63	10.00	20.00	-	11,819.05	-	11,874.23
Foreign Currency assets	-	-	-	-	-	-	-	-	-	1,330.60	-	1,330.60

*Contracted tenor of gold loan is maximum of 12 months. However, on account of high incidence of prepayment before contracted maturity, the above maturity profile has been prepared by the management on the basis of historical pattern of repayments. In case of loans other than gold loan, the maturity profile is based on contracted maturity.

**represents adjustments on account of EIR/ECL



Notes

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(₹ in millions, except for share data and unless otherwise stated)

9 f) Exposures

i) Exposure to Real Estate Sector

Category	As at March 31, 2023	As at March 31, 2022
i) Direct exposure (Net of Advances from Customers)		
(a) Residential Mortgages -		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Exposure would also include non-fund based (NFB) limits.	21.65	31.86
(b) Commercial Real Estate -		
Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits;	Nil	Nil
(c) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
a. Residential,	Nil	Nil
b. Commercial Real Estate	Nil	Nil
ii) Indirect Exposure		
Fund based and non-fund based exposures on National Housing Bank and Housing Finance Companies	1,940.91	1,466.41
Total Exposure to Real Estate Sector	1,962.56	1,498.27

ii) Exposure to Capital Market

Particulars	As at March 31, 2023	As at March 31, 2022
i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt	0.03	0.02
ii) Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds	Nil	Nil
iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security	Nil	Nil
iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds /convertible debentures / units of equity oriented mutual funds does not fully cover the advances	Nil	Nil
v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers	Nil	Nil
vi) Loans sanctioned to corporates against the security of shares /bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources	Nil	Nil
vii) Bridge loans to companies against expected equity flows /issues	Nil	Nil
viii) Underwriting commitments taken up by the NBFCs in respect of primary issue of share or convertible bonds or convertible debentures or units of equity oriented mutual funds	Nil	Nil

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Particulars	As at March 31, 2023	As at March 31, 2022
ix) Financing to stockbrokers for margin trading	Nil	Nil
x) All exposures to Alternative Investment Funds:		
(i) Category I	Nil	Nil
(ii) Category II	Nil	Nil
(iii) Category III	Nil	Nil
Total Exposure to Capital Markets	0.03	0.02

iii) **Details of financing of parent company products:** Not Applicable

iv) **Details of Single Borrower Limit(SGL)/ Group Borrower Limit(GBL) exceeded by the Company**

Sl. No	Particulars	As at March 31, 2023	As at March 31, 2022
1		Nil	Nil

v) **Total amount of advances for which intangible securities such as charge over the rights, licenses, authority etc has been taken and which is to be classified as Unsecured Advances**

Sl. No	Particulars	As at March 31, 2023	As at March 31, 2022
1		Nil	Nil

9 g) **Registration obtained from financial sector regulators**

Sl. No	Regulator	Registration Number
1	Reserve Bank of India	Certificate of Registration No. N 16.00167

9 h) **Penalties levied by the above Regulators**

Sl. No	Particulars	As at March 31, 2023	As at March 31, 2022
1	Penalties levied by Regulators	Nil	Nil

9 i) **Ratings assigned by Credit Rating Agencies**

Sl. No	Particulars	As at March 31, 2023	As at March 31, 2022
1	Commercial paper	CRISIL A1+, ICRA A1+	CRISIL A1+, ICRA A1+
2	Bank Loans - Working Capital Demand Loans	ICRA A1+	ICRA A1+
3	Bank Loans - Cash Credit	ICRA AA+(Stable)	ICRA AA+(Stable)
4	Bank Term Loans	ICRA AA+(Stable)	ICRA AA+(Stable)
5	Non Convertible Debentures- Long term	CRISIL AA+/Stable, ICRA AA+(Stable)	CRISIL AA+/Stable, ICRA AA+(Stable)
6	Subordinated Debt	CRISIL AA+/Stable, ICRA AA+(Stable)	CRISIL AA+/Stable, ICRA AA+(Stable)



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(₹ in millions, except for share data and unless otherwise stated)

Sl. No	Particulars	As at March 31, 2023	As at March 31, 2022
7	International Ratings		
	(i) Fitch Ratings	BB(Stable)	BB(Stable)
	(ii) S&P Global	BB(Stable)	BB(Negative)
	(iii) Moody's Investors Service	Ba2(Stable)	Ba2(Stable)

Details of migration of credit ratings during the year

Sl. No	Particulars	Rating Agency	Rating Assigned	Migration in rating during the year
1	International Ratings	S&P Global	BB(Stable)	Change in outlook from BB(Negative) to BB(Stable)

9 j) Provisions and Contingencies

Sl. No	Break up of Provisions and Contingencies shown under the head Expenses in the Statement of Profit and Loss	As at March 31, 2023	As at March 31, 2022
1	Provisions for depreciation on Investment	Nil	Nil
2	Provision towards Expected Credit Loss	426.00	979.10
3	Provision for Income Tax	11,928.95	13,550.49
4	Other Provision and Contingencies (with details)		
	Provision for Leave Encashment	29.38	(32.34)
	Provision for Gratuity	116.14	152.12
	Provision for Other Assets	10.11	1.94

9 k) Concentration of Advances

Sl. No	Particulars	As at March 31, 2023	As at March 31, 2022
1	Total Advances to twenty largest borrowers	4,115.38	1,033.55
2	Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	0.65%	0.18%

9 l) Concentration of Exposures

Sl. No	Particulars	As at March 31, 2023	As at March 31, 2022
1	Total Exposures to twenty largest borrowers/customers	6,036.93	1,033.55
2	Percentage of Exposures to twenty largest borrowers/Customers to Total Exposures of the NBFC on borrowers/Customers.	0.95%	0.18%

9 m) Concentration of NPAs*

Sl. No	Particulars	As at March 31, 2023	As at March 31, 2022
1	Total Exposures to top four NPA accounts	35.20	32.61

*Stage 3 loans assets under IND AS

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(₹ in millions, except for share data and unless otherwise stated)

9 n) Sector-wise NPAs

Sl. No.	Sector	As at March 31, 2023			As at March 31, 2022		
		Total Exposure (Includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to Total Exposure in that sector	Total Exposure (Includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to Total Exposure in that sector
1	Agriculture & allied activities	-	-	0.00%	-	-	0.00%
2	Industry						
	i.						
	ii						
	Others						
	Total of Industry	-	-	0.00%	-	-	0.00%
3	Services						
	Others	6,155.48	12.59		1,839.38	14.75	
	Total of Services	6,155.48	12.59	0.20%	1,839.38	14.75	0.80%
4	Personal Loans						
	Others	7,112.78	94.78		3,348.48	76.54	
	Total of Personal Loans	7,112.78	94.78	1.33%	3,348.48	76.54	2.29%
	Others						
5	Gold Loans	637,038.17	23,878.59		595,873.38	17,280.96	
	Total of Others	637,038.17	23,878.59	3.75%	595,873.38	17,280.96	2.90%

9 o) Movement of NPAs*

Sl. No.	Particulars	As at March 31, 2023	As at March 31, 2022
(i)	Net NPAs* to Net Advances (%)	3.45%	2.71%
(ii)	Movement of NPAs* (Gross)		
	(a) Opening balance	17,372.24	4,641.39
	(b) Additions during the year	22,431.41	16,796.88
	(c) Reductions during the year	15,817.70	4,066.02
	(d) Closing balance	23,985.96	17,372.24
(iii)	Movement of Net NPAs*		
	(a) Opening balance	15,532.83	4,035.88
	(b) Additions during the year	21,806.11	15,562.96
	(c) Reductions during the year	15,817.70	4,066.02
	(d) Closing balance	21,521.24	15,532.83
(iv)	Movement of provisions for NPAs* (excluding Provisions on Standard Assets)		
	(a) Opening balance	1,839.41	605.51
	(b) Provisions made during the year	625.30	1,233.91
	(c) Write-off / write -back of excess provisions	-	-
	(d) Closing balance	2,464.71	1,839.41

Additions/ Reductions to NPA (Gross and Net) stated above during the year are based on year end figures.

* Stage 3 loan assets under IND AS.



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(₹ in millions, except for share data and unless otherwise stated)

9 p) Overseas Assets As at March 31, 2023

Sl. No	Name of the Entity	Country	Total assets As at March 31, 2023	Total assets As at March 31, 2022
1	Asia Asset Finance PLC	Sri Lanka	700.10	700.10
2	Nabil Bank Limited	Nepal	452.03	630.50

9 q) Off-balance Sheet SPVs sponsored

Sl. No	Name of the Entity	As at March 31, 2023	As at March 31, 2022
a)	Domestic	Nil	Nil
b)	Overseas	Nil	Nil

9 r) Disclosure of complaints

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

Sl. No	Particulars	As at March 31, 2023	As at March 31, 2022
Complaints received by the NBFC from its customers			
1	Number of complaints pending at beginning of the year	10	-
2	Number of complaints received during the year	997	1,033
3	Number of complaints disposed during the year	1,006	1,023
3.1	Of which, number of complaints rejected by the NBFC	191	-
4	Number of complaints pending at the end of the year	1	10
Maintainable complaints received by the NBFC from Office of Ombudsman			
5 *	Number of maintainable complaints received by the NBFC from Office of Ombudsman	275	221
5.1	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	261	219
5.2	Of 5, number of complaints resolved through conciliation/mediation/ advisories issued by Office of Ombudsman	14	2
5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	-	-
6 *	Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (Previously The Ombudsman Scheme for Non-Banking Financial Companies, 2018) and covered within the ambit of the Scheme.

* It shall only be applicable to NBFCs which are included under The Reserve Bank - Integrated Ombudsman Scheme, 2021

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(₹ in millions, except for share data and unless otherwise stated)

ii) Top five grounds of complaints received by the NBFCs from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
(1)	(2)	(3)	(4)	(5)	(6)
As at March 31, 2023					
Loans & Advances	3	775	-8.28%	-	-
Staff behavior	-	35	75.00%	-	-
Others	7	187	11.31%	1	-
Total	10	997	-3.48%	1	-
As at March 31, 2022					
Loans and Advances	-	845	9.03%	3	-
Staff behaviour	-	20	122.22%	-	-
Others	-	168	-38.46%	7	-
Total	-	1,033	-2.27%	10	-

9 s) Intra-group exposures

Sl. No	Particulars	As at March 31, 2023	As at March 31, 2022
i)	Total amount of intra group exposures	4,540.91	480.00
ii)	Total amount of top 20 intra-group exposures	4,540.91	480.00
iii)	Percentage of intra- group exposures to total exposure of the NBFC on borrowers/customers	0.72%	0.08%

9 t) Unhedged Foreign currency exposure

Sl. No	Particulars	As at March 31, 2023	As at March 31, 2022
1	Unhedged Foreign Currency Exposure	Nil	Nil

Refer note 42(iii)c & 52(9)c

10 Percentage of loans granted against collateral of gold jewellery to total assets

Sl. No	Particulars	As at March 31, 2023	As at March 31, 2022
(a)	Gold Loans granted against collateral of gold jewellery	618,753.19	575,313.13
(b)	Total assets of the Company	726,198.14	705,546.88
(c)	Percentage of Gold Loans to Total Assets	85.20%	81.54%



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11 Breach of Covenant

During the financial year ended March 31, 2023, no bank or financial institution or debenture trustee has issued any notice of breach of covenant in respect of loans availed or debt securities issued by the Company.

12 Divergence in Asset Classification and Provisioning as assessed/ identified by RBI

Sl. No	Particulars	As at March 31, 2022	As at March 31, 2021
(a)	The additional provisioning requirements assessed by RBI (or National Housing Bank (NHB) in the case of Housing Finance Companies) exceeds 5 percent of the reported profits before tax and impairment loss on financial instruments for the reference period or	Nil	Nil
(b)	the additional Gross NPAs identified by RBI/NHB exceeds 5 per cents of the reported Gross NPA for the reference period.	Nil	Nil

Note 53: Disclosure required as per Reserve Bank of India Notification No. DOR (NBFC). CC . PD. No.109/ 22.10.106 /2019-20 dated March 13, 2020

In accordance with the regulatory guidance on implementation of Ind AS issued by RBI on March 13, 2020, the company has computed provisions as per Income Recognition Asset Classification and Provisioning (IRACP) norms issued by RBI solely for comparative purposes as specified therein. A comparison between provisions required under IRACP and impairment allowances made under Ind AS 109 is given below:

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	As at March 31, 2023				
		Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7)=(4)-(6)
Performing Assets						
Standard	Stage 1	616,703.14	5,092.92	611,610.22	2,350.55	2,742.37
	Stage 2	9,941.24	99.98	9,841.26	27.05	72.93
Subtotal		626,644.38	5,192.90	621,451.48	2,377.60	2,815.30
Non-Performing Assets (NPA)						
Substandard	Stage 3	22,463.47	2,289.12	20,174.35	3,589.80	(1,300.68)
Doubtful - up to 1 year	Stage 3	1,153.22	122.63	1,030.59	286.27	(163.64)
1 to 3 years	Stage 3	162.79	17.84	144.95	51.62	(33.78)
More than 3 years	Stage 3	206.47	35.12	171.35	125.40	(90.28)
Subtotal for doubtful		1,522.48	175.59	1,346.89	463.29	(287.70)
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		23,985.95	2,464.71	21,521.24	4,053.09	(1,588.38)
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	9,549.28	6.88	9,542.40	-	6.88

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Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	As at March 31, 2023				Difference between Ind AS 109 provisions and IRACP norms
		Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		9,549.28	6.88	9,542.40	-	6.88
Total	Stage 1	626,252.42	5,099.80	621,152.62	2,350.55	2,749.25
	Stage 2	9,941.24	99.98	9,841.26	27.05	72.93
	Stage 3	23,985.95	2,464.71	21,521.24	4,053.09	(1,588.38)
	Total	660,179.61	7,664.49	652,515.12	6,430.69	1,233.80

The aggregate impairment loss on application of expected credit loss method (ECL) as per Ind AS, as stated above, is more than the provisioning required under IRACP norms (including standard asset provisioning). Further, as stated in Note 19.1 the company has retained provision in excess of ECL in the books of account as a matter of prudence.

Note 54: Disclosure on Liquidity Coverage Ratio

Disclosure as per the circular no. RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated November 04, 2019 issued by Reserve Bank of India regarding Liquidity Coverage Ratio (LCR)

Maintenance of Liquidity Coverage Ratio (LCR)

Reserve Bank Of India vide its notification no. RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/ 2019-20 dtd November 04,2019 introduced Liquidity Coverage Ratio for certain categories of NBFCs w.e.f December 01,2020 . All non-deposit taking NBFCs with asset size of ₹10,000 crore and above, and all deposit taking NBFCs irrespective of their asset size, shall maintain a liquidity buffer in terms of LCR which will promote resilience of NBFCs to potential liquidity disruptions by ensuring that they have sufficient High Quality Liquid Asset (HQLA) to survive any acute liquidity stress scenario lasting for 30 days. The stock of HQLA to be maintained by the NBFCs shall be minimum of 100% of total net cash outflows over the next 30 calendar days. The LCR requirement shall be binding on NBFCs from December 1, 2020 with the minimum HQLAs to be held being 50% of the LCR, progressively reaching up to the required level of 100% by December 1, 2024, as per the time-line given below:

From	December 1, 2020	December 1, 2021	December 1, 2022	December 1, 2023	December 1, 2024
Minimum LCR	50%	60%	70%	85%	100%



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(₹ in millions, except for share data and unless otherwise stated)

A) Quantitative Disclosure

Particulars	Quarter ended March 31, 2023		Quarter ended December 31, 2022		Quarter ended September 30, 2022		Quarter ended June 30, 2022	
	Total Unweighted Value (Average)	Total weighted Value (Average)	Total Unweighted Value (Average)	Total weighted Value (Average)	Total Unweighted Value (Average)	Total weighted Value (Average)	Total Unweighted Value (Average)	Total weighted Value (Average)
High Quality Liquid Assets								
1 Total High Quality Liquid Assets (HQLA)	39,191.89	39,191.89	49,388.42	49,388.42	46,242.14	46,242.14	50,115.83	50,115.83
Cash Outflows								
2 Deposits (for deposit taking companies)	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
3 Unsecured wholesale funding	165.01	189.76	64.82	74.55	82.43	94.80	3,278.71	3,770.51
4 Secured wholesale funding	26,191.95	30,120.75	26,164.09	30,088.71	20,580.88	23,668.01	28,258.36	32,497.11
5 Additional requirements, of which								
(i) Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-
(ii) Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii) Credit and liquidity facilities	8,919.96	10,257.96	8,192.50	9,421.37	11,463.30	13,182.79	18,869.83	21,700.30
6 Other contractual funding obligations	4,800.00	5,520.00	4,760.00	5,474.00	4,890.00	5,623.50	4,820.00	5,543.00
7 Other contingent funding obligations	102.18	117.51	151.36	174.06	125.39	144.20	116.33	133.79
8 Total Cash Outflows	40,179.10	46,205.98	39,332.77	45,232.69	37,142.00	42,713.30	55,343.23	63,644.71
Cash Inflows								
9 Secured lending	-	-	-	-	-	-	-	-
10 Inflows from fully performing exposures	134,026.60	100,519.95	126,881.75	95,161.31	170,079.78	127,559.83	174,055.91	130,541.94
11 Other cash inflows	23,138.89	17,354.17	13,196.20	9,897.15	2,866.85	2,150.14	3,887.36	2,915.52
12 Total Cash Inflows	157,165.49	117,874.12	140,077.95	105,058.46	172,946.63	129,709.97	177,943.27	133,457.46
13 Total HQLA		39,191.89		49,388.42		46,242.14		50,115.83
14 Total Net Cash Outflows		11,551.50		11,308.17		10,678.33		15,911.18
15 Liquidity Coverage Ratio (%)		339%		437%		433%		315%

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Components of High Quality Liquid Assets

Particulars	Quarter ended March 31, 2023		Quarter ended December 31, 2022		Quarter ended September 30, 2022		Quarter ended June 30, 2022	
	Total Unweighted Value (Average)	Total weighted Value (Average)	Total Unweighted Value (Average)	Total weighted Value (Average)	Total Unweighted Value (Average)	Total weighted Value (Average)	Total Unweighted Value (Average)	Total weighted Value (Average)
	1 Assets included as HQLA without any haircut	39,191.89	39,191.89	49,388.42	49,388.42	46,242.14	46,242.14	50,115.83
2 Assets considered for HQLA with a minimum haircut of 15%	-	-	-	-	-	-	-	-
3 Assets considered for HQLA with a minimum haircut of 50%	-	-	-	-	-	-	-	-

Particulars	Quarter ended March 31, 2022		Quarter ended December 31, 2021		Quarter ended September 30, 2021		Quarter ended June 30, 2021	
	Total Unweighted Value (Average)	Total weighted Value (Average)	Total Unweighted Value (Average)	Total weighted Value (Average)	Total Unweighted Value (Average)	Total weighted Value (Average)	Total Unweighted Value (Average)	Total weighted Value (Average)

High Quality Liquid Assets

1 Total High Quality Liquid Assets (HQLA)	53,466.07	53,466.07	49,952.41	49,952.41	56,600.08	56,600.08	61,504.95	61,504.95
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Cash Outflows

2 Deposits (for deposit taking companies)	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
3 Unsecured wholesale funding	2,950.92	3,393.55	11,543.51	13,275.03	14,662.91	16,862.35	11,391.15	13,099.82
4 Secured wholesale funding	33,573.76	38,609.82	33,571.67	38,607.42	24,994.04	28,743.15	32,488.60	37,361.89
5 Additional requirements, of which								
(i) Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-
(ii) Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii) Credit and liquidity facilities	15,321.25	17,619.44	13,307.28	15,303.37	12,446.98	14,314.03	11,417.96	13,130.65
6 Other contractual funding obligations	4,880.00	5,612.00	4,960.00	5,704.00	4,970.00	5,715.50	4,870.00	5,600.50
7 Other contingent funding obligations	98.98	113.83	98.62	113.41	98.69	113.49	100.61	115.70
8 Total Cash Outflows	56,824.91	65,348.64	63,481.08	73,003.23	57,172.62	65,748.52	60,268.32	69,308.56



Notes

forming part of Financial Statements

(₹ in millions, except for share data and unless otherwise stated)

Particulars	Quarter ended March 31, 2022		Quarter ended December 31, 2021		Quarter ended September 30, 2021		Quarter ended June 30, 2021	
	Total Unweighted Value (Average)	Total weighted Value (Average)	Total Unweighted Value (Average)	Total weighted Value (Average)	Total Unweighted Value (Average)	Total weighted Value (Average)	Total Unweighted Value (Average)	Total weighted Value (Average)
Cash Inflows								
9 Secured lending	-	-	-	-	-	-	-	-
10 Inflows from fully performing exposures	163,068.08	122,301.06	191,224.05	143,418.04	205,417.22	154,062.92	165,329.47	123,997.11
11 Other cash inflows	2,544.44	1,908.33	4,923.91	3,692.93	24,195.65	18,146.74	23,763.74	17,822.80
12 Total Cash Inflows	165,612.52	124,209.39	196,147.96	147,110.97	229,612.87	172,209.66	189,093.21	141,819.91
13 Total HQLA		53,466.07		49,952.41		56,600.08		61,504.95
14 Total Net Cash Outflows		16,337.16		18,250.81		16,437.13		17,327.14
15 Liquidity Coverage Ratio (%)		327%		274%		344%		355%

Components of High Quality Liquid Assets

Particulars	Quarter ended March 31, 2022		Quarter ended December 31, 2021		Quarter ended September 30, 2021		Quarter ended June 30, 2021	
	Total Unweighted Value (Average)	Total weighted Value (Average)	Total Unweighted Value (Average)	Total weighted Value (Average)	Total Unweighted Value (Average)	Total weighted Value (Average)	Total Unweighted Value (Average)	Total weighted Value (Average)
1 Assets included as HQLA without any haircut	53,466.07	53,466.07	49,952.41	49,952.41	56,600.08	56,600.08	61,504.95	61,504.95
2 Assets considered for HQLA with a minimum haircut of 15%	-	-	-	-	-	-	-	-
3 Assets considered for HQLA with a minimum haircut of 50%	-	-	-	-	-	-	-	-

Note:

- 1) Unweighted values are calculated as outstanding balances maturing or callable within 30 days (for Cash inflows and Cash outflows).
- 2) Weighted values are calculated after the application of respective haircuts (for HQLA) and stress factors (on cash inflow/cash outflow) as per RBI guidelines.
- 3) 'Average' for all the quarters is computed as simple averages of daily observations for the quarter.
- 4) The figures used for the quantitative disclosure are based on the estimates and assumptions of the management, which have been relied upon by the auditors.

Notes

forming part of Financial Statements

(₹ in millions, except for share data and unless otherwise stated)

B) Qualitative Disclosure

The Company has adopted Liquidity Risk Management (LRM) framework on liquidity standards as prescribed by the RBI guidelines and has put in place requisite systems and processes to enable periodical computation and reporting of the Liquidity Coverage Ratio (LCR). The mandated regulatory threshold is embedded into the Liquidity Risk Management framework of the Company thus subjecting LCR maintenance to Board oversight and periodical review. The Company computes the LCR and reports the same to the Asset Liability Management Committee (ALCO) as well as to the ALM Committee of the Board.

The Company follows the criteria laid down by RBI for calculation of High Quality Liquid Assets (HQLA), gross cash outflows and inflows within the next 30-day period. HQLA predominantly comprises unencumbered Cash and Bank balances, Government securities (viz., Treasury Bills, Central and State Government securities, Investments in TREPs (Triparty Repo trades in Government Securities provided by The Clearing Corporation of India)).

All significant outflows and inflows determined in accordance with RBI guidelines are included in the prescribed LCR computation template.

The Company monitors the concentration of funding sources from significant counterparties, significant instruments/products as part of the LRM framework. The Company follows internal limits on short term borrowings which form part of the LRM framework. The Company's funding sources are fairly dispersed across sources and maturities.

The Board shall have the overall responsibility for management of liquidity risk. The Board shall decide the strategy, policies and procedures to manage liquidity risk in accordance with the liquidity risk tolerance/limits decided by it from time to time.

The ALM Committee of the Board of Directors shall be responsible for evaluating the liquidity risk.

The Asset-Liability Management Committee (ALCO) consisting of the NBFC's top management shall be responsible for ensuring adherence to the risk tolerance/limits set by the Board as well as implementing the liquidity risk management strategy of the NBFC. The Managing Director heads the Committee. The role of the ALCO with respect to liquidity risk include, inter alia, decision on desired maturity profile and mix of incremental assets and liabilities, sale of assets as a source of funding, the structure, responsibilities and controls for managing liquidity risk, and overseeing the liquidity positions of the Company.

The ALM Support Group headed by Chief Financial Officer and consisting of operating staff will be responsible for analysing, monitoring and reporting the liquidity risk profile to the ALCO.



Notes

forming part of Financial Statements

(₹ in millions, except for share data and unless otherwise stated)

Note 55: Disclosure pursuant to RBI Notification-RBI/2020-21/16 DOR.NO.BP.BC/3/21.04.048/2020-21 dated 6 August 2020 and RBI/2021- 22/31/DOR.STR.REC.11 /21.04.048/2021-22 dated May 05, 2021

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan- Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year (B)	Of (A) amount written off during the half-year (C)	Of (A) amount paid by the borrowers during the halfyear (D)	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of this half-year (E) *
Personal Loans	0.46	0.44	-	0.02	0.44
Corporate Persons	-	-	-	-	-
Of which MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	0.46	0.44	-	0.02	0.44

*represents the closing balance of loan accounts as on 31 March 2023

Note 56: Details of Benami Property Held

No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder in the financial years ended March 31, 2023 and March 31, 2022.

Note 57: Wilful Defaulter

The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender in the financial years ended March 31, 2023 and March 31, 2022.

Note 58: Relationship with struck off Companies

The company has no transaction with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.

Notes

forming part of Financial Statements

(₹ in millions, except for share data and unless otherwise stated)

Note 59: Registration of Charges or satisfaction with Registrar of Companies (ROC)

All charges or satisfaction are registered with ROC within the statutory period for the financial years ended March 31, 2023 and March 31, 2022. No charges or satisfactions are yet to be registered with ROC beyond the statutory period.

Note 60: Compliance with number of layers of companies

The number of layers prescribed under section 2(87) of the Companies Act 2013 read with the Companies (Restriction on number of Layers) Rules, 2017, is not applicable to the company

Note 61: Compliance with approved Scheme(s) of Arrangements

The Company has not entered into any Scheme of Arrangements which requires the approval of the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 for the financial years ended March 31, 2023 and March 31, 2022.

Note 62: Utilisation of Borrowed funds and Share premium

The Company, as part of its normal business, grants loans and advances, makes investment, accept non-convertible debentures from its customers, other entities and persons and borrows money from banks, financial institutions, other entities and persons. These transactions are part of Company's normal non-banking finance business, which is conducted ensuring adherence to all regulatory requirements.

We state that 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 any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly, or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

The Company has not received any funds from any other persons or entities, including foreign entities (Funding Party) with the understanding whether recorded in writing or otherwise, that the Company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



Notes

forming part of Financial Statements

(₹ in millions, except for share data and unless otherwise stated)

Note 63: Undisclosed Income

The company does not have any transaction that are not recorded in the books of account but has been surrendered or disclosed as income during the year in tax assessments under the Income tax Act, 1961 (such as search or survey or any other relevant provision under Income Tax Act 1961) and there was no instance of previously unrecorded income as above to be recorded in the books of accounts during the year.

Note 64: Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual currency during the financial years ended March 31, 2023 and March 31, 2022.

Note 65: Impact of COVID-19

The global outbreak of Coronavirus (COVID-19) pandemic has not caused any significant impact on the operations and financial position of the Company for the year and previous year.

Hence in the opinion of the management the impairment loss as stated in Note 8 and provision as stated in Note 19.1 are considered adequate.

Note 66: Other Developments

The Code on Social Security, 2020 (the Code) has been enacted, which would impact contribution by the Company towards Provident Fund and Gratuity. The impact of changes if any arising on enactment of the Code will be assessed by the company after the effective date of the same and the rules thereunder are notified.

Notes

forming part of Financial Statements

(₹ in millions, except for share data and unless otherwise stated)

Note 67: Previous year's figures have been regrouped/rearranged, wherever necessary to conform to current year's classifications/disclosure.

Notes on accounts form part of standalone financial statements

As per our report of even date attached

For Elias George & Co.
(FRN : 000801S)

sd/-
Ranjit Mathews P
Partner
Chartered Accountants
Membership No. 205377

For Babu A. Kallivayalil & Co.
(FRN : 005374S)

sd/-
Babu Abraham Kallivayalil
Partner
Chartered Accountants
Membership No. 026973

For and on behalf of the Board of Directors

sd/-
George Jacob Muthoot
Chairman & Whole-time Director
DIN: 00018235

sd/-
Oommen K. Mammen
Chief Financial Officer

Place: Kochi
Date: May 19, 2023

sd/-
George Alexander Muthoot
Managing Director
DIN: 00016787

sd/-
Rajesh A
Company Secretary



Form AOC-1

“(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)”

“Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures”

“Part “A”: Subsidiaries

Sl.No.	Particulars	Details	Details	Details	Details	Details	Details	Details
1	Name of the subsidiary	Asia Asset Finance PLC	Muthoot Homefin (India) Limited	Belstar Microfinance Limited	Muthoot Insurance Brokers Private Limited	Muthoot Money Limited	Muthoot Asset Management Private Limited	Muthoot Trustee Private Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	LKR, Exchange Rate as on March 31, 2023 - 0.24970 / Average Exchange Rate - 0.23695* (₹ in millions)	₹ (in millions)	₹ (in millions)	₹ (in thousands)	₹ (in millions)	₹ (in thousands)	₹ (in thousands)
4	Share capital	550.70	1,191.56	488.44	7,500.00	62.17	1,000,000.00	10,000.00
5	Reserves & surplus	201.10	3,383.11	10,434.55	1,580,602.38	975.83	141,271.02	218.56
6	Total assets	6,245.63	12,110.58	62,269.01	1,625,207.99	4,342.20	1,141,325.02	10,244.56
7	Total Liabilities	5,493.83	7,535.91	51,346.02	37,105.61	3,304.20	54.00	26.00
8	Investments	917.16	44.25	528.64	313,688.40	-	-	-
9	Turnover	1,433.20*	1,548.11	10,379.15	677,675.96	564.01	62,399.33	448.28
10	Profit before taxation	85.22*	140.66	1,693.07	606,536.36	3.40	62,100.75	333.73
11	Provision for taxation	15.24*	36.68	389.82	142,758.78	0.99	15,641.98	61.71
12	Profit after taxation	69.98*	103.98	1,303.25	463,777.58	2.41	46,458.77	272.02
13	Proposed Dividend	Nil	Nil	₹ 0.60 per share	Nil	Nil	Nil	Nil
14	% of shareholding	72.92%	100.00%	56.97%	100.00%	100.00%	100.00%	100.00%

Notes:

- Names of subsidiaries which are yet to commence operations: Not Applicable
- Names of subsidiaries which have been liquidated or sold during the year: Not Applicable

Part “B”: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures.

Not Applicable

For and on behalf of the Board of Directors

sd/-
George Jacob Muthoot
Chairman & Whole-time Director
DIN: 00018235

sd/-
George Alexander Muthoot
Managing Director
DIN: 00016787

Place: Kochi
Date: May 19, 2023

sd/-
Oommen K. Mammen
Chief Financial Officer

sd/-
Rajesh A
Company Secretary

Independent Auditors' Report

To the Members of **MUTHOOT FINANCE LIMITED**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Muthoot Finance Limited (hereinafter referred to as 'the Holding Company'), and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), which comprise the consolidated Balance Sheet as at March 31, 2023, the consolidated Statement of Profit and Loss (including other comprehensive income), the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and Notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated financial statements').

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries, referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS') and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023, and its consolidated profit, its consolidated total comprehensive

income, its consolidated cash flows and consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditors' Responsibilities for the audit of the consolidated financial statements' section of our Report. We are independent of the Group 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 consolidated financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the other matters section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.



A) Key Audit Matters with reference to the Holding Company

Key Audit Matter	Auditors' Response
<p>1. Expected Credit Loss under IND AS 109 "Financial Instruments"</p> <p>The Company recognises Expected Credit Losses (ECL) on loan assets under IND AS 109 "Financial Instruments" based on the Expected Credit Loss model developed by the Company. The estimation of expected credit loss on financial instruments involves significant judgement and estimates. Key estimates involve determining Exposure at Default (EAD), Probability at Default (PD) and Loss Given Default (LGD) using historical information. Hence, we have considered the estimation of ECL as a Key Audit Matter.</p> <p>Refer Note 44 (Risk Management) to the consolidated financial statements.</p>	<ul style="list-style-type: none"> Assessed the accounting policy for impairment of financial assets and its compliance with IND AS 109. Obtained an understanding of the Company's Expected Credit Loss (ECL) calculation and the underlying assumptions. Tested the key controls over the assessment and identification of significant increase in credit risk and staging of assets. Sample testing of the accuracy and appropriateness of information used in the estimation of Probability of Default (PD) and Loss Given Default (LGD). Tested the arithmetical accuracy of the computation of PD and LGD and also performed analytical procedures to verify the reasonableness of the computation. Assessed the disclosure made in relation to IND AS 109 for ECL allowance. Further, we also assessed whether the disclosure of key judgements and assumptions are adequate.
<p>2. Related Party Transactions</p> <p>We identified related party transactions as a key audit matter due to the significance of related party transactions, regulatory compliance and risk of such transactions remaining undisclosed in the financial statements.</p>	<ul style="list-style-type: none"> Evaluated the Company's policies, processes and procedures in respect of identifying and disclosing related party transactions. Read the minutes of meetings of the shareholders, Board and Audit Committee regarding the Company's assessment of related party transactions for arm's length pricing. Assessed the compliance with Companies Act 2013, including authorisation and approvals as specified in sections 177 and 188 of the Companies Act, 2013, and Rules thereon and the Securities and Exchange Board of India regulations with respect to related party transactions. Tested on a sample basis related party transactions with the underlying contracts and other documents.
<p>3. Compliance and disclosure requirements</p> <p>Compliance and disclosure requirements under the applicable Indian Accounting Standards, Reserve Bank of India (RBI) guidelines and other applicable statutory, regulatory and financial reporting framework.</p>	<ul style="list-style-type: none"> Assessed the systems and processes laid down by the Company to appropriately ensure compliance and disclosures as per the applicable Ind AS, RBI guidelines and other applicable statutory, regulatory and financial reporting framework. Designed and performed audit procedures to assess the completeness and correctness of the details disclosed having regard to the assumptions made by the Management in relation to the applicability and extent of disclosure requirements. Relied on internal records of the Company and external confirmations wherever necessary.
<p>4. Litigations</p> <p>The Company has various tax litigations pending under the Income Tax Act, 1961, Goods and Services Tax Act, 2017, service tax under Finance Act, 1994 and Value Added Tax Acts of various States. The Company has disputed these in various forums and the outcome of these cases will depend on significant judgements, hence we have identified pending litigation as a Key Audit Matter.</p>	<p>In assessing the litigations, we have:</p> <ul style="list-style-type: none"> Read the communications with the relevant tax authorities in respect to the pending tax litigations and also considered the submissions made by the management to the respective appellate authorities. We verified the accuracy of the disputed amounts with the relevant communication from the tax authority.
<p>5. IT Systems and Controls</p> <p>The Company uses Information Technology (IT) application for financial accounts and reporting process. Any gap in the financial accounting and reporting process may result in a misstatement, hence we have identified IT systems and controls over financial reporting as a Key Audit Matter.</p>	<ul style="list-style-type: none"> Understood the IT systems and controls over key financial accounting and reporting systems. Tested the general IT controls for design and operating effectiveness. Understood the changes made in the IT environment during the year and ascertained its effect on the financial statements controls and accounts. We also assessed, through sample tests, the information generated from these systems which were relied upon for our audit.

B) Key Audit Matters with reference to subsidiaries

There are no specific key audit matters reported to us by the auditors of the subsidiary companies not audited by us, except as reported by the auditors of three subsidiary companies in their standalone audit report and reproduced by us, as below:

(i) In respect of the subsidiary, Belstar Microfinance Limited

Key Audit Matter	Auditors' Response
<p>Expected Credit Losses on loan assets</p> <p>As on March 31, 2023, the Company has reported gross loan assets of ₹47,232.39 million against which an impairment loss of ₹957.03 million has been recorded. The Company recognised impairment provisions for loan assets based on the Expected Credit Loss approach laid down under 'Ind AS 109 – Financial Instruments'.</p> <p>The Expected Credit Loss ('ECL') approach as required under Ind AS 109, Financial instruments, involves high degree of complexity requiring significant judgement of the Management and the use of the different modelling techniques and assumptions which could have a material impact on the accompanying financial statements.</p> <p>The Management is required to determine the ECL that may occur over either a 12-month period or the remaining life of an asset, depending on the categorization of the individual asset. Significant management judgement and assumptions involved in measuring ECL include:</p> <ul style="list-style-type: none"> • Categorisation of loans in Stage 1, 2 and 3 based on identification of exposures with Significant Increase in Credit Risk (SICR) since their origination and individually impaired/default exposures. • Techniques used to determine Probability of Default, Loss Given Default and Exposure at Default. • Factoring in future economic assumptions. <p>These parameters are derived from the Company's internally developed statistical models, other historical data and trends observed in macro-economic factors.</p> <p>Considering the significance of the above matters to the overall standalone financial statements, and extent of the Management's estimates and judgements involved and also the significant auditor attention required to test such complex accounting estimates, we have identified this as Key Audit Matters for the current year audit.</p>	<p>Our audit focused on assessing the appropriateness of Management's judgement and estimates used in the impairment analysis through procedures that included, but were not limited to, the following;</p> <ul style="list-style-type: none"> • Obtain an understanding of the modelling techniques adopted by the Company including the key inputs and assumptions. Since modelling assumptions and parameters are based on historical data, we assessed whether historical experience was representative of current circumstances and was relevant in view of the recent impairment losses incurred within the portfolios. • Considered the Company's accounting policies for estimation of expected credit loss on loans and assessing compliance with the policies in terms of Ind AS 109. • Assessed and tested the design and operating effectiveness of the key controls over the completeness and accuracy of the key inputs and assumptions considered for calculation, recording and monitoring of the impairment loss recognised. Also, evaluated the controls over the modelling process, validation of the data and related approvals. • Performed a critical assessment of assumptions and input data used in the estimation of Expected Credit Loss models for specific key credit risk parameters, such as the transfer logic between stages, Probability of Default (PD) or Loss Given Default (LGD); • Performed an assessment of the adequacy of the credit losses expected within 12 months by reference to credit losses actually incurred on similar portfolios historically. • Obtained written representations from management on whether they believe significant assumptions used in calculation of expected credit losses are reasonable; and • Assessed the appropriateness and adequacy of the related presentation and disclosures in the accompanying Standalone Financial Statements in accordance with the applicable accounting standards and related RBI circulars and resolution framework.
<p>Information technology ('IT') Systems and controls impacting financial reporting and migration to the new Loan Management system</p> <p>The financial accounting and reporting systems of the Company are fundamentally reliant on IT systems and controls to process significant transactions at numerous locations, such as loans, interest income and impairment of financial assets. Any significant gaps in the IT control environment could result in a material misstatement of the financial and accounting records.</p>	<p>As part of our Audit, we have carried out testing of the IT general controls, application controls and IT dependent manual controls.</p> <p>We tested the design and operating effectiveness of the Company's IT access controls over the key information systems, including changes made to the IT landscape during the audit period, that are critical to financial reporting.</p> <p>We tested IT general controls in the nature of controls over logical access, changes management, and other aspects of IT operational controls.</p>



Key Audit Matter	Auditors' Response
<p>Appropriate IT general controls and application controls are required to ensure that such IT systems are able to process the data, as required, completely, accurately and consistently for reliable financial reporting.</p> <p>During the year, the Company has completely migrated to the new loan management software ("LMS") in the month of November 2022, which required financial and other related information was required to be migrated from the legacy IT systems to the new LMS.</p> <p>In view of the pervasive nature and complexity of the IT environment, the assessment of the general IT controls and the application controls specific to the accounting and preparation of the financial information including migration to the new LMS is considered to be a key audit matter.</p>	<p>To obtain comfort over the completeness and accuracy of the migration process, certain additional procedures were also performed which included;</p> <ul style="list-style-type: none"> Review of the management's reconciliation of the closing balances as at the migration date as per the legacy IT Systems and the corresponding balances as per New LMS on the same date. Comparison of key parameters between the legacy IT System and the new LMS on the migration date. Review of report issued by independent third party in respect of migration audit carried out by them. <p>Where deficiencies were identified, we tested compensating controls or performed alternate procedures.</p>

(ii) In respect of the subsidiary, Muthoot Homefin (India) Limited

Key Audit Matter	Auditors' Response
<p>1. Expected Credit Loss (ECL) on Loans and Advances</p> <p>As at March 31, 2023, the carrying value of loan assets measured at amortized cost, aggregated to Rs 10506.92 million (net of allowance of ECL ₹357.81 million).</p> <p>The estimation of ECL on financial instruments involves significant judgement and estimates. As part of our risk assessment, we determined that the allowance for ECL on loan assets has a high degree of estimation uncertainty, with a potential range of reasonable outcomes for financial statements.</p> <p>The elements of estimating ECL which involved increased level of audit focus are the following:</p> <ol style="list-style-type: none"> Data inputs – The application of ECL model requires several data inputs. Model estimations – Inherently judgemental models are used to estimate ECL which involves determining Probabilities of Default ("PD"), Loss Given Default ("LGD"), and Exposures at Default ("EAD"). The PD and the LGD are the key drivers of estimation complexity in ECL and as a result are considered the most significant judgemental aspect of the Company's modelling approach. Qualitative and quantitative factors used in staging the loan assets measured at amortized cost. Economic scenarios – IND AS 109 requires the Company to measure ECL on an unbiased forward-looking basis reflecting a range of future economic conditions. Significant management judgement is applied determining the economic scenarios used and the probability weights applied to them. 	<p>Our Audit Approach:</p> <p>Our audit approach was a combination of test of internal controls and substantive procedures which included the following:</p> <ol style="list-style-type: none"> Testing the design and effectiveness of internal controls over the following: <ul style="list-style-type: none"> Key controls over the completeness and accuracy to the key inputs, data and assumptions into the IND AS 109 impairment model. Key controls over the application of the staging criteria consistent with the definitions applied including the appropriateness of the qualitative factors. Management's controls over authorization and calculation of post model adjustments and management overlays to the output of ECL model. On sample basis, ECL allowance on loan assets were tested over the following: <ul style="list-style-type: none"> Sample testing over key inputs, data and assumptions impacting ECL calculations to assess the completeness, accuracy and relevance of data, reasonableness of economic forecasts, weights, and model assumptions applied. We evaluated reasonableness of LGD estimates by comparing actual recoveries post the loan asset becoming credit impaired with estimates of LGD; and We tested the mathematical accuracy and computation of the allowances by using the same input data used by the Company. We also evaluated the adequacy of the adjustment after stressing the inputs used in determining the output as per the ECL Model. Testing management's controls on compliance with disclosures to confirm the compliance with the relevant provisions of IND AS 109 and RBI. Evaluating the appropriateness of the Company's IND AS 109 impairment methodologies and reasonableness of assumptions used, including management overlays. For models which were changed or updated during the year, evaluating whether the changes were appropriate by assessing the updated model methodology. Read and assessed the disclosures included in the IND AS financial statements in respect of expected credit losses with the requirements of IND AS 107 and IND AS 109.

(iii) In respect of foreign subsidiary, Asia Asset Finance PLC

Key Audit Matter	Auditors' Response
<p>Impairment of loans and receivables</p> <p>The company's gross loans and receivables amount to ₹21.2 billion as at 31st March 2023 (2022: ₹17.34 billion) and impairment allowance for the year amounts to ₹556 million (2022: ₹493 million).</p> <p>Due to the significance of loans and receivables and the significant estimates and judgement involved, the impairment of these loans and receivables was considered to be a key audit matter.</p> <p>The impairment provision is considered separately on an individual and collective basis.</p> <p>In calculating the impairment provision on a collective basis, statistical models are used. The following inputs to these models require significant management judgement:</p> <ul style="list-style-type: none">• the probability of default (PD);• the exposure at default (EAD);• the loss given default (LGD); and• the effective interest rates. <p>In assessing loans and receivables on an individual basis, significant judgements, estimates and assumptions have been made by management to:</p> <ul style="list-style-type: none">• Determine if the loan or advance is credit impaired;• Evaluate the adequacy and recoverability of collateral;• Determine the expected cash flows to be collected; and• Estimate the timing of the future cash flows.	<p>Our procedures included the following:</p> <ul style="list-style-type: none">• We obtained an understanding of management's process and tested controls over credit origination, credit monitoring and credit remediation.• We assessed the appropriateness of the accounting policies and loan impairment methodologies applied by comparing these to the requirements of SLFRS 9: Financial Instruments including consideration of current economic crisis and related industry responses based on the best available information up to the date of our report.• We test-checked the underlying calculations and data. <p>In addition to the above, we performed the following specific procedures:</p> <p>For loans and receivables collectively assessed for impairment:</p> <ul style="list-style-type: none">• We assessed the completeness of the underlying information in loans and receivables used in the impairment calculations by agreeing details to the company's source documents and information in IT systems.• We also considered the reasonableness of macro-economic and other factors used by management by comparing them with publicly available data and information sources. This included assessing and challenging the reasonableness of macroeconomic scenarios considered and certain forward looking economic data developed by the company, with a particular focus on the impact of current economic crisis in light of certain available information and consensus views. <p>For loans and receivables individually assessed for impairment:</p> <ul style="list-style-type: none">• We assessed the main criteria used by the management for determining whether an impairment event had occurred.• Where impairment indicators existed, we assessed the reasonableness of management's estimated future recoveries including the expected future cash flows, discount rates and the valuation of collateral held.• Evaluating the reasonableness of the provisions made with particular focus on the impact of economic crisis on elevated risk industries, strategic responsive actions taken, collateral values, and the value and timing of future cashflows. <p>For loans and advances affected by government stimulus and debt moratorium relief measures granted:</p> <ul style="list-style-type: none">• Assessing the appropriateness of judgements, reasonableness of calculations and data used to determine whether customer contracts have been substantially modified or not and to determine the resulting accounting implications; and• Evaluating the reasonableness of the interest income recognised on such affected loans and advances.

Information Other than the Consolidated Financial Statements and Auditors' Report thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Corporate Overview, Board's Report, Management Discussion and Analysis Report, Business Responsibility Report and Report on Corporate Governance in the Annual Report of the Holding Company for the financial year 2022-23, but does not include the consolidated financial statements, and our Auditors' Report thereon. The reports containing the other information as above are expected to be made available to us after the date of this Auditors' Report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated.



When we read the reports containing the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions as per applicable laws and regulations.

Responsibilities of Management and Those Charged with Governance for the consolidated financial statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate its respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the respective companies in the Group.

Auditors' responsibilities for the audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 Consolidated Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risk of material misstatements of the consolidated 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. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has an adequate internal financial controls system 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 the 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 ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' report to the related disclosures in the consolidated 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 Auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements, of which we are the independent auditors 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the current year and are therefore the key audit matters. We describe these matters in our Auditors' report unless law or regulation precludes public disclosure

about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements/financial information of six subsidiaries (incorporated in India) and one foreign subsidiary, whose financial statements reflect total assets of ₹87,744.23 million as at March 31, 2023, total revenue of ₹13,973.85 million and net cash flows of ₹5,216.33 million for the year ended March 31, 2023, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of such other auditors.

Our opinion above on the consolidated financial statements, and our report on 'Other Legal and Regulatory Requirements' below, is not modified in respect of the above matter with respect to our reliance on the work done and reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As per 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 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries referred to in the other matters section above, we report, to the extent applicable, 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 purpose of our audit of the aforesaid consolidated financial statements;
 - b. In our opinion, proper books of account as required by law relating to the preparation of aforesaid consolidated financial statements have been kept by the Group so far as it appears from our examination



- of those books, returns and the reports of the other auditors. Since the key operations of the Holding Company are automated with the key applications integrated to Core Banking System (CBS)/ Management Information System (MIS), the audit of the Holding Company is carried out centrally as all the necessary records and data required for the purposes of our audit are available therein.
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and Consolidated Statements of Changes in Equity dealt with by this Report are in agreement with books of account maintained for the purpose of preparation of the consolidated financial statements.
- d. In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies, is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Group and the operating effectiveness of such controls, refer to our separate report 'Annexure B' to this report which is based on the auditors' reports of the Holding Company and subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to financial statements of those companies.
- g. With respect to the other matters to be included in the Auditors' report in accordance with section 197(16) of the Act, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Holding Company and Subsidiary Companies incorporated in India to its directors during the year is in accordance with the provisions of section 197 read with Schedule V to the Act; and
- h. With respect to other matters to be included in the Auditors' report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Group has disclosed the impact of pending litigation on its financial position in its consolidated financial statements – Refer Note 41 to the consolidated financial statements.
 - ii. The Group has made provisions, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India during the year ended March 31, 2023.
 - iv. With respect to clause (e) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended;
 - a) The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, other than as disclosed in the consolidated financial statements, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of its subsidiaries 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 Holding Company or any of its subsidiaries (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- b) The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, other than as disclosed in the consolidated financial statements, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or any of its subsidiaries from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of its subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any

guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiaries incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors’ notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The dividend declared/paid during the year by the Group is in compliance with section 123 of the Act.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Group with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For **Elias George & Co.**,
Chartered Accountants
Firm Regn. No. 000801S

Sd/-
Ranjit Mathews P
Partner
Membership No: 205377
UDIN: 23205377BGQGGU8210

May 19, 2023
Kochi

For **Babu A. Kallivayalil & Co.**,
Chartered Accountants
Firm Regn. No. 005374S

Sd/-
Babu Abraham Kallivayalil
Partner
Membership No: 026973
UDIN: 23026973BGUHZF3914

May 19, 2023
Kochi



'ANNEXURE A' REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF MUTHOOT FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2023

In terms of the information and explanations sought by us and given by the Holding Company and the books of account and records examined by us in the normal course of the audit and to the best of our knowledge and belief and based on the consideration of the report of respective auditors of the subsidiary companies, incorporated in India, we state that:

xxi. There are no qualifications or adverse remarks by the respective auditors in their report on Companies (Auditors Report) Order, 2020 of the companies included in the consolidated financial statements.

For **Elias George & Co.,**
Chartered Accountants
Firm Regn. No. 000801S

Sd/-
Ranjit Mathews P
Partner
Membership No: 205377
UDIN: 23205377BGQGGU8210

May 19, 2023
Kochi

For **Babu A. Kallivayalil & Co.,**
Chartered Accountants
Firm Regn. No. 005374S

Sd/-
Babu Abraham Kallivayalil
Partner
Membership No: 026973
UDIN: 23026973BGUHZF3914

May 19, 2023
Kochi

'ANNEXURE B' REFERRED TO IN PARAGRAPH 2(f) UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF MUTHOOT FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2023

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to the financial statements of Muthoot Finance Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies incorporated in India, as of that date.

Opinion

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the other matters paragraph below, the Holding Company and its subsidiary companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the criteria for internal financial controls with reference to consolidated financial statements established by the respective companies 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 (the 'Guidance Note').

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to consolidated financial statements criteria established by the Holding Company and its subsidiary companies incorporated in India considering the essential components of internal control stated in the Guidance Note. 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 respective 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 ('the Act').

Auditors' Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by the Institute of Chartered Accountants of India and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies incorporated in India in terms of their reports are sufficient and appropriate to provide a basis for



our audit opinion on the internal financial controls system with reference to consolidated financial statements.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to six subsidiary companies incorporated in India is based on the corresponding reports of the auditors of such companies.

Our opinion is not modified in respect of the above matter.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that:

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

For **Elias George & Co.,**
Chartered Accountants
Firm Regn. No. 000801S

Sd/-
Ranjit Mathews P
Partner
Membership No: 205377
UDIN: 23205377BGQGGU8210

May 19, 2023
Kochi

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 with Reference to Financial Statements Reporting

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **Babu A. Kallivayalil & Co.,**
Chartered Accountants
Firm Regn. No. 005374S

Sd/-
Babu Abraham Kallivayalil
Partner
Membership No: 026973
UDIN: 23026973BGUHZF3914

May 19, 2023
Kochi

Consolidated Balance Sheet

as at March 31, 2023

(₹ in millions, except for share data and unless otherwise stated)

Particulars	Notes	As at	
		March 31, 2023	March 31, 2022
I. ASSETS			
1 Financial assets			
a) Cash and cash equivalents	5	77,701.83	100,358.14
b) Bank Balance other than (a) above	5	2,654.76	2,791.47
c) Derivative financial instruments	6	-	605.01
d) Receivables	7		
(I) Trade Receivables		98.95	70.09
(II) Other Receivables		-	-
e) Loans	8	705,543.84	645,276.41
f) Investments	9	5,457.12	5,233.06
g) Other Financial assets	10	3,453.00	2,807.28
2 Non-financial Assets			
a) Current tax assets (Net)		474.57	110.21
b) Deferred tax Assets (Net)	35	640.98	1,089.74
c) Investment Property	11	82.02	93.41
d) Property, Plant and Equipment	12	3,272.37	2,816.92
e) Right to use Assets	13	142.23	147.80
f) Capital work-in-progress	12	674.27	523.44
g) Goodwill		299.96	299.96
h) Other Intangible assets	14	58.85	58.74
i) Intangible assets under development	14	0.44	0.49
j) Other non-financial assets	15	934.01	882.57
Total Assets		801,489.20	763,164.74
II. LIABILITIES AND EQUITY			
LIABILITIES			
1 Financial Liabilities			
a) Derivative financial instruments	6	1,921.73	4,797.97
b) Payables	16		
(I) Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises		7.20	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1,334.01	1,204.46
(II) Other Payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		817.29	367.92
c) Debt Securities	17	146,045.79	131,740.35
d) Borrowings (other than Debt Securities)	18	405,974.58	408,553.24
e) Deposits	19	3,314.76	2,235.26
f) Subordinated Liabilities	20	2,546.55	2,997.33
g) Lease Liabilities		155.57	159.80
h) Other financial liabilities	21	12,576.39	13,323.48
2 Non-financial Liabilities			
a) Current tax liabilities (Net)		811.92	1,418.15
b) Provisions	22	3,618.92	3,679.83
c) Deferred tax liabilities (Net)	35	152.86	166.36
d) Other non-financial liabilities	23	683.59	1,141.63
EQUITY			
a) Equity share capital	24	4,014.48	4,013.45
b) Other equity	25	212,643.04	183,843.79
Equity attributable to the owners of the parent		216,657.52	187,857.24
c) Non-controlling interest		4,870.52	3,521.72
Total Liabilities and Equity		801,489.20	763,164.74

Notes on accounts form part of consolidated financial statements

As per our report of even date attached

For Elias George & Co.
(FRN : 000801S)

sd/-
Ranjit Mathews P
Partner
Chartered Accountants
Membership No. 205377

For Babu A. Kallivayalil & Co.
(FRN : 005374S)

sd/-
Babu Abraham Kallivayalil
Partner
Chartered Accountants
Membership No. 026973

For and on behalf of the Board of Directors

sd/-
George Jacob Muthoot
Chairman & Whole-time Director
DIN: 00018235

sd/-
George Alexander Muthoot
Managing Director
DIN: 00016787

sd/-
Oommen K. Mammen
Chief Financial Officer

sd/-
Rajesh A
Company Secretary

Place: Kochi
Date: May 19, 2023

Place: Kochi
Date: May 19, 2023

Consolidated Statement of Profit and Loss

for the period ended March 31, 2023

(₹ in millions, except for share data and unless otherwise stated)

Particulars	Notes	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from operations			
(i) Interest income	26	115,555.35	119,251.52
(ii) Dividend income		9.41	0.09
(iii) Net gain on fair value changes	27	524.14	495.74
(iv) Net gain on derecognition of financial instruments under amortised cost category		1,403.12	847.74
(v) Sale of services	28	113.26	139.69
(vi) Service charges		1,371.35	1,121.31
(I) Total Revenue from operations		118,976.63	121,856.09
(II) Other Income	29	773.42	525.54
(III) Total Income (I + II)		119,750.05	122,381.63
Expenses			
(i) Finance costs	30	42,091.78	42,558.52
(ii) Impairment on financial instruments	31	2,420.07	3,842.21
(iii) Net Loss on derecognition of financial instruments		-	35.19
(iv) Employee benefits expenses	32	14,882.68	12,368.09
(v) Depreciation, amortization and impairment	33	781.61	700.03
(vi) Other expenses	34	10,346.11	8,775.71
(IV) Total Expenses (IV)		70,522.25	68,279.75
(V) Profit before tax (III- IV)		49,227.80	54,101.88
(VI) Tax Expense:	35		
(1) Current tax		12,341.19	14,110.96
(2) Deferred tax		294.47	(315.12)
(3) Taxes relating to prior years		(105.52)	(7.20)
(VII) Profit for the year (V- VI)		36,697.66	40,313.24
(VIII) Other Comprehensive Income			
A) (i) Items that will not be reclassified to profit or loss			
- Remeasurement of defined benefit plans		41.12	23.89
- Fair value changes on equity instruments through other comprehensive income		(84.82)	61.51
- Changes in value of forward element of forward contract		396.46	(670.21)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(89.89)	146.80
Subtotal (A)		262.87	(438.01)
B) (i) Items that will be reclassified to profit or loss			
- Gain/ (loss) from translating financial statements of foreign operations		(17.54)	(304.89)
- Fair value gain/ (loss) on debt instruments through other comprehensive income		-	(17.89)
- Effective portion of gain/ (loss) on hedging instruments in cash flow hedges		245.00	(40.34)
(ii) Income tax relating to items that will be reclassified to profit or loss		(61.66)	16.33
Subtotal (B)		165.80	(346.79)
Other comprehensive income (A + B) (VIII)		428.67	(784.80)
(IX) Total comprehensive income for the year (VII+VIII)		37,126.33	39,528.44
Profit for the year attributable to			
Owners of the parent		36,122.98	40,166.21
Non-controlling interest		574.68	147.03
Other comprehensive income attributable to			
Owners of the parent		439.54	(698.15)
Non-controlling interest		(10.87)	(86.63)
Total comprehensive income for the year attributable to			
Owners of the parent		36,562.52	39,468.05
Non-controlling interest		563.81	60.39
(X) Earnings per equity share	36		
(Face value of ₹10/- each)			
Basic (₹)		89.99	100.10
Diluted (₹)		89.98	100.05

Notes on accounts form part of consolidated financial statements

As per our report of even date attached

For Elias George & Co.
(FRN : 000801S)

sd/-
Ranjit Mathews P
Partner
Chartered Accountants
Membership No. 205377

For Babu A. Kallivayalil & Co.
(FRN : 005374S)

sd/-
Babu Abraham Kallivayalil
Partner
Chartered Accountants
Membership No. 026973

For and on behalf of the Board of Directors

sd/-
George Jacob Muthoot
Chairman & Whole-time Director
DIN: 00018235

sd/-
Oommen K. Mammen
Chief Financial Officer

sd/-
George Alexander Muthoot
Managing Director
DIN: 00016787

sd/-
Rajesh A
Company Secretary

Place: Kochi
Date: May 19, 2023

Place: Kochi
Date: May 19, 2023

Statement of changes in Equity

for the year ended March 31, 2023

(₹ in millions, except for share data and unless otherwise stated)

a. Equity Share Capital

Equity shares of ₹10/- each issued, subscribed and fully paid

Particulars	Number	Amount
As at April 01, 2021	401,195,856	4,011.96
Shares issued in exercise of Employee Stock Options during the year	149,410	1.49
As at March 31, 2022	401,345,266	4,013.45
Shares issued in exercise of Employee Stock Options during the year	102,965	1.03
As at March 31, 2023	401,448,231	4,014.48

b. Other Equity

Particulars	Reserves and Surplus										Other comprehensive income			Total non-controlling interest	Total			
	Statutory reserve	Securities premium	Debt redemption reserve (Refer Note 25-1(c))	General Reserve	Share Option Outstanding	Capital Redemption Reserve	Capital reserve	Retained Earnings	Foreign currency translation reserve	Debits in-struments through other comprehensive income	Equity instruments through other comprehensive income	Cash flow hedging reserve	Cost of Hedging Reserve			Income Tax relating to items to be reclassified	Other Items of Other Comprehensive Income (Remeasurement of defined benefit plans)	Total attributable to equity holders of the parent
Balance as at April 01, 2021	34,315.09	15,016.44	35,123.98	2,676.33	105.00	500.00	0.66	63,973.67	(79.25)	7.59	383.48	(173.95)	(156.74)	-	45.96	151,738.29	1,845.75	153,584.04
Profit for the period	-	-	-	-	-	-	-	40,166.20	-	-	-	-	-	-	-	40,166.20	147.03	40,313.23
Other comprehensive income for the year (Net of tax)	-	-	-	-	-	-	-	-	(222.32)	(8.20)	46.03	(30.19)	(501.53)	-	18.04	(698.16)	(86.63)	(784.80)
Remeasurement of the net defined benefit liability / asset, net of tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adjustments to non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend	-	-	-	-	-	-	-	(8,023.92)	-	-	-	-	-	-	-	(8,023.92)	-	(8,023.92)
Net gain / (loss) on transaction with Non-controlling interest	-	-	-	-	-	-	-	657.40	-	-	-	-	-	-	-	657.40	-	657.40
Tax on dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to/from retained earnings	8,062.65	-	-	-	-	-	-	(8,062.65)	-	-	-	-	-	-	-	-	-	-
Other Additions/ Deductions during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share based payment expenses	-	-	-	-	(1.98)	-	-	-	-	-	-	-	-	-	-	(1.98)	-	(1.98)
Share options exercised during the year	-	-	-	-	(41.28)	-	-	-	-	-	-	-	-	-	-	(41.28)	-	(41.28)
Share premium received during the year	-	47.26	-	-	-	-	-	-	-	-	-	-	-	-	-	47.26	-	47.26
Balance as at March 31, 2022	42,377.74	15,063.70	35,123.98	2,676.33	61.74	500.00	0.66	88,710.70	(301.57)	(0.61)	429.51	(204.14)	(658.27)	-	64.00	183,843.79	3,521.72	187,365.51

Statement of changes in Equity

for the year ended March 31, 2023

(₹ in millions, except for share data and unless otherwise stated)

Particulars	Reserves and Surplus										Other comprehensive income				Total at-tributable to equity holders of the parent	Total non-con-trolling interest	Total
	Statutory reserve	Secu-rities premium	Debtenture redemp-tion reserve (Refer Note 25.1(e))	General Reserve	Share Option Out-standing	Capital Redemp-tion Reserve	Capital reserve	Retained Earnings	Foreign currency trans-lation reserve	Debits in-struments through other com-prehensive income	Equity instruments through other com-prehensive income	Cash flow hedging reserve	Cost of Hedging Reserve	Income Tax relating to items to be reclassi-fied			
Profit for the period	-	-	-	-	-	-	36,122.98	-	-	-	-	-	-	-	36,122.98	574.68	36,697.66
Other comprehensive income for the year (Net of tax)	-	-	-	-	-	-	-	(12.79)	0.04	(63.48)	183.38	298.26	-	-	439.54	(10.87)	428.67
Adjustments to non controlling interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	784.99	784.99
Dividend	-	-	-	-	-	-	(8,026.91)	-	-	-	-	-	-	-	(8,026.91)	-	(8,026.91)
Tax on dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net gain / (loss) on transaction with Non-controlling interest	-	-	-	-	-	-	259.51	-	-	-	-	-	-	-	259.51	-	259.51
Transfer to/from retained earnings	-	-	-	-	-	-	(7,122.21)	-	-	-	-	-	-	-	-	-	-
Other Additions/ Deductions during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share based payment expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share option exercised during the year	-	-	-	-	-	(32.46)	-	-	-	-	-	-	-	-	(32.46)	-	(32.46)
Transfer from ESOP reserves	-	-	-	-	-	(9.16)	9.16	-	-	-	-	-	-	-	0.00	-	0.00
Share premium received during the year	-	36.59	-	-	-	-	-	-	-	-	-	-	-	-	36.59	-	36.59
Balance as at March 31, 2023	49,499.95	15,100.29	35,123.98	2,676.33	20.12	500.00	0.66	314.36	(0.57)	366.03	(20.76)	(360.01)	-	98.13	212,643.04	4,870.52	217,513.56

Notes on accounts form part of consolidated financial statements

As per our report of even date attached

For Elias George & Co.
(FRN : 000801S)

For Babu A. Kallivayalil & Co.
(FRN : 005374S)

For and on behalf of the Board of Directors

sd/-
Ranjit Mathews P
Partner
Chartered Accountants
Membership No. 205377

sd/-
Babu Abraham Kallivayalil
Partner
Chartered Accountants
Membership No. 026973

sd/-
George Jacob Muthoot
Chairman & Whole-time Director
DIN: 00018235

sd/-
George Alexander Muthoot
Managing Director
DIN: 00016787

sd/-
Oommen K. Mammen
Chief Financial Officer

sd/-
Rajesh A
Company Secretary

Place: Kochi
Date: May 19, 2023

Place: Kochi
Date: May 19, 2023

Cash Flow Statement

for the year ended March 31, 2023

(₹ in millions, except for share data and unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
A. Cash flow from Operating activities		
Profit before tax	49,227.80	54,101.87
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation, amortisation and impairment	781.61	700.03
Impairment on financial instruments	2,420.07	3,835.21
Finance cost	42,091.78	42,558.52
(Profit)/Loss on sale of Property, plant and equipment	(2.39)	(7.90)
Provision for Gratuity	145.71	172.74
Provision for Compensated absences	31.16	(32.34)
Provision for Employee benefit expense - Share based payments for employees	-	(1.98)
Provision for refund of interest on interest	-	4.55
Interest income on investments	(2,665.79)	(1,799.91)
Dividend income	(9.41)	(0.09)
(Profit)/Loss on sale of mutual funds	(716.50)	(492.84)
Unrealised (Gain)/loss on investment	192.36	4.10
Operating Profit Before Working Capital Changes	91,496.40	99,041.96
Adjustments for:		
(Increase)/Decrease in Trade receivables	(28.86)	27.93
(Increase)/Decrease in Bank balances other than cash and cash equivalents	136.22	(356.63)
(Increase)/Decrease in Loans	(59,869.49)	(61,195.18)
(Increase)/Decrease in Other financial assets	(723.30)	775.58
(Increase)/Decrease in Other non-financial assets	28.64	91.13
Increase/(Decrease) in Other financial liabilities	1,542.38	113.95
Increase/(Decrease) in Other non-financial liabilities	(457.46)	628.82
Increase/(Decrease) in Trade payables	586.14	(541.46)
Increase/(Decrease) in Provisions	(3,011.40)	(821.47)
Cash generated from/ (used in) operations	29,699.27	37,764.63
Finance cost paid	(44,521.97)	(39,706.33)
Income tax paid	(13,217.97)	(14,022.79)
Net cash from / (used in) operating activities	(28,040.67)	(15,964.49)
B. Cash flow from Investing activities		
Purchase of Property, plant and equipment and intangible assets	(1,411.43)	(970.59)
Proceeds from sale of Property, plant and equipment	13.99	24.11
(Increase)/Decrease in Investment Property	8.74	4.40
(Increase)/Decrease in Investment in mutual funds (Net)	1,624.40	(8.90)
(Increase)/Decrease in Investments at amortised cost	(1,160.39)	3,410.95
Interest received on investments	2,724.95	1,756.33
Dividend income	9.41	0.09
Net cash from / (used in) investing activities	1,809.67	4,216.39



Cash Flow Statement

for the year ended March 31, 2023

(₹ in millions, except for share data and unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
C. Cash flow from Financing activities		
Proceeds from issue of equity share capital	5.15	7.47
Proceeds from issue of subsidiary shares to Non-controlling interest	1,050.00	2,276.29
Increase / (Decrease) in Debt securities	14,225.96	(14,991.44)
Increase / (Decrease) in Borrowings (other than Debt securities)	(3,896.22)	55,565.48
Increase / (Decrease) in Deposits	1,143.57	432.27
Increase / (Decrease) in Subordinated liabilities	(459.47)	(732.83)
Payment of lease liabilities and interest on lease liabilities	(86.74)	(75.05)
Dividend paid	(8,032.06)	(8,027.30)
Net cash from / (used in) financing activities	3,950.19	34,454.89
D. Net increase/(decrease) in cash and cash equivalents (A+B+C)	(22,280.81)	22,706.79
Net foreign exchange difference	(10.30)	(111.38)
Cash and cash equivalents at April 01, 2022/ April 01, 2021	100,602.47	78,007.06
Cash and cash equivalents at March 31, 2023/ March 31, 2022	78,311.36	100,602.47

Notes:

- The above Cash flow statement has been prepared under the “ Indirect Method” as set out in the Indian Accounting Standard (Ind AS-7)- Statement of Cash Flows.
- Components of Cash and cash equivalents as per Consolidated Cash flow statement:

Particulars	Year ended March 31 2023	Year ended March 31 2022
Cash and cash equivalents as per Consolidated Balance sheet	77,701.83	100,358.14
Add: Investment in reverse re-purchase against treasury bills and bonds (maturity less than 3 months)	610.47	254.35
	78,312.30	100,612.49
Less: Bank Overdraft	0.94	10.02
Cash and cash equivalents as per Consolidated Cash flow Statement	78,311.36	100,602.47

Notes on accounts forms part of consolidated financial statements

As per our report of even date attached

For Elias George & Co.
(FRN : 000801S)

For Babu A. Kallivayalil & Co.
(FRN : 005374S)

For and on behalf of the Board of Directors

sd/-
Ranjit Mathews P
Partner
Chartered Accountants
Membership No. 205377

sd/-
Babu Abraham Kallivayalil
Partner
Chartered Accountants
Membership No. 026973

sd/-
George Jacob Muthoot
Chairman & Whole-time Director
DIN: 00018235

sd/-
George Alexander Muthoot
Managing Director
DIN: 00016787

sd/-
Oommen K. Mammen
Chief Financial Officer

sd/-
Rajesh A
Company Secretary

Place: Kochi
Date: May 19, 2023

Place: Kochi
Date: May 19, 2023

Notes

forming part of Financial Statements

1. Corporate Information

Muthoot Finance Limited (“the Company”) was incorporated as a private limited Company on 14th March, 1997 and was converted into a public limited company on November 18, 2008. The Company was promoted by Late Mr. M. G. George Muthoot, Mr. George Thomas Muthoot, Mr. George Jacob Muthoot and Mr. George Alexander Muthoot who collectively operated under the brand name of “The Muthoot Group”. The Company obtained permission from the Reserve Bank of India for carrying on the business of Non-Banking Financial Institutions on 13-11-2001 vide Regn. No. N 16.00167. The Company is presently classified as Systemically Important Non-Deposit Taking NBFC (NBFC-ND-SI). **The Reserve Bank of India vide its press release 2022-2023/975 dated September 30, 2022, has classified Muthoot Finance Limited as Upper Layer NBFC as per their “Scale based regulatory framework”.** The Registered Office of the Company is at 2nd Floor, Muthoot Chambers, Opposite Saritha Theatre Complex, Banerji Road, Kochi - 682 018, India.

The Company made an Initial Public Offer of 51,500,000 Equity Shares of the face value ₹10/- each at a price of ₹175/- raising ₹9,012.50 million during the month of April 2011. The equity shares of the Company are listed on National Stock Exchange of India Limited and BSE Limited from May 6, 2011.

Basis of Consolidation

The Consolidated financial statements relate to Muthoot Finance Limited and its subsidiaries which constitute the ‘Group’ hereinafter. Following subsidiary companies have been considered in the preparation of the consolidated financial statements: -

Name of the Company (Country of Incorporation)	Abbreviation used	Relationship with the company	% of holding as at March 31, 2023	% of holding as at March 31, 2022
Asia Asset Finance PLC (Sri Lanka)	AAF	Subsidiary Company	72.92	72.92
Muthoot Homefin (India) Limited (India)	MHIL	Wholly owned subsidiary Company	100.00	100.00
Belstar Microfinance Limited (India)	BML	Subsidiary Company	56.97	60.69
Muthoot Insurance Brokers Private Limited (India)	MIBPL	Wholly owned subsidiary Company	100.00	100.00
Muthoot Money Limited (India)	MML	Wholly owned subsidiary Company	100.00	100.00
Muthoot Asset Management Private Limited (India)	MAMPL	Wholly owned subsidiary Company	100.00	100.00
Muthoot Trustee Private Limited (India)	MTPL	Wholly owned subsidiary Company	100.00	100.00

As stated in Note 9.2 of the consolidated financial statements, the Company held 2,163,000 equity shares of Nepalese Rupee 100/- each in United Finance Limited as at March 31, 2021. Since the management did not have significant influence over the entity as specified in Ind AS-28 - Investments in Associates and Joint Ventures; had elected to recognise and measure the investment at fair value through OCI as per the requirements of Ind AS 109 – Financial Instruments. On July 11, 2021, United Finance Limited was acquired by Nabil Bank Limited, Nepal in share swap 1 : 0.35 and accordingly the Company holds 11,98,531 equity shares of Nepalese Rupee 100/- (i.e. 0.442965% shareholding) each as at March 31, 2023.

2. Basis of preparation and presentation

2.1. Statement of Compliance

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, (as amended from

time to time). These financial statements may require further adjustments, if any, necessitated by the guidelines / clarifications / directions issued in the future by RBI, Ministry of Corporate Affairs, or other regulators, which will be implemented as and when the same are issued and made applicable.



Notes

forming part of Financial Statements

2.2. Principles of Consolidation

2.2.1. Business Combination:

The Group applies Ind AS 103, Business Combinations, to business combinations. In accordance with Ind AS 103, the Group accounts for these business combinations using the acquisition method when control is transferred to the Group. The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on bargain purchase is recognised in Other Comprehensive Income (OCI) and accumulated in equity as capital reserve if there exist clear evidence of the underlying reason for classifying the business combination as resulting in bargain purchase; otherwise the gain is recognised directly in equity as capital reserve. Transaction cost are expensed as incurred, except to the extent related to debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognised in the statement of profit and loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured subsequently and settlement is accounted for within equity. Other contingent consideration is remeasured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognised in the statement of profit and loss.

If business combination is achieved in stages, any previously held equity interest of the acquirer in the acquiree is remeasured to its acquisition date fair value and any resulting gain or loss is recognised in the Statement of Profit and Loss or OCI, as appropriate.

2.2.2. Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has right to, variable returns from its involvement with the entity and has the ability to affect those returns through

its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

2.2.3. Non-controlling interests (NCI)

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

2.2.4. Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other component of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in the Statement of Profit and Loss.

2.2.5. Transactions eliminated on consolidation

Intra group balances and transactions, and any unrealised income and expenses arising from intra group transactions are eliminated.

2.2.6. Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into at the exchange rates at the dates of the transactions.

The Group recognises foreign currency translation differences in OCI and accumulated in equity (as exchange difference on translating the financial statements of foreign operations), except to the extent that the exchange differences are allocated to NCI.

When a foreign operation is disposed off in its entirety or partially such that control or significant influence is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to the Statement of Profit and Loss as part of the gain or loss on disposal. If

Notes

forming part of Financial Statements

the Group disposes off part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to NCI.

2.2.7. The financial statement of the subsidiary companies used in the consolidation are drawn up to the same reporting date as that of the Company i.e., year ended March 31, 2023.

2.2.8. Consolidated financial statements are prepared using uniform accounting policies except as stated in Notes 3.9 and 3.10 of Consolidated Financial Statements. The adjustments arising out of the same are not considered material.

2.3. Basis of measurement

The consolidated financial statements have been prepared on a historical cost basis, except for following assets and liabilities which have been measured at fair value:

- i) fair value through other comprehensive income (FVOCI) instruments,
- ii) derivative financial instruments,
- iii) other financial assets held for trading
- iv) financial assets and liabilities designated at fair value through profit or loss (FVTPL)

2.4. The financial statements of the Group are presented as per Schedule III (Division III) of the Companies Act, 2013 applicable to NBFCs, as notified by the Ministry of Corporate Affairs (MCA). Financial assets and financial liabilities are generally reported on a gross basis except when, there is an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event and the parties intend to settle on a net basis.

2.5. Functional and presentation currency

The consolidated financial statements are presented in Indian Rupees (₹) which is also its functional currency and all values are rounded to the nearest million, except when otherwise indicated.

2.6. New Accounting Standards that are issued but not effective

There are no standards that are issued but not yet effective on March 31, 2023.

3. Significant accounting policies

3.1. Revenue Recognition

3.1.1. Recognition of interest income

The Group recognises Interest income by applying the effective interest rate (EIR) to the gross carrying amount of a financial asset except for purchased or originated credit-impaired financial assets and other credit-impaired financial assets.

For purchased or originated credit-impaired financial assets, the Group applies the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition.

For other credit-impaired financial assets, the Group applies effective interest rate to the amortised cost of the financial asset in subsequent reporting periods.

The effective interest rate on a financial asset is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. While estimating future cash receipts, factors like expected behaviour and life cycle of the financial asset, probable fluctuation in collateral value etc are considered which has an impact on the EIR.

While calculating the effective interest rate, the Group includes all fees and points paid or received to and from the borrowers that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Interest income on all trading assets and financial assets required to be measured at FVTPL is recognised using the contractual interest rate as net gain on fair value changes.



Notes

forming part of Financial Statements

3.1.2. Recognition of revenue from sale of goods or services

Revenue (other than for Financial Instruments within the scope of Ind AS 109) is measured at an amount that reflects the considerations, to which an entity expects to be entitled in exchange for transferring goods or services to customer, excluding amounts collected on behalf of third parties.

The Group recognises revenue from contracts with customers based on a five-step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the respective company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the respective company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the respective company satisfies a performance obligation.

Revenue from contract with customer for rendering services is recognised at a point in time when the performance obligation is satisfied.

3.1.3. Recognition of Dividend Income

Dividend income (including from FVOCI investments) is recognised by the Group when the respective Company's

right to receive the payment is established. This is established when it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably.

3.2. Financial instruments

A. Financial Assets

3.2.1. Initial recognition and measurement

All financial assets are recognised initially at fair value when the Group become party to the contractual provisions of the financial asset. In case of financial assets which are not recorded at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial assets, are adjusted to the fair value on initial recognition.

3.2.2. Subsequent measurement

The Companies in the Group classify its financial assets into various measurement categories. The classification depends on the contractual terms of the financial assets' cash flows and the respective company's business model for managing financial assets.

a. Financial assets measured at amortised cost

A financial asset is measured at Amortised Cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the Financial Asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b. Financial assets measured at fair value through other comprehensive income (FVOCI)

A financial asset is measured at FVOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and contractual terms of financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Notes

forming part of Financial Statements

c. Financial assets measured at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

3.2.3. Other Equity Investments

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Group has elected to present the changes in fair value through other comprehensive income (FVOCI)

B. Financial liabilities

3.2.4. Initial recognition and measurement

All financial liabilities are recognized initially at fair value when the company become party to the contractual provisions of the financial liability. In case of financial liability which are not recorded at fair value through profit or loss, transaction cost that are directly attributable to the acquisition or issue of the financial liability are adjusted to the fair value on initial recognition. The Group's financial liabilities include trade and other payables, Non-Convertible Debentures loans and borrowings including bank overdrafts.

3.2.5. Subsequent Measurement

Financial liabilities other than financial liabilities at fair value through profit or loss which includes derivative financial instruments are subsequently carried at amortized cost using the effective interest method. Subsequent measurement of derivative financial instruments are at fair value as detailed under Note 3.7 'Derivative Financial Instruments'.

3.3. Derecognition of financial assets and liabilities

3.3.1. Financial Asset

The Group derecognizes a financial asset when the contractual cash flows from the asset expire or it transfers its rights to receive contractual cash flows from the financial asset in a transaction in which substantially all the risks and rewards of ownership are transferred. Any rights and obligations created or

retained in the transfer of such financial assets by the Group is recognized as a separate asset or liability.

An entity has transferred the financial asset if, and only if, either:

- a) it has transferred its contractual rights to receive cash flows from the financial asset or
- b) It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement

Pass-through arrangements are transactions whereby the respective Company retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), on satisfying specific conditions.

3.3.2. Financial Liability

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in the Statement of profit and loss.

3.4. Offsetting

Financial assets and financial liabilities are generally reported gross in the balance sheet. Financial assets and liabilities are offset and the net amount is presented in the balance sheet when the Group has a legal right to offset the amounts and intends to settle on a net basis or to realise the asset and settle the liability simultaneously in all the following circumstances:

- a. The normal course of business
- b. The event of default



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- c. The event of insolvency or bankruptcy of the Group and/or its counterparties

3.5. Impairment of financial assets

In accordance with Ind AS 109, the Group uses 'Expected Credit Loss' model (ECL), for evaluating impairment of financial assets other than those measured at Fair value through profit or loss. The Group follows simplified approach for recognition of impaired loss allowance on:

- a) Trade Receivables or contract revenue receivables; and
- b) All lease receivables resulting from transactions within the scope of Ind AS 116.

3.5.1. Overview of the Expected Credit Loss (ECL) model

Expected Credit Loss, at each reporting date, is measured through a loss allowance for a financial asset:

- At an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition.
- At an amount equal to 12-month expected credit losses, if the credit risk on a financial instrument has not increased significantly since initial recognition.

Lifetime expected credit losses means expected credit losses that result from all possible default events over the expected life of a financial asset.

12-month expected credit losses means the portion of Lifetime ECL that represent the ECLs that result from default events on financial assets that are possible within the 12 months after the reporting date.

The Group performs an assessment, at the end of each reporting period, of whether a financial asset's credit risk has increased significantly since initial recognition. When making the assessment, the change in the risk of a default occurring over the expected life of the financial instrument is used instead of the change in the amount of expected credit losses.

Based on the above process, the Group categorises its loans into three stages as described below:

For non-impaired financial assets

- Stage 1 is comprised of all non-impaired financial assets which have not experienced a significant increase in credit risk since initial recognition. A 12-month ECL provision is made for stage 1 financial assets. In assessing whether credit risk has increased significantly, The Companies in the Group compares the risk of a default occurring on the financial asset as at the reporting date with the risk of a default occurring on the financial asset as at the date of initial recognition.
- Stage 2 is comprised of all non-impaired financial assets which have experienced a significant increase in credit risk since initial recognition. The Companies in the Group recognises lifetime ECL for stage 2 financial assets. In subsequent reporting periods, if the credit risk of the financial instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then entities shall revert to recognizing 12 months ECL provision.

For impaired financial assets:

Financial assets are classified as Stage 3 when there is objective evidence of impairment as a result of one or more loss events that have occurred after initial recognition with a negative impact on the estimated future cash flows of a loan or a portfolio of loans. The Group recognises lifetime ECL for impaired financial assets.

3.5.2. Estimation of Expected Credit Loss

The mechanics of the ECL calculations are outlined below and the key elements are as follows:

Probability of Default (PD) - The Probability of Default is an estimate of the likelihood of default over a given time horizon.

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The Group uses historical information where available to determine PD. Considering the different products and schemes, the Group has bifurcated its loan portfolio into various pools. For certain pools where historical information is available, the PD is calculated considering fresh slippage of past years. For those pools where historical information is not available, the PD/default rates as stated by external reporting agencies is considered.

Exposure at Default (EAD) - The Exposure at Default is an estimate of the exposure at a future default date, considering expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected draw downs on committed facilities, and accrued interest from missed payments.

Loss Given Default (LGD) - The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral.

Forward looking information

While estimating the expected credit losses, the Group reviews macro-economic developments occurring in the economy and market it operates. On a periodic basis, the Group analyses if there is any relationship between key economic trends like GDP, unemployment rates, benchmark rates set by the Reserve Bank of India, inflation etc. with the estimate of PD, LGD determined by the Group based on its internal data. While the internal estimates of PD, LGD rates by the Group may not be always reflective of such relationships, temporary overlays, if any, are embedded in the methodology to reflect such macro-economic trends reasonably.

To mitigate its credit risks on financial assets, the Group seeks to use collateral, where possible. The collateral comes in various forms, such as cash, securities, letters of credit/guarantees, vehicles, etc. However, the fair value of collateral affects the calculation of ECLs. The collateral is majorly the property for which the loan is given. The fair value of the same is based on data provided by third party or management judgements.

Loans are written off (either partially or in full) when there is no realistic prospect of recovery. This is generally the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. Any subsequent recoveries against such loans are credited to the Statement of Profit and Loss.

3.6. Determination of fair value of Financial Instruments

The Group measures financial instruments, such as, investments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- i. In the principal market for the asset or liability, or
- ii. In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.



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The financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

Level 1 financial instruments –Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Group has access to at the measurement date. The Group considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

Level 2 financial instruments–Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Group will classify the instruments as Level 3.

Level 3 financial instruments –Those that include one or more unobservable input that is significant to the measurement as whole.

3.7. Derivative financial instruments

The Group enters into derivative financial instruments such as foreign exchange forward contracts and cross currency swaps to manage its exposure to foreign exchange rate risk and interest rate swaps to manage its interest rate risk.

Derivatives are initially recognised at fair value on the date when a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date and carried as assets when their fair value is positive and as liabilities when their fair value is negative. The resulting gain/loss is recognised in the Statement of Profit and Loss immediately unless the

derivative is designated and is effective as a hedging instrument, in which event the timing of the recognition in the Statement of Profit and Loss depends on the nature of the hedge relationship. The Company has designated the derivative financial instruments as cash flow hedges of recognised liabilities and unrecognised firm commitments.

Hedge accounting

In order to manage particular risks, the Company applies hedge accounting for transactions that meet specific criteria.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship and the risk management objective and strategy for undertaking the hedge. The company enters into derivative financial instruments that have critical terms aligned with the hedged item and in accordance with the Risk management policy of the company, the hedging relationship is extended to the entire term of the hedged item. The hedges are expected to be highly effective if the hedging instrument is offsetting changes in fair value or cash flows of the hedged item attributable to the hedged risk. The assessment of hedge effectiveness is carried out at inception and on an ongoing basis to determine that the hedging relationship has been effective throughout the financial reporting periods for which they were designated.

Cash Flow Hedges

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability (such as all or some future interest payments on variable rate debt) or a highly probable forecast transaction and could affect profit and loss. For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity (cash flow hedge reserve). The ineffective portion of the gain or loss on the hedging instrument is recognised immediately in the Statement of Profit and Loss. When the hedged cash flow affects the Statement of Profit and Loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the Statement

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of Profit and Loss. When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognised in OCI at that time remains in OCI and is recognised when the hedged forecast transaction is ultimately recognised in the Statement of Profit and Loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the Statement of Profit and Loss.

3.8. Cash and cash equivalents

Cash and cash equivalents comprise of cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the Statement of Cash Flows, cash and cash equivalents consist of cash and short-term deposits, as defined above and investment in reverse re-purchase against treasury bills and bonds, net of outstanding bank overdrafts if any, as they are considered an integral part of the Group's cash management.

3.9. Property, plant and equipment

Property, plant and equipment (PPE) are measured at cost less accumulated depreciation and accumulated impairment, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Advances paid towards the acquisition of fixed assets, outstanding at each reporting date are shown under other non-financial assets. The cost of property, plant and equipment not ready for its intended use at each reporting date are disclosed as capital work-in-progress.

Subsequent expenditure related to the asset are added to its carrying amount or recognised as a separate asset only if it increases the future benefits of the existing asset, beyond its previously assessed standards of performance and cost can be measured reliably. Other

repairs and maintenance costs are expensed off as and when incurred.

3.9.1. Depreciation

Depreciation on Property, Plant and Equipment is calculated by the Company and subsidiary companies incorporated in India using written down value method (WDV) to write down the cost of property and equipment to their residual values over their estimated useful lives which is in line with the estimated useful life as specified in Schedule II of the Companies Act, 2013 or useful life estimated by the respective management based on technical evaluation.

The estimated useful lives are as follows:

Particulars	Useful life
Leasehold Improvements	10 years
Furniture and fixture	10 years
Plant	15 years
Office equipment (MML, MHIL, BML, MFL)	5 years
Office equipment (MIBPL)	10 years
Server and networking	6 years
Computers	3 years
Building	30 years
Vehicles (MML, MFL)	8 years
Vehicles (MIBPL, BML)	10 years
Wind Mill	22 years

In respect of foreign subsidiary AAF, the Property, Plant and Equipment are depreciated on straight line method over the estimated useful life of the assets.

The estimated useful lives are as follows:

Particulars	Useful life
Building	8 years
Plant	8 years
Furniture and fixture	6 years
Office equipment	6 years
Vehicles	6.5 years
Computers	6 years

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. Changes in the expected



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useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

Property plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income/expense in the Statement of Profit and Loss in the year the asset is derecognised. The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

3.10. Intangible assets

An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Group.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of an intangible asset comprises its purchase price including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

Subsequent expenditure related to the assets added to its carrying amount or recognised as a separate asset only if it increases the future benefits of the existing asset, beyond its previously assessed standards of performance and cost can be measured reliably.

Intangible assets comprising of software is amortised by the Company and MML and MIBPL on straight line basis over a period of 5 years, unless it has a shorter useful life. In respect of BML and AAF computer software are amortized over a period of 3 years and 8 years respectively. In respect of MHIL, intangible assets are amortised on a WDV basis over a period of 5 years, unless it has a shorter useful life.

Gains or losses from derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit and Loss when the asset is derecognised.

3.11. Investment Property

Properties, held to earn rentals and/or capital appreciation are classified as investment property and measured and reported at cost, including transaction costs.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of property is recognised in the Statement of Profit and Loss in the same period.

The fair value of investment property is disclosed in the notes accompanying the consolidated financial statements. Fair value has been determined by independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued. The estimated useful life is 15 years.

3.12. Impairment of non-financial assets: Property, Plant and Equipment, Intangible Assets and Investment property

The Group assesses, at each reporting date, whether there is any indication that any Property, Plant and Equipment, Intangible Assets, investment property or group of assets called Cash Generating Units (CGU) may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount to determine the extent of impairment, if any.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its

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recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

3.13. Employee Benefits Expenses

3.13.1. Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services

3.13.2. Post-Employment Benefits

A. Defined contribution schemes

All eligible employees of the Group are entitled to receive benefits under the provident fund, a defined

contribution plan in which both the employee and the Group contribute monthly at a stipulated percentage of the covered employee's salary. Contributions are made to Employees Provident Fund Organization in respect of Provident Fund, Pension Fund and Employees Deposit Linked Insurance Scheme at the prescribed rates and are charged to Statement of Profit and Loss at actuals. The Group has no liability for future provident fund benefits other than its annual contribution.

B. Defined Benefit schemes

Gratuity

The Company and its subsidiaries BML, MHIL and MML provides for gratuity covering eligible employees under which a lump sum payment is paid to vested employees at retirement, death, incapacitation or termination of employment, of an amount reckoned on the respective employee's salary and his tenor of employment with the Group. The said companies in the Group accounts for its liability for future gratuity benefits based on actuarial valuation determined at each Balance Sheet date by an Independent Actuary using Projected Unit Credit Method. The Companies makes annual contribution to a Gratuity Fund administered by Trustees and separate schemes managed by Kotak Mahindra Old Mutual Life Insurance Limited and/or ICICI Prudential Life Insurance Company Limited. In respect of subsidiary BML, contribution to gratuity fund is made through Life Insurance Corporation of India group gratuity fund. In respect of subsidiaries MHIL and MML gratuity liability is not funded. In respect of its foreign subsidiary AAF, future gratuity benefits are accounted for as liability based on actuarial valuation by Project Unit Credit Method in accordance with LKAS 19. The gratuity liability is not externally funded.

The obligation is measured at the present value of the estimated future cash flows.

An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive



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to changes in these assumptions. All assumptions are reviewed at each reporting date.

Re-measurement, comprising of actuarial gains and losses (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income in the period in which they occur. Re-measurements are not reclassified to profit and loss in subsequent periods.

3.13.3. Other Long term employee benefits

Accumulated compensated absences

The Group provides for liability of accumulated compensated absences for eligible employees on the basis of an independent actuarial valuation carried out at the end of the year, using the projected unit credit method. Actuarial gains and losses are recognised in the Statement of Profit and Loss for the period in which they occur.

3.13.4. Employee share based payments

Stock options granted to the employees of the Company under the stock option scheme established are accounted as per the accounting treatment prescribed by the SEBI (Share Based Employee Benefits) Regulations, 2014 issued by Securities and Exchange Board of India.

The Company follows the fair value method of accounting for the options and accordingly, the excess of market value of the stock options as on the date of grant over the fair value of the options is recognised as deferred employee compensation cost and is charged to the Statement of Profit and Loss on graded vesting basis over the vesting period of the options.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

3.14. Provisions (other than employee benefits)

Provisions are recognised when the enterprise has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources

embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

When the effect of the time value of money is material, the enterprise determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the Statement of Profit and Loss net of any reimbursement.

3.15. Taxes

Income tax expense represents the sum of current tax and deferred tax.

3.15.1. Current Tax

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible in accordance with applicable tax laws.

The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the end of reporting date where the respective Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss i.e., either in other comprehensive income or in equity. Current tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

3.15.2. Deferred tax

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities used in the computation of taxable profit and

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their carrying amounts in the consolidated financial statements for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- i. Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- ii. In respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- i. When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- ii. In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset

to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss i.e., either in other comprehensive income or in equity. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

3.16. Contingent Liabilities and Assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. The Group does not have any contingent assets in the financial statements.



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3.17. Earnings Per Share

The Group reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic EPS is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividend and attributable taxes) by the weighted average number of equity shares outstanding during the year.

For calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

3.18. Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Group at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in the Statement of Profit and Loss.

3.19. Cash-flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The

cash flows from regular revenue generating, investing and financing activities of the Group are segregated.

3.20. Leases

Effective 01 April 2019, the Group had applied Ind AS 116 'Leases'/SLFRS 16 to all lease contracts existing on 01 April 2019 by adopting the modified retrospective approach.

The Group evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116/SLFRS 16. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset.

The Group as a lessee

The Group has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of less than or equal to 12 months and leases with low value assets. The Group determines the lease term as the non-cancellable period of a lease, together with periods covered by an option to extend the lease, where the Group is reasonably certain to exercise that option.

The Group recognises the lease payments associated with these leases as an expense in Statement of Profit and Loss on a straight-line basis over the lease term or another systematic basis if that basis is more representative of the pattern of the lessee's benefit. The related cash flows are classified as operating activities.

Wherever the above exception permitted under Ind AS 116 is not applicable/or as per SLFRS 16, the Group at the time of initial recognition:

- measures lease liability as present value of all lease payments discounted using the Group's incremental cost of borrowing and directly attributable costs. Subsequently, the lease liability is increased by interest on lease liability, reduced by lease payments made and remeasured to reflect any reassessment or lease modifications specified in the standard, or to reflect revised fixed lease payments.
- measures 'Right-of-use assets' as present value of all lease payments discounted using the Group's

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incremental cost of borrowing and any initial direct costs. Subsequently, 'Right-of-use assets' is measured using cost model i.e. at cost less any accumulated depreciation (depreciated on straight line basis over the lease period) and any accumulated impairment losses adjusted for any re-measurement of the lease liability specified in the standard.

The Group as a lessor

Leases under which the Group is a lessor are classified as finance or operating leases. Lease contracts where all the risks and rewards are substantially transferred to the lessee, the lease contracts are classified as finance leases. All other leases are classified as operating leases. Lease payments from operating leases are recognised as an income in the Statement of Profit and Loss on a straight-line basis over the lease term or another systematic basis if that basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished.

4. Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with the Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosure and the disclosure of contingent liabilities, at the end of the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most

significant effect on the amounts recognized in the consolidated financial statements is included in the following notes:

4.1. Business Model Assessment

Classification and measurement of financial assets depends on the results of the sole payments of principal and interest test, and the business model test. The respective companies in the Group determine the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Group monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

4.2. Effective Interest Rate (EIR) method

The Group's EIR methodology, recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges).

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, probable fluctuations in collateral value as well as expected changes to India's base rate and other fee income/expense that are integral parts of the instrument.



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4.3. Impairment of loans portfolio

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

It has been the Group's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

4.4. Defined employee benefit assets and liabilities

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

4.5. Fair value measurement

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be

measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

4.6. Determination of lease term

Ind AS 116 "Leases" requires lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes assessment on the expected lease term on lease by lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of lease and the importance of the underlying to the Group's operations taking into account the location of the underlying asset and the availability of the suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

4.7. Other estimates

These include contingent liabilities, useful lives of tangible and intangible assets etc.

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(₹ in millions, except for share data and unless otherwise stated)

Note 5.1: Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Cash on hand	1,699.11	1,957.21
Balances with Banks		
- in current accounts	59,057.12	36,409.48
- in fixed deposit (maturing within a period of three months)	11,948.46	34,003.24
Investment in TREPS	4,997.14	27,988.21
Total	77,701.83	100,358.14

Note 5.2: Bank balance other than cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Fixed deposits with bank (Maturing after period of three months)	1,861.29	857.02
Fixed deposits with bank under lien (Refer Note 5.2.1)		
- Maturing within a period of three months	6.96	549.01
- Maturing after period of three months	679.71	1,233.87
Balance in other escrow accounts		
- Unpaid (Unclaimed) Dividend Account	9.16	8.67
- Unspent CSR expenditure account	22.83	66.83
- Unpaid (Unclaimed) interest and redemption proceeds of Non-Convertible debentures - Public Issue	74.81	76.07
Total	2,654.76	2,791.47

Note 5.2.1 Fixed deposits with bank under lien

Particulars	As at March 31, 2023	As at March 31, 2022
Fixed Deposits given as Security for borrowings	381.56	1,202.61
Fixed Deposits given as Security for guarantees	303.10	298.46
Fixed Deposits on which lien is marked for other purposes	2.01	281.81
Total	686.67	1,782.88

Note 5.3: The amount of Fixed deposits and Investment in TREPS in Notes 5.1 and 5.2 above does not include interest accrued aggregating to ₹64.36 millions (March 31,2022: ₹139.18 millions) disclosed separately under Other financial assets in Note 10. Details of such interest accrued is as follows :

Particulars	As at March 31, 2023	As at March 31, 2022
Fixed deposit and Investment in TREPS (maturing within a period of three months)	22.12	18.23
Fixed deposits with bank (maturing after period of three months)	20.78	12.89
Fixed deposits with bank under lien (maturing within a period of three months):		
- given as security for borrowings	0.13	32.27
- given as security for guarantees	0.24	0.22
- other purposes	0.00	0.35
Fixed deposits with bank under lien (maturing after period of three months):		
- given as security for borrowings	18.93	71.38
- given as security for guarantees	2.08	3.81
- other purposes	0.08	0.03
Total	64.36	139.18



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(₹ in millions, except for share data and unless otherwise stated)

Note 6: Derivative financial instruments

Particulars	As at March 31, 2023				As at March 31, 2022			
	Notional amounts (USD Millions)	Notional amounts (INR Millions)	Fair value-Assets	Fair value-Liabilities	Notional amounts (USD Millions)	Notional amounts (INR Millions)	Fair value-Assets	Fair value-Liabilities
(i) Currency derivatives								
- Forward contracts	643.07	52,876.63	-	1,898.52	851.61	64,545.84	-	4,797.97
- Cross currency swaps	-	-	-	-	212.25	15,796.72	605.01	-
(ii) Interest Rate derivatives								
- Interest rate swaps	-	6,000.00	-	23.21	-	-	-	-
Total	643.07	58,876.63	-	1,921.73	1,063.86	80,342.56	605.01	4,797.97
Included in above are derivatives held for hedging and risk management purposes as follows:								
(i) Fair value hedging	-	-	-	-	-	-	-	-
(ii) Cash flow hedging:								
- Currency derivatives	643.07	52,876.63	-	1,898.52	1,063.86	80,342.56	605.01	4,797.97
- Interest rate derivatives	-	6,000.00	-	23.21	-	-	-	-
(iii) Net investment hedging	-	-	-	-	-	-	-	-
(iv) Undesignated Derivatives	-	-	-	-	-	-	-	-
Total (i)+ (ii)+(iii)+(iv)	643.07	58,876.63	-	1,921.73	1,063.86	80,342.56	605.01	4,797.97

Note 7: Receivables

Particulars	As at March 31, 2023	As at March 31, 2022
(I) Trade Receivables		
a) Receivables Considered good - secured	-	-
b) Receivables Considered good - unsecured		
Receivables from Money Transfer business	15.16	19.00
Receivable from Power generation - Windmill	0.90	2.44
c) Receivables which have significant increase in credit risk	-	-
d) Receivables - Credit impaired	-	-
e) Other trade receivables	82.89	45.19
f) Commission receivable	-	3.46
Total	98.95	70.09
(II) Other Receivables	-	-
Less: Allowance for impairment loss	-	-
Total Net receivable	98.95	70.09

Trade receivables are non-interest bearing and are short-term in nature. These consist of receivable from government, insurance business and other parties, and does not involve any credit risk.

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(₹ in millions, except for share data and unless otherwise stated)

7.1 Trade Receivable Ageing Schedule

Particulars	As at 31st March, 2023					
	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 years	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	96.22	0.31	2.42	-	-	98.95
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-

Particulars	As at 31st March, 2022					
	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 years	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	69.97	0.12	-	-	-	70.09
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-

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Note 8: Loans

(₹ in millions, except for share data and unless otherwise stated)

Particulars	As at March 31, 2023				
	At Fair value				
	Amortised Cost	Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss	Total
(A)					
i) Gold Loan	643,544.27	-	-	-	643,544.27
ii) Corporate Loan	1,437.32	-	-	-	1,437.32
iii) Personal Loan	7,434.38	-	-	-	7,434.38
iv) Staff Loan	35.21	-	-	-	35.21
v) Housing Loan	9,152.87	-	-	-	9,152.87
vi) Project finance Loan	0.17	-	-	-	0.17
vii) Mortgage Loan	323.26	-	-	-	323.26
viii) Pledge Loan	67.36	-	-	-	67.36
ix) Business Loan	2,270.98	-	-	-	2,270.98
x) Vehicle Loan	1,286.24	-	-	-	1,286.24
xi) Micro finance Loan	47,410.41	-	-	-	47,410.41
xii) Other Loans	2,061.55	-	-	-	2,061.55
Total (A) - Gross	715,024.02	-	-	-	715,024.02
Less : Impairment loss allowance	9,480.18	-	-	-	9,480.18
Total (A) - Net	705,543.84	-	-	-	705,543.84
(B)					
I) Secured by tangible assets (including book debts)					
i) Gold Loan	643,544.27	-	-	-	643,544.27
ii) Corporate Loan	1,437.32	-	-	-	1,437.32
iii) Housing Loan	9,152.87	-	-	-	9,152.87
iv) Mortgage Loan	323.26	-	-	-	323.26
v) Vehicle Loan	1,286.24	-	-	-	1,286.24
vi) Business Loan	21.54	-	-	-	21.54
vii) Micro finance Loan	218.42	-	-	-	218.42
viii) Other Loans	1,713.50	-	-	-	1,713.50
Total (I) - Gross	657,697.42	-	-	-	657,697.42
Less : Impairment loss allowance	8,158.13	-	-	-	8,158.13
Total (I) - Net	649,539.29	-	-	-	649,539.29

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(₹ in millions, except for share data and unless otherwise stated)

Particulars	As at March 31, 2023					Total
	Amortised Cost	Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss	Sub-total	
II) Covered by Bank / Government Guarantees	-	-	-	-	-	-
III) Unsecured						
i) Corporate Loan	-	-	-	-	-	-
ii) Personal Loan	7,434.38	-	-	-	-	7,434.38
iii) Staff Loan	35.21	-	-	-	-	35.21
iv) Project finance Loan	0.17	-	-	-	-	0.17
v) Pledge Loan	67.36	-	-	-	-	67.36
vi) Business Loan	2,249.44	-	-	-	-	2,249.44
vii) Micro finance Loan	47,191.99	-	-	-	-	47,191.99
viii) Other Loans	348.05	-	-	-	-	348.05
Total (III) - Gross	57,326.60	-	-	-	-	57,326.60
Less : Impairment loss allowance	1,322.05	-	-	-	-	1,322.05
Total (III) - Net	56,004.55	-	-	-	-	56,004.55
Total (I+II+III) - Net	705,543.84	-	-	-	-	705,543.84
(C) (I) Loans in India						
i) Public Sector	-	-	-	-	-	-
ii) Others	709,730.25	-	-	-	-	709,730.25
(II) Loans outside India						
i) Public Sector	-	-	-	-	-	-
ii) Others	5,293.77	-	-	-	-	5,293.77
Total (C) - Gross	715,024.02	-	-	-	-	715,024.02
Less: Impairment Loss Allowance (C)	9,480.18	-	-	-	-	9,480.18
Total (C) - Net	705,543.84	-	-	-	-	705,543.84

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(₹ in millions, except for share data and unless otherwise stated)

Particulars	As at March 31, 2022				
	Amortised Cost	At Fair value			Total
		Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss	
(A)					
i) Gold Loan	599,079.01	-	-	-	599,079.01
ii) Corporate Loan	206.81	-	-	-	206.81
iii) Personal Loan	3,745.76	-	-	-	3,745.76
iv) Staff Loan	26.38	-	-	-	26.38
v) Housing Loan	9,202.57	-	-	-	9,202.57
vi) Project finance Loan	1.06	-	-	-	1.06
vii) Mortgage Loan	371.29	-	-	-	371.29
viii) Pledge Loan	27.06	-	-	-	27.06
ix) Business Loan	1,058.57	-	-	-	1,058.57
x) Vehicle Loan	1,868.26	-	-	-	1,868.26
xi) Micro finance Loan	37,963.51	-	-	-	37,963.51
xii) Other Loans	1,894.09	-	-	-	1,894.09
Total (A) - Gross	655,444.37	-	-	-	655,444.37
Less : Impairment loss allowance	10,167.96	-	-	-	10,167.96
Total (A) - Net	645,276.41	-	-	-	645,276.41
(B)					
I) Secured by tangible assets (including book debts)					
i) Gold Loan	599,079.01	-	-	-	599,079.01
ii) Corporate Loan	206.81	-	-	-	206.81
iii) Housing Loan	9,202.57	-	-	-	9,202.57
iv) Mortgage Loan	371.29	-	-	-	371.29
v) Vehicle Loan	1,868.26	-	-	-	1,868.26
vi) Business Loan	31.75	-	-	-	31.75
vii) Micro finance Loan	12.06	-	-	-	12.06
viii) Other Loans	1,350.32	-	-	-	1,350.32
Total (I) - Gross	612,122.07	-	-	-	612,122.07
Less : Impairment loss allowance	7,441.95	-	-	-	7,441.95
Total (I) - Net	604,680.12	-	-	-	604,680.12

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(₹ in millions, except for share data and unless otherwise stated)

Particulars	As at March 31, 2022				
	Amortised Cost	At Fair value			Total
		Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss	
II) Covered by Bank / Government Guarantees	-	-	-	-	-
III) Unsecured					
i) Corporate Loan	-	-	-	-	-
ii) Personal Loan	3,745.76	-	-	-	3,745.76
iii) Staff Loan	26.38	-	-	-	26.38
iv) Project finance Loan	1.06	-	-	-	1.06
v) Pledge Loan	27.06	-	-	-	27.06
vi) Business Loan	1,026.82	-	-	-	1,026.82
vii) Micro finance Loan	37,951.45	-	-	-	37,951.45
viii) Other Loans	543.77	-	-	-	543.77
Total (III) - Gross	43,322.30	-	-	-	43,322.30
Less : Impairment loss allowance	2,726.01	-	-	-	2,726.01
Total (III) - Net	40,596.29	-	-	-	40,596.29
Total B (I+II+III) - Net	645,276.41	-	-	-	645,276.41
(C) (I) Loans in India					
i) Public Sector	-	-	-	-	-
ii) Others	650,985.52	-	-	-	650,985.52
(II) Loans outside India					
i) Public Sector	-	-	-	-	-
ii) Others	4,458.85	-	-	-	4,458.85
Total (C) - Gross	655,444.37	-	-	-	655,444.37
Less: Impairment Loss Allowance (C)	10,167.96	-	-	-	10,167.96
Total (C) - Net	645,276.41	-	-	-	645,276.41



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(₹ in millions, except for share data and unless otherwise stated)

8.1 Disclosures on Credit quality and analysis of ECL allowance of the company and its subsidiaries incorporated in India

8.1.1 Muthoot Finance Limited

Credit Quality of Loan Assets

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances. Details of the Company's internal grading system are explained in Note 44.

Particulars	As at March 31, 2023				As at March 31, 2022			
	Stage 1 Collective	Stage 2 Collective	Stage 3	Total	Stage 1 Collective	Stage 2 Collective	Stage 3	Total
Internal rating grade								
Performing								
High grade	605,843.31	-	-	605,843.31	552,090.89	-	-	552,090.89
Standard grade	10,859.83	-	-	10,859.83	10,718.16	-	-	10,718.16
Sub-standard grade	-	5,762.32	-	5,762.32	-	11,036.92	-	11,036.92
Past due but not impaired	-	4,178.91	-	4,178.91	-	10,026.41	-	10,026.41
Non-performing								
Individually impaired	-	-	23,985.96	23,985.96	-	-	17,372.24	17,372.24
Total	616,703.14	9,941.23	23,985.96	650,630.33	562,809.05	21,063.33	17,372.24	601,244.62
EIR impact of Service charges received				(323.91)				(183.36)
Gross carrying amount closing balance net of EIR impact of service charge received				650,306.42				601,061.25

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to receivables under financing activities is, as follows:

Particulars	2022-23				2021-22			
	Stage 1 Collective	Stage 2 Collective	Stage 3	Total	Stage 1 Collective	Stage 2 Collective	Stage 3	Total
Gross carrying amount opening balance	562,809.04	21,063.32	17,372.24	601,244.61	538,922.85	3,555.41	4,641.39	547,119.65
New assets originated or purchased	721,398.32	-	-	721,398.32	663,090.59	-	-	663,090.58
Assets derecognised or repaid (excluding write offs)	(637,685.16)	(18,839.36)	(15,318.92)	(671,843.44)	(602,036.61)	(3,282.34)	(3,357.25)	(608,676.19)
Transfers to Stage 1	33.32	(31.28)	(2.04)	-	7.18	(6.01)	(1.17)	-
Transfers to Stage 2	(8,484.27)	8,485.31	(1.04)	-	(21,000.02)	21,000.05	(0.03)	-
Transfers to Stage 3	(21,368.11)	(736.76)	22,104.87	-	(16,174.94)	(203.79)	16,378.73	-
Amounts written off	-	-	(169.16)	(169.16)	-	-	(289.43)	(289.43)
Gross carrying amount closing balance	616,703.14	9,941.23	23,985.95	650,630.33	562,809.05	21,063.32	17,372.24	601,244.62
EIR impact of Service charges received				(323.91)				(183.36)
Gross carrying amount closing balance net of EIR impact of service charge received				650,306.42				601,061.26

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(₹ in millions, except for share data and unless otherwise stated)

Reconciliation of ECL balance is given below:

Particulars	2022-23				2021-22			
	Stage 1 Collective	Stage 2 Collective	Stage 3	Total	Stage 1 Collective	Stage 2 Collective	Stage 3	Total
ECL allowance - opening balance	5,169.69	209.80	1,839.42	7,218.91	5,591.56	60.42	605.51	6,257.49
New assets originated or purchased	5,859.16	-	-	5,859.16	6,037.17	-	-	6,037.17
Assets derecognised or repaid (excluding write offs)	(5,751.47)	(183.72)	(1,605.91)	(7,541.10)	(6,155.80)	(52.35)	(459.78)	(6,667.93)
Transfers to Stage 1	7.61	(5.56)	(2.05)	-	2.29	(1.12)	(1.17)	-
Transfers to Stage 2	(77.31)	78.34	(1.04)	(0.01)	(218.67)	218.70	(0.03)	-
Transfers to Stage 3	(194.91)	(8.71)	203.62	-	(170.15)	(4.39)	174.54	-
Impact on year end ECL of exposures transferred between stages during the year	80.16	9.82	2,199.84	2,289.82	83.29	(11.46)	1,809.78	1,881.61
Amounts written off	-	-	(169.16)	(169.16)	-	-	(289.43)	(289.43)
ECL allowance - closing balance	5,092.93	99.97	2,464.72	7,657.62	5,169.69	209.80	1,839.42	7,218.91

8.1.2 Muthoot Money Limited

Credit Quality of Loan Assets

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances.

Particulars	As at March 31, 2023				As at March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Internal rating grade								
Performing								
High grade	3,527.30	-	-	3,527.30	915.88	0.44	-	916.32
Standard grade	182.25	-	-	182.25	425.39	0.32	-	425.71
Sub-standard grade	-	59.97	-	59.97	-	305.45	-	305.45
Past due but not impaired	-	13.66	-	13.66	-	286.18	-	286.18
Non-performing								
Individually impaired	-	-	144.31	144.31	-	-	136.89	136.89
Total	3,709.54	73.63	144.31	3,927.49	1,341.27	592.39	136.89	2,070.54
EIR impact of Service Charges Received and Commission Paid	(0.86)	0.03	0.05	(0.78)	0.71	0.12	0.03	0.86
Gross carrying amount closing balance net of EIR impact of service charges received	3,708.69	73.67	144.36	3,926.71	1,341.98	592.51	136.92	2,071.41



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(₹ in millions, except for share data and unless otherwise stated)

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to receivables under financing activities is, as follows:

Particulars	2022-23				2021-22			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	1,341.27	592.39	136.89	2,070.54	2,586.79	818.68	325.26	3,730.73
New assets originated or purchased	3,176.69	11.09	4.13	3,191.91	319.63	1.09	-	320.72
Assets derecognised or repaid (excluding write offs)	(874.60)	(369.06)	(91.31)	(1,334.97)	(1,113.76)	(538.87)	(33.68)	(1,686.31)
Transfers to Stage 1	116.85	(106.89)	(9.96)	-	144.99	(125.64)	(19.35)	-
Transfers to Stage 2	(30.25)	32.57	(2.32)	-	(524.07)	535.91	(11.84)	-
Transfers to Stage 3	(20.42)	(86.45)	106.87	-	(72.30)	(98.79)	171.09	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-	-	-	-	-
Amounts written off	-	-	-	-	-	-	(294.60)	(294.60)
Gross carrying amount closing balance	3,709.54	73.64	144.31	3,927.49	1,341.27	592.39	136.89	2,070.54
EIR impact of Service Charges Received and Commission Paid	(0.86)	0.03	0.05	(0.78)	0.71	0.12	0.03	0.86
Gross carrying amount closing balance net of EIR impact of service charges received	3,708.69	73.66	144.35	3,926.71	1,341.99	592.50	136.92	2,071.41

Reconciliation of ECL balance is given below:

Particulars	2022-23				2021-22			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	6.43	2.81	51.35	60.59	20.43	21.72	129.43	171.58
Changes in ECL rates	3.37	33.17	1.64	38.17	(10.08)	(18.44)	(7.44)	(35.96)
New assets originated or purchased	14.37	0.67	1.34	16.39	2.34	0.00	-	2.35
Assets derecognised or repaid (excluding write offs)	(5.58)	(22.41)	(35.33)	(63.32)	(4.46)	(2.16)	(12.63)	(19.24)
Transfers to Stage 1	0.82	(6.49)	(3.85)	(9.52)	0.58	(0.50)	(7.26)	(7.18)
Transfers to Stage 2	(0.20)	1.78	(0.90)	0.68	(2.10)	2.57	(4.44)	(3.96)
Transfers to Stage 3	(0.14)	(5.25)	41.08	35.69	(0.29)	(0.40)	64.16	63.48
Impact on year end ECL of exposures transferred between stages during the year	(0.99)	-	-	(0.99)	-	-	-	-
Amounts written off	-	-	-	-	-	-	(110.48)	(110.48)
ECL allowance - closing balance	18.09	4.27	55.32	77.68	6.43	2.81	51.35	60.59

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(₹ in millions, except for share data and unless otherwise stated)

8.1.3 Belstar Microfinance Limited

Credit Quality of Assets

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances.

Particulars	As at March 31, 2023				As at March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Internal rating grade								
Performing								
High grade	45,599.87	-	-	45,599.87	33,246.69	-	-	33,246.69
Standard grade	170.27	-	-	170.27	587.50	-	-	587.50
Sub-standard grade	-	174.01	-	174.01	-	682.88	-	682.88
Past due but not impaired	-	143.43	-	143.43	-	1,118.05	-	1,118.05
Non - performing								
Individually impaired	-	-	1,144.81	1,144.81	-	-	2,145.00	2,145.00
Total	45,770.14	317.44	1,144.81	47,232.39	33,834.19	1,800.93	2,145.00	37,780.12

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to receivables under financing activities is, as follows:

Particulars	2022-23				2021-22			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	33,834.19	1,800.93	2,145.00	37,780.12	27,699.10	335.41	783.18	28,817.69
New assets originated or purchased (net of repayment)	41,626.14	-	-	41,626.14	30,709.05	-	-	30,709.05
Assets derecognised or repaid (excluding write offs)	(26,885.94)	(542.57)	(2,025.90)	(29,454.41)	(21,389.95)	(101.09)	(27.27)	(21,518.31)
Transfers to Stage 1	34.42	(30.97)	(3.45)	-	79.08	(77.84)	(1.24)	-
Transfers to Stage 2	(634.69)	637.71	(3.02)	-	(1,698.50)	1,699.65	(1.15)	-
Transfers to Stage 3	(2,203.98)	(1,547.66)	3,751.64	-	(1,564.59)	(55.20)	1,619.79	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-	-	-	-	-
Amounts written off (Refer Note 9.1)	-	-	(2,719.46)	(2,719.46)	-	-	(228.31)	(228.31)
Gross carrying amount closing balance	45,770.14	317.44	1,144.81	47,232.39	33,834.19	1,800.93	2,145.00	37,780.12



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(₹ in millions, except for share data and unless otherwise stated)

Reconciliation of ECL balance is given below:

Particulars	2022-23				2021-22			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	114.09	504.25	1,619.25	2,237.59	264.76	97.77	617.69	980.22
New assets originated or purchased	175.44	-	-	175.44	71.13	-	-	71.13
Assets derecognised or repaid (excluding write offs)	(111.81)	(92.24)	(186.98)	(391.03)	(126.47)	(32.69)	(78.74)	(237.90)
Transfers to Stage 1	9.42	(7.01)	(2.41)	-	35.04	(31.27)	(3.77)	-
Transfers to Stage 2	(49.68)	51.78	(2.10)	-	(46.09)	48.51	(2.42)	-
Transfers to Stage 3	(110.10)	(455.62)	565.72	-	(105.20)	(21.92)	127.12	-
Impact on year end ECL of exposures transferred between stages during the year	3.41	85.56	1,565.52	1,654.49	20.92	443.85	1,187.68	1,652.45
Amounts written off (Refer Note 9.1)	-	-	(2,719.46)	(2,719.46)	-	-	(228.31)	(228.31)
ECL allowance - closing balance	30.77	86.72	839.54	957.03	114.09	504.25	1,619.25	2,237.59

ECL Provision is not created on staff loan as there is no credit risk. Any amount due if not paid is deducted from salary.

8.1.4 Muthoot Homefin (India) Limited

Credit Quality of Loan Assets

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances.

Particulars	As at March 31, 2023				As at March 31, 2022			
	Stage 1 Collective	Stage 2 Collective	Stage 3	Total	Stage 1 Collective	Stage 2 Collective	Stage 3	Total
Internal rating grade								
Performing								
High grade	9,451.05	-	-	9,451.05	8,402.95	-	-	8,402.95
Standard grade	310.79	-	-	310.79	518.91	-	-	518.91
Sub-standard grade	-	243.63	-	243.63	-	464.31	-	464.31
Past due but not impaired	-	446.72	-	446.72	-	901.17	-	901.17
Non-performing								
Individually impaired	-	-	436.33	436.33	-	-	309.21	309.21
Total	9,761.84	690.35	436.33	10,888.52	8,921.86	1,365.48	309.21	10,596.55
Ind AS Adjustment				(23.79)				(43.80)
Gross Carrying Amount				10,864.73				10,552.75

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(₹ in millions, except for share data and unless otherwise stated)

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to receivables under financing activities is, as follows:

Particulars	2022-23				2021-22			
	Stage 1 Collective	Stage 2 Collective	Stage 3	Total	Stage 1 Collective	Stage 2 Collective	Stage 3	Total
Gross carrying amount - opening balance	8,921.86	1,365.48	309.21	10,596.55	12,319.18	1,102.95	680.94	14,103.07
New assets originated or purchased/ further increase in existing assets	2,288.26	-	-	2,288.26	1,435.87	32.88	-	1,468.75
Moratorium and Restructuring	-	-	-	-	-	-	-	-
Assets derecognised or repaid (excluding write offs)	(1,808.94)	(164.58)	(22.77)	(1,996.29)	(4,144.23)	(95.53)	(38.00)	(4,277.76)
Transfers to Stage 1	595.04	(501.79)	(93.24)	-	272.74	(240.71)	(32.03)	-
Transfers to Stage 2	(168.82)	180.79	(11.97)	-	(716.05)	761.71	(45.66)	-
Transfers to Stage 3	(65.56)	(189.55)	255.11	-	(245.65)	(195.82)	441.47	-
Amounts written off	-	-	-	-	-	-	(697.51)	(697.51)
Gross carrying amount - closing balance	9,761.84	690.35	436.33	10,888.52	8,921.86	1,365.48	309.21	10,596.55
Ind AS Adjustment				(23.79)				(43.80)
Gross Carrying Amount				10,864.73				10,552.75

Reconciliation of ECL balance is given below:

Particulars	2022-23				2021-22			
	Stage 1 Collective	Stage 2 Collective	Stage 3	Total	Stage 1 Collective	Stage 2 Collective	Stage 3	Total
ECL allowance - opening balance	36.37	43.13	177.62	257.12	37.46	16.23	207	260.69
ECL Remeasurements due to changes in EAD / assumptions	(0.41)	(2.52)	(20.02)	(22.95)	(0.87)	(6.42)	(3.00)	(10.29)
Transfers to Stage 1	(0.50)	(7.69)	(81.96)	(90.15)	0.09	(24.65)	(2.53)	(27.09)
Transfers to Stage 2	0.14	2.77	(10.52)	(7.61)	(0.23)	78.03	(3.61)	74.19
Transfers to Stage 3	0.06	(2.90)	224.24	221.40	(0.08)	(20.06)	34.89	14.75
Amounts written off	-	-	-	-	-	-	(55.13)	(55.13)
ECL allowance - closing balance	35.66	32.79	289.36	357.81	36.37	43.13	177.62	257.12



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8.2 Belstar Microfinance Limited

During the year, Belstar Microfinance Limited (BML) has sold financial assets being stressed loan receivables (>180 days past due) having a gross carrying amount of ₹2,500.96 million to an Asset Reconstruction Company (“ARC”) for a consideration of ₹830.00 million. The net carrying amount of these loan receivables as on the effective date of transfer was ₹636.94 million (net of impairment allowance of ₹1,864.02 million). In accordance with Ind AS 109, BML has written off ₹1670.96 million (i.e ₹2,500.96 million less ₹830.00 million) against the corresponding impairment allowance, being the portion of gross carrying amount in respect of which any reasonable expectation of recovery stands extinguished with the above mentioned sale transaction. Further, the residual excess provision carried under impairment allowance Rs 193.06 million has been written back during the year with corresponding impact in Note No. 31.

As per the agreed terms, BML has subscribed to the Security Receipts (“SRs”) issued by the ARC trust amounting to ₹721.70 million, which is classified under Fair Value through Profit or Loss Account. Since the transaction had consummated on 28th March, 2023, obtaining recovery ratings and declaration of the Net Asset Value (NAV) by the ARC Trust would commence from the half year ended September 30, 2023 only. As at March 31, 2023, BML has also applied the principles prescribed under the Master Direction – Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 dated September 24, 2021 in determining the fair value of the SR’s and accordingly, a loss on fair value changes considering the notional provisioning rate applicable if these loans had continued in the books of BML amounting to ₹193.06 million has been recognised against the face value of these SRs, as disclosed under Note No. 27.

The gross and net carrying amounts stated above does not include unrealised interest on these NPA loans recognised by BML amounting to ₹162.36 million. Upon completion of the sale transaction, the same has also been de-recognised with corresponding impact in Note No. 26.

Note 9: Investments

Particulars	As at March 31, 2023					Sub-total	Total
	Amortised Cost	At Fair value			Designated at fair value through profit or loss		
		Through Comprehensive Income	Other	Through profit or loss			
i) Mutual funds	-	-	45.69	-	-	45.69	45.69
ii) Government securities	1,874.62	-	-	-	-	-	1,874.62
iii) Other approved securities	179.56	-	-	-	-	-	179.56
iv) Debt securities	298.21	-	-	-	-	-	298.21
v) Equity instruments	-	1,875.66	0.03	-	-	1,875.69	1,875.69
vi) Others							
Investment in reverse re-purchase against treasury bills and bonds	610.47	-	-	-	-	-	610.47
Investment in Security Receipts	-	-	765.95	-	-	765.95	765.95
Total Gross (A)	2,962.86	1,875.66	811.67	-	-	2,687.33	5,650.19
i) Investments outside India	890.24	452.03	-	-	-	452.03	1,342.27
ii) Investments in India	2,072.62	1,423.63	811.67	-	-	2,235.30	4,307.92
Total Gross (B)	2,962.86	1,875.66	811.67	-	-	2,687.33	5,650.19
Less : Allowance for impairment loss (C)	-	-	(193.07)	-	-	(193.07)	(193.07)
Total - Net D = (A) - (C)	2,962.86	1,875.66	618.60	-	-	2,494.26	5,457.12

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Particulars	As at March 31, 2022					
	Amortised Cost	At Fair value			Sub-total	Total
		Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss		
i) Mutual funds	-	-	952.90	-	952.90	952.90
ii) Government securities	1,876.06	-	-	-	-	1,876.06
iii) Debt securities	10.00	-	-	-	-	10.00
iv) Equity instruments	-	1,960.47	0.02	-	1,960.49	1,960.49
v) Others						
Investment in reverse re-purchase against treasury bills and bonds	254.35	-	-	-	-	254.35
Investment in Security Receipts	-	-	186.27	-	186.27	186.27
Total Gross (A)	2,140.41	1,960.47	1,139.19	-	3,099.66	5,240.06
i) Investments outside India	254.35	630.50	-	-	630.50	884.85
ii) Investments in India	1,886.06	1,329.97	1,139.19	-	2,469.16	4,355.21
Total Gross (B)	2,140.41	1,960.47	1,139.19	-	3,099.66	5,240.06
Less : Allowance for impairment loss (C)	-	-	(7.00)	-	(7.00)	(7.00)
Total - Net D = (A) - (C)	2,140.41	1,960.47	1,132.19	-	3,092.66	5,233.06

9.1 Details of investments are as follows :

Mutual funds

Particulars	As at March 31, 2023		As at March 31, 2022	
	Units*	Amount	Units*	Amount
SBI Crisil IBX SDL index Fund	4,404,333.12	45.69	-	-
Aditya Birla Sunlife Mutual fund	-	-	174,657.00	200.80
SBI Mutual fund	-	-	58,105.00	201.14
DSP Mutual fund	-	-	87,872.00	100.03
ICICI Prudential Mutual fund	-	-	437,092.00	50.09
L&T Mutual Fund	-	-	60,319.00	100.03
Tata Mutual Fund	-	-	89,199.00	100.03
Union Mutual Fund	-	-	179,389.00	200.78
Total		45.69		952.90

Government securities

Particulars	As at March 31, 2023		As at March 31, 2022	
	Units*	Amount	Units*	Amount
Gujarat State Development Loan	-	-	50,000	5.12
Kerala State Development Loan	100,000.00	10.09	100,000	10.08
Karnataka State Development Loan	1,490,300.00	151.55	1,540,300	156.66
Tamilnadu State Development Loan	100,000.00	10.27	100,000	10.27
Punjab State Development Loan	2,000,000.00	203.92	2,000,000.00	203.89
Maharashtra State Development Loan	4,000,000.00	393.76	4,000,000.00	392.18
Central Government Securities	11,500,000.00	1,105.03	11,500,000.00	1,097.86
Total		1,874.62		1,876.06



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Other approved securities

Particulars	As at March 31, 2023		As at March 31, 2022	
	Units*	Amount	Units*	Amount
Investment in Unit Trust	23,910,916.21	179.56	-	-
Total		179.56		-

Debt securities

Particulars	As at March 31, 2023		As at March 31, 2022	
	Units*	Amount	Units*	Amount
MLD - Shriram City Union Finance Limited	19.00	138.00	-	-
NCD - Muthoot Fincorp Limited	10,000.00	60.00	10,000.00	10.00
Investment in Commercial Paper	1.00	100.21	-	-
Total		298.21		10.00

Equity instruments

Particulars	As at March 31, 2023		As at March 31, 2022	
	Units*	Amount	Units*	Amount
Quoted				
Union Bank of India	454	0.03	454	0.02
Nabil Bank Limited, Nepal (Refer Note 9.2)	1,198,531	452.03	1,011,418	630.50
Subtotal		452.06		630.52
Unquoted				
Muthoot Forex Limited	1,970,000	153.76	1,970,000	139.00
Muthoot Securities Limited	2,700,000	238.79	2,700,000	192.92
ESAF Small Finance Bank Limited	18,717,244	772.65	18,717,244	750.37
CRIF Highmark Credit Information Service Private Limited	1,926,531	258.43	1,926,531	247.68
Subtotal		1423.63		1,329.97
Total		1875.69		1,960.49

*The number of units are in whole numbers

9.2 : The Company holds 1,198,531 equity shares of Nepalese Rupee 100/- each in Nabil Bank Limited, Nepal as at March 31, 2023. The management does not have significant influence over the entity as specified in Ind AS-28 - Investments in Associates and Joint Ventures; and has elected to recognise and measure the investment at fair value through OCI as per the requirements of Ind AS 109 – Financial Instruments.

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Note 10: Other financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
Security deposits	1,054.44	972.49
Interest accrued on fixed deposits with banks and investment in TREPS (Refer Note 5.3)	64.36	139.18
Interest accrued on Investments	6.64	-
Interest only strip	1,047.19	427.58
Receivable towards assignment transactions	907.34	963.34
Interest accrued on CG Securities on purchase	-	5.92
Interest accrued on State Securities on purchase	-	0.91
Other financial assets	373.03	297.86
Total	3,453.00	2,807.28

Note 11: Investment property

Particulars	As at March 31, 2023	As at March 31, 2022
Gross carrying amount		
As at April 01, 2022/ April 01, 2021	95.49	139.45
Additions during the year	0.17	-
Asset transferred to Investment property	-	-
Disposal during the year	(8.81)	(2.31)
Expense capitalised during the year	-	-
Exchange differences	(2.70)	(41.65)
As at March 31, 2023/ March 31, 2022	84.15	95.49
Accumulated depreciation		
As at April 01, 2022/ April 01, 2021	2.08	-
Charge for the year	0.30	2.96
Disposal	(0.21)	-
Impairment for the year	-	-
Exchange differences	(0.04)	(0.88)
As at March 31, 2023/ March 31, 2022	2.13	2.08
Net carrying amount	82.02	93.41

The fair value of investment property is ₹119.82 millions (31 March 2022: ₹137.75 millions) as determined by valuations carried out by independent valuer.

Amounts recognised in Statement of Profit and Loss for Investment property

Particulars	As at March 31, 2023	As at March 31, 2022
Rental income from investment property	0.01	-
Direct operating expenses arising from investment property that generated rental income during the year	-	-
Direct operating expenses arising from investment property that did not generate rental income during the year	-	-
Profit from investment property before depreciation	0.01	-
Depreciation charge for the year	0.30	2.96
Profit/ (loss) from investment property after depreciation	(0.29)	(2.96)

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(₹ in millions, except for share data and unless otherwise stated)

Note 12: Property, plant and equipment

	Land	Leasehold improvements	Buildings	Furniture and Fixtures	Plant and Equipment*	Computer **	Vehicles	Wind Mill	Total	Capital work-in-progress
Gross block- at cost										
As at April 01, 2021	691.45	67.17	658.43	882.02	1,557.23	521.38	128.12	23.35	4,529.16	384.77
Additions	150.74	4.73	38.04	220.82	324.86	114.68	2.60	-	856.47	138.67
Disposals	-	(12.69)	(6.07)	(1.78)	(15.40)	(0.03)	(0.79)	-	(36.76)	-
Exchange differences	-	-	-	(3.69)	(25.73)	(6.39)	(6.63)	-	(42.44)	-
As at March 31, 2022	842.19	59.21	690.40	1,097.37	1,840.96	629.64	123.30	23.35	5,306.42	523.44
Additions	-	18.62	325.24	220.98	435.04	147.01	0.66	-	1,147.55	217.79
Disposals	-	(18.26)	-	(4.41)	(20.04)	(0.05)	(3.00)	-	(45.76)	(66.96)
Exchange differences	-	-	-	(0.30)	(2.03)	(0.61)	(0.50)	-	(3.44)	-
As at March 31, 2023	842.19	59.57	1,015.64	1,313.64	2,253.93	775.99	120.46	23.35	6,404.77	674.27
Accumulated depreciation										
As at April 01, 2021	-	33.21	205.39	399.74	843.11	395.23	70.54	6.82	1,954.04	-
Charge for the year	-	8.19	44.51	170.11	255.97	90.33	17.40	1.37	587.88	-
Disposals	-	(6.97)	(1.28)	(0.98)	(11.38)	(0.01)	(0.65)	-	(21.27)	-
Exchange differences	-	-	-	(2.72)	(18.04)	(4.71)	(5.68)	-	(31.15)	-
As at March 31, 2022	-	34.43	248.62	566.15	1,069.66	480.84	81.61	8.19	2,489.50	-
Charge for the year	-	6.32	50.25	185.16	307.53	117.52	12.49	1.25	680.52	-
Disposals	-	(13.49)	-	(2.75)	(17.11)	(0.03)	(2.53)	-	(35.91)	-
Exchange differences	-	-	-	(0.11)	(1.06)	(0.19)	(0.35)	-	(1.71)	-
As at March 31, 2023	-	27.26	298.87	748.45	1,359.02	598.14	91.22	9.44	3,132.40	-
Net Block										
As at March 31, 2022	842.19	24.78	441.78	531.22	771.30	148.80	41.69	15.16	2,816.92	523.44
As at March 31, 2023	842.19	32.31	716.77	565.19	894.91	177.85	29.24	13.91	3,272.37	674.27

*Includes Office equipment

**Includes Server and networking

The Group has not revalued its Property, Plant and equipment (including Right-of-Use asset) during the year.

12.1 Capital work-in-progress (CWIP) aging schedule

Particulars	As at March 31, 2023				
	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	217.79	71.71	97.41	287.36	674.27
Projects temporarily suspended	-	-	-	-	-
Particulars	As at March 31, 2022				
	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	138.67	97.41	59.07	228.29	523.44
Projects temporarily suspended	-	-	-	-	-

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(₹ in millions, except for share data and unless otherwise stated)

Note 13: Right to use assets

Particulars	As at March 31, 2023	As at March 31, 2022
Opening carrying value	147.80	170.01
Addition during the year	68.72	77.20
Deductions	(0.47)	(13.72)
Exchange Gain/(Loss)	(2.27)	(17.44)
Depreciation for the year	(71.55)	(68.25)
Closing Carrying value	142.23	147.80

Note 14: Other Intangible Assets

	Computer software	Total	Intangible asset under developments
Gross block- at cost			
As at April 01, 2021	296.64	296.64	0.55
Additions	17.39	17.39	0.49
Disposal	(0.80)	(0.80)	(0.55)
Exchange differences	(6.10)	(6.10)	-
As at March 31, 2022	307.13	307.13	0.49
Additions	31.84	31.84	0.44
Disposal	(5.40)	(5.40)	(0.49)
Exchange differences	(0.47)	(0.47)	-
As at March 31, 2023	333.09	333.09	0.44
Accumulated amortisation			
As at April 01, 2021	210.33	210.33	-
Charge for the year	40.94	40.94	-
Exchange differences	(2.21)	(2.21)	-
Disposal	(0.68)	(0.68)	-
Impairment for the year	-	-	-
As at March 31, 2022	248.39	248.39	-
Charge for the year	29.24	29.24	-
Exchange differences	(0.03)	(0.03)	-
Disposal	(3.36)	(3.36)	-
Impairment for the year	-	-	-
As at March 31, 2023	274.24	274.24	-
Net Block			
As at March 31, 2022	58.74	58.74	0.49
As at March 31, 2023	58.85	58.85	0.44



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(₹ in millions, except for share data and unless otherwise stated)

14.1 Intangible assets under development aging schedule

Particulars	As at March 31, 2023				
	Amount in intangible assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	0.44	-	-	-	0.44
Projects temporarily suspended	-	-	-	-	-

Particulars	As at March 31, 2022				
	Amount in intangible assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	0.49	-	-	-	0.49
Projects temporarily suspended	-	-	-	-	-

Note 15: Other Non-financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with government authorities	120.33	104.96
Prepaid expenses	184.31	134.47
Capital advances	130.60	48.84
Advance to supplier	51.09	58.53
Stock of gold	4.25	6.71
Balances receivable from government authorities	173.70	288.65
Insurance claim receivable	17.43	10.83
CSR Pre-spent account	7.80	-
Other Receivables	244.50	229.58
Total	934.01	882.57

Note 16: Payables

Particulars	As at March 31, 2023	As at March 31, 2022
Trade Payables		
(i) total outstanding dues of micro enterprises and small enterprises	7.20	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	1,334.01	1,204.46
Total	1,341.21	1,204.46

Particulars	As at March 31, 2023	As at March 31, 2022
Other Payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	817.29	367.92
Total	817.29	367.92

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(₹ in millions, except for share data and unless otherwise stated)

16.1 Trade Payables Ageing Schedule

Particulars	As at March 31, 2023				
	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	7.20	-	-	-	7.20
(ii) Others	1,131.97	48.42	61.47	92.15	1,334.01
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Particulars	As at March 31, 2022				
	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	1,012.32	92.12	30.65	69.37	1,204.46
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Note 17: Debt Securities

Particulars	As at March 31, 2023			Total
	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	
Secured Non-Convertible Debentures* Refer note 17.1 & 17.2 (Secured by mortgage of immovable property and paripassu floating charge on current assets, book debts and Loans & advances and receivables including gold loan receivables)	1,390.73	-	-	1,390.73
Secured Non-Convertible Debentures -Listed ** Refer note 17.3 , 17.4, 17.5, 17.6 & 17.7 (Secured by mortgage of immovable property and pari passu floating charge on current assets, book debts , loans & advances and receivables including gold loan receivables/Secured by pari passu floating charge on current assets, book debts , loans & advances and receivables including gold loan receivables)	128,879.06	-	-	128,879.06
Principle Protected Market Linked Secured Non Convertible Debentures- Listed** Refer note 17.8 (Secured by mortgage of immovable property and paripassu floating charge on current assets, book debts and Loans & advances and receivables including gold loan receivables)	8,201.00	-	-	8,201.00
Secured Redeemable Non-Convertible Debentures - Listed & Separately Transferable Redeemable Principal Parts ** Refer note 17.9 (Secured by pari passu floating charge on current assets, book debts, loans & advances and receivables including gold loan receivables)	7,575.00	-	-	7,575.00
Total (A)	146,045.79	-	-	146,045.79
Debt securities in India	145,499.56	-	-	145,499.56
Debt securities outside India	546.23	-	-	546.23
Total (B)	146,045.79	-	-	146,045.79



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(₹ in millions, except for share data and unless otherwise stated)

* Exclude unpaid (unclaimed) matured debentures of ₹199.90 million shown as part of Other Financial Liabilities in Note 21.

**Includes EIR impact of transaction cost, premium/discount on issue of non-convertible debentures; excludes unpaid (unclaimed) matured listed debentures of ₹69.84 millions (March 31,2022: ₹69.00 millions) shown as a part of Other financial liabilities in Note 21.

**The amortised cost of Debt Securities as at March 31, 2023 in Note 17 above does not include interest accrued but not due aggregating to ₹7,874.88 millions disclosed separately under Other financial liabilities in Note 21.

Particulars	As at March 31, 2022			Total
	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	
Secured Non-Convertible Debentures* Refer note 17.1& 17.2 (Secured by mortgage of immovable property and paripassu floating charge on current assets, book debts and Loans & advances and receivables including gold loan receivables)	2,727.46	-	-	2,727.46
Secured Non-Convertible Debentures -Listed ** Refer note 17.3 , 17.4, 17.5, 17.6 & 17.7 (Secured by mortgage of immovable property and pari passu floating charge on current assets, book debts , loans & advances and receivables including gold loan receivables/Secured by pari passu floating charge on current assets, book debts , loans & advances and receivables including gold loan receivables)	120,141.24	-	-	120,141.24
Principle Protected Market Linked Secured Non Convertible Debentures-Listed** Refer note 17.8 (Secured by mortgage of immovable property and paripassu floating charge on current assets, book debts and Loans & advances and receivables including gold loan receivables)	8,871.65	-	-	8,871.65
Total (A)	131,740.35	-	-	131,740.35
Debt securities in India	131,207.45	-	-	131,207.45
Debt securities outside India	532.90	-	-	532.90
Total (B)	131,740.35	-	-	131,740.35

* Exclude unpaid (unclaimed) matured debentures of ₹48.82 million shown as part of Other Financial Liabilities in Note 21.

**Includes EIR impact of transaction cost; excludes unpaid (unclaimed) matured listed debentures of ₹69.00 millions shown as a part of Other financial liabilities in Note 21.

**The amortised cost of Debt Securities as at March 31, 2022 in Note 17 above does not include interest accrued but not due aggregating to ₹9,340.72 millions disclosed separately under Other financial liabilities in Note 21.

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(₹ in millions, except for share data and unless otherwise stated)

17.1 Secured Redeemable Non-Convertible Debentures

The Company had privately placed Secured Redeemable Non-Convertible Debentures for a maturity period of 60-120 months with a principal amount outstanding of ₹1,044.40 millions (March 31,2022: ₹2,243.38 millions)

Series	Date of allotment	Amount	Amount	Redemption Period from the date of allotment	Interest Rate %
		As at March 31, 2023	As at March 31, 2022		
CT	14.03.2014-31.03.2014	2.50	2.50	120 months	10.50-12.50
CS	27.02.2014-14.03.2014	5.00	10.00	120 months	10.50-12.50
CR	07.02.2014-27.02.2014	2.50	10.00	120 months	10.50-12.50
CQ	04.02.2014-07.02.2014	3.00	10.50	120 months	10.50-12.50
CP	20.01.2014-04.02.2014	43.00	45.50	120 months	10.50-12.50
CO	10.01.2014-20.01.2014	96.50	105.00	120 months	10.50-12.50
CN	03.01.2014-10.01.2014	56.00	63.50	120 months	10.50-12.50
CM	24.12.2013-03.01.2014	27.50	32.50	120 months	10.50-12.50
CL	05.12.2013-24.12.2013	-	5.50	120 months	10.50-12.50
CK	18.11.2013-05.12.2013	-	5.00	120 months	10.50-12.50
CJ	29.10.2013-18.11.2013	5.00	7.50	120 months	10.50-12.50
CI	09.10.2013-29.10.2013	7.50	12.50	120 months	10.50-12.50
CH	27.09.2013 - 09.10.2013	2.50	7.50	120 months	10.50-12.50
CG	06.09.2013 - 27.09.2013	2.50	7.50	120 months	10.50-12.50
CF	31.08.2013 - 06.09.2013	2.50	2.50	120 months	10.50-12.50
CE	12.08.2013 - 31.08.2013	5.00	15.50	120 months	10.50-12.50
CD	31.07.2013 - 10.08.2013	-	2.50	120 months	10.50-12.50
CC	08.07.2013 - 31.07.2013	2.50	12.50	120 months	10.50-12.50
CB	24.06.2013 - 07.07.2013	173.10	337.06	120 months	10.50-12.50
CA	18.04.2013 - 23.06.2013	327.70	634.07	120 months	10.50-12.50
BZ	01.03.2013 - 17.04.2013	179.48	471.16	120 months	10.50-12.50
BY	18.01.2013 - 28.02.2013	65.51	394.26	120 months	10.50-12.50
BX	26.11.2012 - 17.01.2013	4.25	4.72	60 months	10.50-12.50
BW	01.10.2012 - 25.11.2012	6.52	7.37	60 months	11.50-12.50
BV	17.08.2012 - 30.09.2012	3.80	3.89	60 months	11.50-12.50
BU	01.07.2012 - 16.08.2012	1.67	2.24	60 months	11.50-12.50
BT	21.05.2012 - 30.06.2012	1.03	1.16	60 months	11.50-12.50
BS	01.05.2012 - 20.05.2012	1.47	2.14	60 months	11.50-12.50
BR	01.03.2012 - 30.04.2012	5.65	6.82	60 months	11.50-12.50
BQ	23.01.2012 - 29.02.2012	2.00	2.16	60 months	11.50-12.50
BP	01.12.2011 - 22.01.2012	2.13	2.75	60 months	11.50-12.50
BO	19.09.2011 - 30.11.2011	2.80	3.09	60 months	11.00-12.00
BN	01.07.2011 - 18.09.2011	2.49	2.88	60 months	11.00-12.00
BM	01.04.2011 - 30.06.2011	1.30	2.13	60 months	11.00-12.00
BL	01.01.2011 - 31.03.2011	-	2.83	60 months	10.00-11.50



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Series	Date of allotment	Amount	Amount	Redemption Period from the date of allotment	Interest Rate %
		As at March 31, 2023	As at March 31, 2022		
BK	01.10.2010 - 31.12.2010	-	1.51	60 months	9.50-11.50
BJ	01.07.2010 - 30.09.2010	-	2.56	60 months	9.50-11.00
BI	01.04.2010 - 30.06.2010	-	0.57	60 months	9.00-10.50
BH	01.01.2010 - 31.03.2010	-	0.01	60 months	9.00-10.50
Sub Total		1,044.40	2,243.38		
	Less: Unpaid (Unclaimed) matured debentures shown as a part of Other financial liabilities	199.90	48.82		
Total		844.50	2,194.56		

17.2 Secured Redeemable Non-Convertible Debentures

Asia Assets Finance

Series	Date of allotment	Amount	Amount	Redemption Period from the date of allotment	Interest rate %
		As at March 31, 2023	As at March 31, 2022		
Type A	05.10.2020	120.40	123.06	3 Years	10.28%
Type B	05.10.2020	154.19	144.16	3 Years	10.76%
Debenture -Type A2	20.08.2021	26.42	27.04	3 Years	8.76%
Debenture -Type B2	20.08.2021	84.23	85.85	3 Years	11.89%
Debenture - Type C	20.08.2021	0.41	0.42	3 Years	9.26%
Debenture - Type D	20.08.2021	160.58	152.37	3 Years	9.43%
Total		546.23	532.90		

17.3 Secured Redeemable Non-Convertible Debentures - Public Issue & Listed

The principal amount of outstanding Secured Redeemable Non-Convertible Listed Debentures raised through Public issue by the Company stood at ₹72,818.34 millions (March 31,2022: ₹71,761.40 millions).

Series	Date of allotment	Amount	Amount	Redemption Period from the date of allotment	Interest rate %
		As at March 31, 2023	As at March 31, 2022		
PL 26	05.05.2022	237.24	-	120 Months	7.50-8.00
PL 25	20.04.2021	2,290.47	2,290.47	120 Months	8.00-8.25
PL 22	27.12.2019	445.96	445.96	90 Months	9.67
PL 21	01.11.2019	432.00	432.00	90 Months	9.67
PL 20	14.06.2019	322.43	322.43	90 Months	9.67
PL 27	23.06.2022	356.03	-	84 Months	7.50-8.00
PL 26	05.05.2022	86.18	-	84 Months	7.25-7.75
PL 30	10.03.2023	740.73	-	61 Months	7.85-8.60
PL 29	23.12.2022	643.74	-	60 Months	7.50-8.25
PL 28	03.11.2022	997.52	-	60 Months	7.25-8.00
PL 27	23.06.2022	666.67	-	60 Months	7.00-7.75
PL 26	05.05.2022	1,184.15	-	60 Months	6.75-7.50

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Series	Date of allotment	Amount	Amount	Redemption Period from the date of allotment	Interest rate %
		As at March 31, 2023	As at March 31, 2022		
PL 25	20.04.2021	4,637.49	4,637.49	60 Months	7.35-7.85
PL 24	11.01.2021	1,433.72	1,433.72	60 Months	7.10-7.75
PL 23	05.11.2020	1,425.54	1,425.54	60 Months	7.50-8.00
PL 22	27.12.2019	1,488.68	1,488.68	60 Months	9.75-10.00
PL 21	01.11.2019	1,574.40	1,574.40	60 Months	9.75-10.00
PL 20	14.06.2019	3,061.02	3,061.02	60 Months	9.75-10.00
PL 19	20.03.2019	2,491.39	2,491.39	60 Months	9.75-10.00
PL 18	19.04.2018	9,839.02	9,839.02	60 Months	8.75-9.00
PL 17	24.04.2017	-	2,517.38	60 Months	8.75-9.00
PL 25	20.04.2021	6,223.12	6,223.12	38 Months	6.85-7.35
PL 24	11.01.2021	1,496.14	1,496.14	38 Months	6.75-7.40
PL 23	05.11.2020	18,574.46	18,574.46	38 Months	7.15-7.65
PL 22	27.12.2019	-	2,125.49	38 Months	9.50-9.75
PL 21	01.11.2019	-	1,327.46	38 Months	9.50-9.75
PL 20	14.06.2019	-	3,157.25	38 Months	9.50-9.75
PL 19	20.03.2019	-	3,049.07	38 Months	9.50-9.75
PL 30	10.03.2023	1,495.71	-	37 Months	7.75-8.50
PL 29	23.12.2022	725.42	-	36 Months	7.35-8.10
PL 28	03.11.2022	1,270.23	-	36 Months	7.00-7.75
PL 27	23.06.2022	1,629.13	-	36 Months	6.75-7.50
PL 26	05.05.2022	2,269.51	-	36 Months	6.50-7.25
PL 25	20.04.2021	3,848.91	3,848.91	26 Months	6.60-6.85
PL 30	10.03.2023	340.06	-	25 Months	7.75-8.25
PL 29	23.12.2022	181.85	-	24 Months	7.25-7.75
PL 28	03.11.2022	409.42	-	24 Months	7.00-7.50
Sub Total		72,818.34	71,761.40		
Less: EIR impact		159.94	244.87		
Total		72,658.40	71,516.53		

17.4 Secured Redeemable Non-Convertible Debentures - Private Placement & Listed

The principal amount outstanding of Secured Redeemable Non-Convertible Listed Debentures privately placed by the Company stood at ₹48,100.00 millions (March 31, 2022: ₹42,400.00 millions)

Series	Date of allotment	Amount	Amount	Redemption Period from the date of allotment	Interest Rate %
		As at March 31, 2023	As at March 31, 2022		
18	31.05.2021	2,150.00	2,150.00	9 year & 364 days	7.90
9	18.06.2020	1,250.00	1,250.00	5 year	9.50
25	24.02.2023	1,600.00	-	3year+90days	8.65
23	22.12.2022	1,950.00	-	3year+15days	8.30
22	16.09.2022	2,400.00	-	3year+14days	7.75
24	19.01.2023	10,000.00	-	3year+10days	8.50
20	17.02.2022	5,000.00	5,000.00	3 year & 10 days	6.87



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Series	Date of allotment	Amount	Amount	Redemption Period from the date of allotment	Interest Rate %
		As at March 31, 2023	As at March 31, 2022		
19	26.08.2021	4,000.00	4,000.00	3 year	8.25
16	16.10.2020	4,600.00	4,600.00	3 year	7.50
12	15.07.2020	1,000.00	1,000.00	3 year	8.40
8	02.06.2020	5,000.00	5,000.00	3 year	9.05
25	24.02.2023	4,400.00	-	2 year+182days	8.60
10	25.06.2020	-	3,650.00	2 year & 9 days	8.50
14	25.09.2020	-	4,500.00	2 year & 61 days	7.15
17	09.03.2021	1,750.00	1,750.00	2 year & 49 days	6.65
7	14.05.2020	1,000.00	1,000.00	2 year & 363 days	8.90
11	07.07.2020	-	6,500.00	2 year & 32 days	8.30
21	24.02.2022	2,000.00	2,000.00	1 year & 364 days	6.17
	Sub Total	48,100.00	42,400.00		
	(Add)/Less: EIR impact	(4.73)	3.86		
	Total	48,104.73	42,396.14		

17.5 Secured Redeemable Non-Convertible Debentures

The principal amount of outstanding Rated Secured Redeemable Non-Convertible Debentures privately placed by Belstar Micro Finance Limited stood at ₹6,250.00 millions (March 31,2022: ₹3,826.78 millions)

Particulars	Amount	Amount	Date of redemption	Interest rate %
	As at March 31, 2023	As at March 31, 2022		
9.5% Senior, Secured, Redeemable, Rated, Listed, Taxable, Non-Convertible Debentures	-	400.00	13-May-22	9.50
9.35% Senior, Secured, Redeemable, Rated, Listed, Taxable, Non-Convertible Debentures	-	62.50	03-Jun-22	9.35
10.5% Senior, Secured, Redeemable, Rated, Listed, Taxable, Non-Convertible Debentures	-	114.29	15-Sep-22	10.50
10.58% Senior, Secured, Redeemable, Rated, Listed, Taxable, Non-Convertible Debentures	500.00	500.00	21-Apr-23	10.58
11% Senior, Secured, Redeemable, Rated, Listed, Taxable, Non-Convertible Debentures	250.00	250.00	16-May-23	11.00
11% Senior, Secured, Redeemable, Rated, Listed, Taxable, Non-Convertible Debentures	200.00	200.00	17-Jun-23	11.00
11% Senior, Secured, Redeemable, Rated, Listed, Taxable, Non-Convertible Debentures	700.00	700.00	30-Jun-23	11.00
11% Senior, Secured, Redeemable, Rated, Listed, Taxable, Non-Convertible Debentures	350.00	350.00	07-Jul-23	11.00
8.50% Senior, Secured, Redeemable, Rated, Listed, Taxable, Non-Convertible Debentures	1,250.00	1,250.00	28-Feb-24	8.50
9.35% Senior, Secured, Redeemable, Rated, Listed, Taxable, Non-Convertible Debentures	3,000.00	-	21-Aug-24	9.35
Sub Total	6,250.00	3,826.79		
Less: EIR impact	34.29	18.90		
Total	6,215.71	3,807.89		

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17.6 Secured Redeemable Non-Convertible Debentures - Public Issue & Listed

The principal amount of outstanding Secured Redeemable Non-Convertible Listed Debentures raised through Public Issue by Muthoot Homefin (India) Limited (MHIL) stood at ₹1,150.20 millions (March 31,2022: ₹2,170.68 million)

Series	Date of allotment	Amount	Amount	Redemption Period from the date of allotment	Interest Rate %
		As at March 31, 2023	As at March 31, 2022		
II	13.05.2019	-	356.83	38 Months	9.00-10.00
III	13.05.2019	457.97	457.96	60 Months	9.00-10.00
V	13.05.2019	-	290.95	38 Months	9.00-10.00
VI	13.05.2019	420.60	420.59	60 Months	9.00-10.00
VIII	13.05.2019	-	372.70	38 Months	NA
IX	13.05.2019	89.78	89.78	60 Months	NA
X	13.05.2019	181.87	181.87	90 Months	NA
Total		1,150.22	2,170.68		

17.7 Secured Redeemable Non-Convertible Debentures - Private Placement & Listed

The principal amount of outstanding Secured Redeemable Non-Convertible Listed Debentures privately placed by Muthoot Homefin (India) Limited stood at ₹750 millions (March 31, 2022: 250 millions).

Series	Date of allotment	Amount	Amount	Redemption period from the date of allotment	Interest Rate %
		As at March 31, 2023	As at March 31, 2022		
I	17.06.2020	250.00	250.00	36 Months	8.00-9.00
II	20.09.2022	500.00	-	120 Months	8.00-9.00
Total		750.00	250.00		

17.8 Principal Protected Market Linked Secured Redeemable Non-Convertible Debentures - Private Placement & Listed

The principal amount of outstanding Principal Protected Market Linked Secured Redeemable Non-Convertible Listed Debentures privately placed by the Company stood at ₹8,201.00 millions (March 31,2022: ₹8,873.00 millions)

Series	Date of allotment	Amount	Amount	Redemption Period from the date of allotment	Interest Rate %
		As at March 31, 2023	As at March 31, 2022		
7	11.01.2023	1,033.00	-	1155 Days	8.14
6	20.09.2022	5,000.00	-	1157 Days	7.60
5	24.03.2022	2,168.00	2,168.00	3 Year & 60 Days	7.00
4	07.09.2020	-	2,000.00	760 days	7.15
3	24.07.2020	-	1,000.00	761 days	7.75
2	09.07.2020	-	2,350.00	729 days	8.25
1	12.06.2020	-	1,355.00	728 days	8.75
Sub Total		8,201.00	8,873.00		
	Less: EIR impact of transaction cost	-	1.35		
Total		8,201.00	8,871.65		



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(₹ in millions, except for share data and unless otherwise stated)

17.9 Secured Redeemable Non-Convertible Debentures - Private Placement & Listed & Separately Transferable Redeemable Principal Parts (STRPP)

The principal amount of outstanding STRPP Secured Redeemable Non-Convertible Listed Debentures privately placed by the Company stood at ₹7,575.00 millions (March 31,2022: NIL)

Series	Face value per STRPP	Paid-up value per STRPP	First & Final Call Amount per STRPP & Date	Date of allotment	Amount	Amount	Redemption Period from the date of allotment	Interest Rate %
					As at March 31, 2023	As at March 31, 2022		
STRPP - 1A	100,000.00	100,000.00	NA	15.03.2023	5,000.00	-	2year+9months	8.65
STRPP - 1B	100,000.00	1,000.00	99,000 on December 15, 2025 at the option of NCD Holder	15.03.2023	50.00	-	4years, Put option on December 15, 2025	8.65
STRPP - 2A	100,000.00	100,000.00	NA	23.03.2023	2,500.00	-	3years	8.65
STRPP - 2B	100,000.00	1,000.00	99,000 on March 23, 2026 at the option of NCD Holder	23.03.2023	25.00	-	4year+184days, Put option on March 23, 2026	8.65
Sub Total					7,575.00	-		
Less: EIR impact					-	-		
Total					7,575.00	-		

Note 18: Borrowings (other than debt securities)

Particulars	As at March 31, 2023			Total
	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	
(a) Term loan				
(i) from banks*				
Term Loans (Secured by paripassu floating charge on current assets, book debts, Loans & advances and receivables including gold loan receivables)	159,381.46	-	-	159,381.46
(Terms of Repayment: ₹857.14 millions in 2 half yearly installments and ₹70,763.33 millions in 1-2-3-4 quarterly installments during FY 2023-24, ₹857.14 millions in 2 half yearly installments, ₹52,849.53 millions in 1-2-3-4 quarterly installments and ₹2,000.00 millions in bullet payment during FY 2024-25, ₹21,742.57 millions in 1-2-3-4 quarterly installments during FY 2025-26, ₹7,169.96 millions in 1-3-4 quarterly installments during FY 2026-27, ₹3,216.01 millions in 1-3-4 quarterly installments during FY 2027-28. Rate of Interest: 7.50-9.55 % p.a.)				
Term Loan (Secured by way of specific charge on receivables created out of the proceeds of the loan)	40,085.32	-	-	40,085.32
(Terms of Repayment: ₹18,978.85 millions in 12 monthly installment, ₹21,106.47 millions in 1-2-3-4 quarterly installment. Rate of Interest 8.00 % - 12.00 % p.a)				
Term Loan (Secured by paripassu floating charge on housing loan receivables, credit and current assets)	2,819.39	-	-	2,819.39

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(₹ in millions, except for share data and unless otherwise stated)

Particulars	As at March 31, 2023			Total
	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	
(Terms of Repayment: ₹169.05 millions in 12 monthly installments, ₹189.08 millions in 1-2-3-4 quarterly installments, ₹417.07 millions in 2 half yearly installments & ₹166.67 millions in yearly installments during FY 2023-24, ₹169.05 millions in 12 monthly installments, ₹189.02 millions in 1-2-3-4 quarterly installments, ₹313.00 millions in 2 half yearly installments & ₹166.67 millions in yearly installments during FY 2024-25, ₹169.05 millions in 12 monthly installments, ₹35.71 millions in 1-2-3-4 quarterly installments, ₹249.23 millions in 2 half yearly installments & ₹166.20 millions in yearly installments during FY 2025-26, ₹169.05 millions in 12 monthly installments, ₹83.33 millions in 2 half yearly installments during FY 2026-27, and ₹84.52 millions in 12 monthly installments, ₹82.70 millions in 2 half yearly installments during FY 2027-28. Rate of Interest : 8.00 % - 9.00% p.a)				
Term Loan (Secured by promissory notes, loans, lease and hire purchase receivables, Mortgage bond over loan recoverable consist of business loan, corporate loan and mortgage loan)	293.52	-	-	293.52
(Terms of Repayment: ₹133.13 millions in 12 monthly installments during FY 2023-24, ₹124.36 millions in 12 monthly installments during FY 2024-25 and ₹36.03 millions in 12 monthly installments during FY 2025-26 . Rate of interest 24.90%)				
(ii) from financial institutions				
Term Loan (Secured by specific charge on vehicles)	5.38	-	-	5.38
(Terms of Repayment: ₹3.90 millions during FY 2023-24 in 6-8-12 monthly installments, ₹1.48 millions during FY 2024-25 in 7 monthly installments. Rate of Interest: 8.90-9.90% p.a.).				
Term loan (Secured by pari passu floating charge on current assets, book debts, Loans & advances and receivables including gold loan receivables)	1,749.57	-	-	1,749.57
(Terms of Repayment: ₹218.75 millions in 1 quarterly installment during FY 2023-24, ₹875 millions in 4 quarterly installments during FY 2024-25, ₹656.25 millions in 3 quarterly installments during FY 2025-26. Rate of Interest: 8.25% p.a.)				
Term Loan (Secured by specific charge on receivables created out of the proceeds of the loan)	309.47	-	-	309.47
(Terms of Repayment: ₹193.25 millions in 12 monthly installment, ₹116.22 millions in 1-2-3-4 quarterly installment. Rate of Interest 8.00 % -12.00 % p.a)				
(iii) Pass through certificates payable	-	-	-	-
(iv) From National Housing Bank	1,882.31	-	-	1,882.31
(Terms of Repayment : for FY 2023-24, ₹197.46 millions in quarterly installments, for FY 2024-25, ₹263.26 millions in quarterly installments for FY 2025-26, ₹263.26 millions in quarterly installments, for FY 2026-27, ₹263.26 millions in quarterly installments and ₹895.09 millions payable in 38 installments in 5 - 10 years. Rate of interest 7.00 % - 8.00 %)				
(b) Loans from related party				
Loan from Directors and Relatives (Unsecured)	6,150.14	-	-	6,150.14
(Terms of Repayment: Repayable on demand- Rate of Interest: 8% p.a.)				



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(₹ in millions, except for share data and unless otherwise stated)

Particulars	As at March 31, 2023			Total
	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	
(c) Securitised Loans	1,220.27	-	-	1,220.27
(Secured by lease and hire purchase assets and receivables)				
(Terms of Repayment: ₹782.02 millions in 12 monthly installments during FY 2023-24, ₹438.25 millions in 12 monthly installments during FY 2024-25. Rate of interest 23.28%)				
(d) Loans repayable on demand				
(i) from banks *				
Overdraft against Deposit with Banks (Secured by a lien on Fixed Deposit with Banks)	365.20	-	-	365.20
Cash Credit/ Short term loan (Secured by paripassu floating charge on current assets, book debts, Loans & advances and receivables including gold loan receivables)	133,006.60	-	-	133,006.60
(ii) from financial institutions *				
Short term loan (Secured by paripassu floating charge on current assets, book debts, Loans & advances and receivables including gold loan receivables)	1,999.51	-	-	1,999.51
(e) External Commercial Borrowings -				
(i) Senior Secured Notes - US Dollar denominated *	45,170.78	-	-	45,170.78
(Secured by paripassu floating charge on current assets, book debts, Loans & advances and receivables including gold loan receivables)				
(Terms of Repayment: ₹45,193.50 millions (USD 550 million repayable on 02 September 2023-Rate of Interest: 4.40% p.a))				
(f) Commercial paper - Listed	11,535.66	-	-	11,535.66
(Unsecured and repayable within 1 year)				
Total (A)	405,974.58	-	-	405,974.58
Borrowings in India	359,289.07	-	-	359,289.07
Borrowings outside India	46,685.51	-	-	46,685.51
Total (B)	405,974.58	-	-	405,974.58

*Includes EIR impact of transaction cost

**The amortised cost of Borrowings (other than debt securities) in Note 18 above does not include interest accrued but not due aggregating to ₹1,030.80 millions disclosed separately under Other financial liabilities in Note 21.

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(₹ in millions, except for share data and unless otherwise stated)

Particulars	As at March 31, 2022			Total
	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	
(a) Term loan				
(i) from banks*				
Term Loans (Secured by paripassu floating charge on current assets, book debts, Loans & advances and receivables including gold loan receivables)	141,308.04	-	-	141,308.04
(Terms of Repayment: ₹857.14 millions in 2 half yearly installments, ₹56,889.86 millions in 1-2-3-4 quarterly installments and ₹167.50 millions in 3 monthly installments during FY 2022-23, ₹857.14 millions in 2 half yearly installments and ₹48,026.14 millions in 1-2-3-4 quarterly installments during FY 2023-24, ₹857.14 millions in 2 half yearly installments and ₹26,555.29 millions in 1-2-3-4 quarterly installments during FY 2024-25, ₹5,199.35 millions in 1-2-3-4 quarterly installments during FY 2025-26, ₹2,000.00 millions in 4 quarterly installments during FY 2026-27. Rate of Interest: 5.79%-8.35 % p.a.)				
Term Loan (Secured by way of specific charge on receivables created out of the proceeds of the loan)	28,925.83	-	-	28,925.83
(Terms of Repayment: ₹12,335.31 millions in 12 monthly installments, ₹5,323.12 millions in 1-2-3-4 quarterly installments, ₹250.40 millions in 2 half yearly installments, ₹450.29 millions in an yearly repayment, & ₹500.91 millions at the end of tenure during FY 2022-23, ₹5,104.28 millions in 12 monthly installments, & ₹3,160.01 millions in 1-2-3-4 quarterly installments during FY 2023-24, and ₹580.73 millions in 12 monthly installments, & ₹1,220.77 millions in 1-2-3-4 quarterly installments during FY 2024-25. Rate of Interest 8.00 % -12.00 % p.a)				
Term Loan (Secured by paripassu floating charge on housing loan receivables, credit and current assets)	3,755.26	-	-	3,755.26
(Terms of Repayment: ₹169.05 millions in 12 monthly installments, ₹204.70 millions in 1-2-3-4 quarterly installments, ₹395.83 millions in 2 half yearly installments & ₹166.67 millions in yearly installments during FY 2022-23, ₹169.05 millions in 12 monthly installments, ₹189.08 millions in 1-2-3-4 quarterly installments, ₹417.07 millions in 2 half yearly installments & ₹166.67 millions in yearly installments during FY 2023-24, ₹169.05 millions in 12 monthly installments, ₹189.05 millions in 1-2-3-4 quarterly installments, ₹313.00 millions in 2 half yearly installments & ₹166.67 millions in yearly installments during FY 2024-25, ₹169.05 millions in 12 monthly installments, ₹35.71 millions in 1-2-3-4 quarterly installments, ₹249.27 millions in 2 half yearly installments & ₹166.25 millions in yearly installments during FY 2025-26, ₹169.05 millions in 12 monthly installments, ₹83.33 millions in 2 half yearly installments during FY 2026-27, and ₹84.52 millions in 12 monthly installments, ₹83.33 millions in 2 half yearly installments during FY 2027-28. Rate of Interest : 7.00 % - 8.00% p.a)				
Term Loans (Secured by paripassu floating charge on current assets, book debts, Loans & advances)	39.95	-	-	39.95
(Term of repayment : 2 Equal installments at the end of 15 th and 18 th month from the date of first disbursement and Rate of interest : 8.50%)				
Term Loan (Secured by promissory notes, loans, lease and hire purchase receivables, Mortgage bond over loan recoverable consist of business loan, corporate loan and mortgage loan)	409.88	-	-	409.88



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Particulars	As at March 31, 2022			Total
	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	
(Terms of Repayment: ₹158.23 millions in 12 monthly installments during FY 2022-23, ₹120.77 millions in 12 monthly installments during FY 2023-24, ₹109.82 millions in 12 monthly installments during FY 2024-25 and ₹21.05 millions in 12 monthly installments during FY 2025-26 . Rate of interest 14.88%)				
Term Loan (Secured by specific charge on vehicles)	3.64	-	-	3.64
(Terms of Repayment: ₹3.64 millions during FY 2022-23 in 8 monthly installments. Rate of interest: 8.70% p.a.)				-
(ii) from financial institutions				
Term Loan (Secured by specific charge on vehicles)	9.78	-	-	9.78
(Terms of Repayment: ₹4.40 millions during FY 2022-23 in 12 monthly installments, ₹3.90 millions during FY 2023-24 in 6-8-12 monthly installments, ₹1.48 millions during FY 2024-25 in 7 monthly installments. Rate of Interest: 8.90-9.90% p.a.)				-
Term Loan (Secured by specific charge on receivables created out of the proceeds of the loan)	1,170.14	-	-	1,170.14
(Terms of Repayment: ₹744.54 millions in 12 monthly installments, & ₹116.32 millions in 1-2-3-4 quarterly installments during FY 2022-23, and ₹192.79 millions in 12 monthly installments, & ₹116.50 millions in 1-2-3-4 quarterly installments during FY 2023-24. Rate of Interest 8.00 % -12.00 % p.a.)				-
(iii) Pass through certificates payable	-	-	-	-
(iv) From National Housing Bank	1,466.41	-	-	1,466.41
(Terms of Repayment : For FY 2022-23, ₹187.18 millions in quarterly installments, for FY 2023-24, ₹180.12 millions in quarterly installments, for FY 2024-25, ₹180.12 millions in quarterly installments for FY 2025-26, ₹180.12 millions in quarterly installments, for FY 2026-27, ₹180.12 millions in quarterly installments and ₹558.75 millions payable in 38 installments in 5 - 10 years. Rate of interest 6.00 % - 7.00 %)				
(b) Loans from related party				-
Loan from Directors and Relatives (Unsecured)	9,725.84	-	-	9,725.84
(Terms of Repayment: Repayable on demand- Rate of Interest: 8.50% p.a.)				
(c) Securitised Loans	993.31	-	-	993.31
(Secured by lease and hire purchase assets and receivables)				
(Terms of Repayment: ₹586.75 millions in 12 monthly installments during FY 2022-23, ₹116.22 millions in 12 monthly installments during FY 2023-24, ₹131.23 millions in 12 monthly installments during FY 2024-25 , ₹142.99 millions in 12 monthly installments during FY 2025-26 and ₹16.17 millions in 12 monthly installments during FY 2026-27 . Rate of interest 13.48%)				

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(₹ in millions, except for share data and unless otherwise stated)

Particulars	As at March 31, 2022			Total
	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	
(d) Loans repayable on demand				
(i) from banks *				
Overdraft against Deposit with Banks (Secured by a lien on Fixed Deposit with Banks)	76.43	-	-	76.43
Cash Credit/ Short term loan (Secured by paripassu floating charge on current assets, book debts, Loans & advances and receivables including gold loan receivables)	132,363.78	-	-	132,363.78
(ii) from financial institutions *				
Short term loan (Secured by paripassu floating charge on current assets, book debts, Loans & advances and receivables including gold loan receivables)	2,749.67	-	-	2,749.67
(e) External Commercial Borrowings -				
(i) Senior Secured Notes - US Dollar denominated *				
(Secured by paripassu floating charge on current assets, book debts, Loans & advances and receivables including gold loan receivables)	75,663.21	-	-	75,663.21
(Terms of Repayment: ₹34,106.63 millions (USD 450 million repayable on 31 October 2022-Rate of Interest: 6.125% p.a), ₹41,685.87 millions (USD 550 million repayable on 02 September 2023-Rate of Interest: 4.40 % p.a)				
	9,892.07	-	-	9,892.07
(f) Commercial paper - Listed				
(Unsecured and repayable within 1 year)				
Total (A)	408,553.24	-	-	408,553.24
Borrowings in India	331,476.82	-	-	331,476.82
Borrowings outside India	77,076.42	-	-	77,076.42
Total (B)	408,553.24	-	-	408,553.24

*Includes EIR impact of transaction cost

**The amortised cost of Borrowings (other than debt securities) in Note 18 above does not include interest accrued but not due aggregating to ₹1,678.01 millions disclosed separately under Other financial liabilities in Note 21.

Note 19: Deposits

Particulars	As at March 31, 2023			Total
	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	
Deposits				
(i) Public deposits	3,314.76	-	-	3,314.76
(ii) From Banks	-	-	-	-
(iii) From Others	-	-	-	-
Total (A)	3,314.76	-	-	3,314.76
Deposits in India	-	-	-	-
Deposits outside India	3,314.76	-	-	3,314.76
Total (B)	3,314.76	-	-	3,314.76



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(₹ in millions, except for share data and unless otherwise stated)

Particulars	As at March 31, 2022			Total
	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	
Deposits				
(i) Public deposits	2,235.26	-	-	2,235.26
(ii) From Banks	-	-	-	-
(iii) From Others	-	-	-	-
Total (A)	2,235.26	-	-	2,235.26
Deposits in India	-	-	-	-
Deposits outside India	2,235.26	-	-	2,235.26
Total (B)	2,235.26	-	-	2,235.26

19.1 Due to customers (Fixed Deposits)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Redeemable from the Balance Sheet date		
36-60 months	132.32	20.38
12-36 months	334.40	108.37
Upto 12 months	2,848.04	2,106.51
Total	3,314.76	2,235.26

Note 20: Subordinated Liabilities

Particulars	As at March 31, 2023			Total
	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	
Subordinated Debt* Refer note 20.1	-	-	-	-
Subordinated Debt - Listed** Refer note 20.2 ,20.3 & 20.4	1,709.39	-	-	1,709.39
Subordinated Debt Others Refer note 20.5	587.94	-	-	587.94
Subordinated Loan Refer note 20.6	249.22	-	-	249.22
Total (A)	2,546.55	-	-	2,546.55
Subordinated Liabilities in India	2,546.55	-	-	2,546.55
Subordinated Liabilities outside India	-	-	-	-
Total (B)	2,546.55	-	-	2,546.55

*Excludes unpaid (unclaimed) matured debentures of ₹11.98 millions shown as a part of Other financial liabilities in Note 21.

**Includes EIR impact of transaction cost; excludes unpaid (unclaimed) matured listed debentures of ₹4.96 millions (March 31, 2022: ₹7.07 millions) shown as a part of Other financial liabilities in Note 21.

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(₹ in millions, except for share data and unless otherwise stated)

The amortised cost of Subordinated Liabilities as at March 31, 2023 in Note 20 above does not include interest accrued but not due aggregating to ₹789.17 millions disclosed separately under Other financial liabilities in Note 21.

Particulars	As at March 31, 2022			Total
	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	
Subordinated Debt* Refer note 20.1	-	-	-	-
Subordinated Debt - Listed** Refer note 20.2, 20.3& 20.4	2,161.03	-	-	2,161.03
Subordinated Debt Others Refer note 20.5	587.33	-	-	587.33
Subordinated Loan Refer note 20.6	248.97	-	-	248.97
Total (A)	2,997.33	-	-	2,997.33
Subordinated Liabilities in India	2,997.33	-	-	2,997.33
Subordinated Liabilities outside India	-	-	-	-
Total (B)	2,997.33	-	-	2,997.33

*Excludes unpaid (unclaimed) matured debentures of ₹18.62 millions shown as a part of Other financial liabilities in Note 21.

**Includes EIR impact of transaction cost; excludes unpaid (unclaimed) matured listed debentures of ₹7.07 millions (March 31, 2021: ₹42.46 millions) shown as a part of Other financial liabilities in Note 21.

The amortised cost of Subordinated Liabilities as at March 31, 2022 in Note 20 above does not include interest accrued but not due aggregating to ₹965.59 millions disclosed separately under Other financial liabilities in Note 21.

20.1 Subordinated Debt

Subordinated Debt is subordinated to the claims of other creditors and qualifies as Tier II capital under the Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016. The principal amount of outstanding privately placed subordinated debt issued by the Company stood at ₹11.98 millions (March 31, 2022: ₹18.62 millions)

Series	Date of allotment	Amount	Amount	Redemption Period from the date of allotment	Interest Rate %
		As at March 31, 2023	As at March 31, 2022		
XII	01.04.2013 - 07.07.2013	2.82	3.77	66 months	12.67
XI	01.10.2012 - 31.03.2013	4.14	5.47	66 months	12.67-13.39
X	01.04.2012 - 30.09.2012	1.58	2.67	66 months	12.67-13.39
IX	01.11.2011 - 31.03.2012	0.92	1.69	66 months	12.67-13.39
VIII	01.07.2011 - 31.10.2011	1.00	1.22	66 months	12.67
VII	01.04.2011 - 30.06.2011	0.48	0.66	66 months	12.67
VII	08.02.2011 - 31.03.2011	0.08	0.08	66 months	12.67
VII	01.01.2011 - 07.02.2011	0.43	0.48	72 months	11.61
VI	01.07.2010 - 31.12.2010	0.37	0.48	72 months	11.61
V	01.01.2010 - 30.06.2010	0.16	0.76	72 months	11.61



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(₹ in millions, except for share data and unless otherwise stated)

Series	Date of allotment	Amount	Amount	Redemption Period from the date of allotment	Interest Rate %
		As at March 31, 2023	As at March 31, 2022		
IV	17.08.2009 - 31.12.2009	-	0.89	72 months	11.61
IV	01.07.2009 - 16.08.2009	-	0.05	72 months	12.50
IV	01.07.2009 - 16.08.2009	-	0.40	69 months	12.12
	Sub Total	11.98	18.62		
	Less: Unpaid (Unclaimed) matured debentures shown as a part of Other financial liabilities	11.98	18.62		
	Total	-	-		

20.2 Subordinated Debt - Public & Listed

The principal amount of outstanding Unsecured Redeemable Non- Convertible Listed Debentures issued by the Company as Subordinated Debt which qualifies as Tier II capital under the Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 issued through Public Issue stood at ₹971.32 millions (March 31, 2022: ₹1330.79 millions).

Series	Date of allotment	Amount	Amount	Redemption Period from the date of allotment	Interest Rate %
		As at March 31, 2023	As at March 31, 2022		
PL 17	24.04.2017	187.17	187.17	96 Months	9.06
PL 16	30.01.2017	317.76	317.76	96 Months	9.06
PL 15	12.05.2016	236.00	236.00	90 Months	9.67
PL 14	20.01.2016	230.39	230.39	87 Months	10.02
PL 13	14.10.2015	-	359.47	84 Months	10.41
	Sub Total	971.32	1,330.79		
	Less: EIR impact of transaction cost	4.29	7.05		
	Total	967.03	1,323.74		

20.3 Subordinated Debt - Private Placement & Listed

The Company has principal amount outstanding of privately placed Unsecured Redeemable Non-Convertible Listed Debentures issued as Subordinated Debt which qualifies as Tier II capital under the Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 stood at NIL (March 31, 2022: ₹100 millions).

Series	Date of allotment	Amount	Amount	Redemption Period from the date of allotment	Interest Rate %
		As at March 31, 2023	As at March 31, 2022		
IA	26.03.2013	-	100.00	120 Months	12.35
	Total	-	100.00		

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(₹ in millions, except for share data and unless otherwise stated)

20.4 Subordinated Liabilities - Debentures - Listed

BML has principal outstanding Unsecured Redeemable Non Convertible Debentures issued as Subordinated Debt which qualifies as Tier II capital under the Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 stood at ₹750.00 millions (March 31, 2022: ₹750.00 millions)

Particulars	Amount	Amount	Date of Redemption	Nominal value per debenture [#]	Total number of debentures [#]
	As at March 31, 2023	As at March 31, 2022			
14.50% Unsecured, Redeemable, Rated, listed, Subordinated, Taxable, Non-Convertible Debentures	500.00	500.00	30.09.2027	1,000,000.00	500.00
11.5% Unsecured, Redeemable, Rated, listed, Subordinated, Taxable, Non-Convertible Debentures	250.00	250.00	31.05.2023	1,000.00	250,000.00
Sub Total	750.00	750.00			
Less: EIR impact of transaction cost	7.64	12.71			
Total	742.36	737.29			

[#]Nominal value per debenture and total number of debentures are in full numbers.

20.5 Subordinated Liabilities - Debentures - Unlisted

BML has principal outstanding Unsecured Redeemable Non Convertible Debentures issued as Subordinated Debt which qualifies as Tier II capital under the Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 stood at ₹590 millions (March 31, 2022: ₹590 millions)

Particulars	Amount	Amount	Date of Redemption	Nominal value per debenture #	Total number of debentures [#]
	As at March 31, 2023	As at March 31, 2022			
Subordinated Debt (Tier II Capital)					
14.50% Unsecured, Redeemable, Rated, Unlisted, Subordinated, Taxable, Non-Convertible Debentures	240.00	240.00	03.12.2025	100,000.00	2,400.00
14.50% Unsecured, Redeemable, Rated, Unlisted, Subordinated, Taxable, Non-Convertible Debentures	150.00	150.00	15.05.2026	100,000.00	1,500.00
14% Unsecured, Redeemable, Rated, Unlisted, Subordinated, Taxable, Non-Convertible Debentures	200.00	200.00	11.09.2025	1,000,000.00	200.00
Sub Total	590.00	590.00			
Less: EIR impact of transaction cost	2.06	2.67			
Total	587.94	587.33			

[#]Nominal value per debenture and total number of debentures are in full numbers.



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(₹ in millions, except for share data and unless otherwise stated)

20.6 Subordinated Liabilities - Loan

Belstar Microfinance Limited

Particulars	Amount As at March 31, 2023	Amount As at March 31, 2022	Date of Redemption	Interest rate %
14.50% Unsecured, Subordinated loan	250.00	250.00	23.12.2025	14.50
Sub Total	250.00	250.00		
Less: EIR impact of transaction cost	0.78	1.03		
Total	249.22	248.97		

Note 21: Other Financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Interest accrued but not due on borrowings	9,694.85	11,984.32
Unpaid (Unclaimed) dividends	9.23	8.68
Unpaid (Unclaimed) matured Non Convertible Debentures and interest accrued thereon	264.02	94.42
Payable towards assignment transactions	2,003.20	866.81
Unpaid (Unclaimed) matured Listed Non convertible Debentures and interest accrued thereon	74.81	76.07
Direct assignment portfolio collection payable	103.87	96.56
Security deposits received	15.63	15.75
Auction surplus refundable	39.91	42.76
Others	370.87	138.11
Total	12,576.39	13,323.48

Note 22: Provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Provision in excess of ECL (Refer Note 22.1)	2,953.76	2,953.76
Provision for undrawn commitments	6.88	19.59
Provision for employee benefits		
- Gratuity	93.87	147.41
- Compensated absences	386.51	356.19
- Others	63.99	49.65
Provision for unspent expenditure on Corporate Social Responsibility (Refer Note 22.2)	22.83	66.83
Provisions for other losses (Refer Note 22.2)	91.08	86.40
Total	3,618.92	3,679.83

22.1 Provision in excess of ECL represents the provision created on loan assets (including in prior years), which is in excess of the amounts determined and adjusted against such assets as impairment loss on application of expected credit loss method as per Ind AS 109 ('Financial Instruments'), and retained in the books of account as a matter of prudence.

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(₹ in millions, except for share data and unless otherwise stated)

22.2 The movement in provisions for unspent expenditure on Corporate Social Responsibility and other losses during 2022-23 and 2021-22 is as follows:

Particular	Provision for unspent expenditure on Corporate Social Responsibility	Provisions for other losses
As at April 01, 2021	120.49	96.83
Additions	-	4.35
Reversed	-	(10.15)
Utilised	(53.66)	(4.63)
As at March 31, 2022	66.83	86.40
Additions	-	10.36
Reversed	-	(4.55)
Utilised	(44.00)	(1.13)
As at March 31, 2023	22.83	91.08

Note 23: Other Non-financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory dues payable	577.95	983.22
Insurance premium payable	2.15	12.06
Advance interest received on loans	8.04	9.25
Other non financial liabilities	95.45	137.10
Total	683.59	1,141.63

Note 24: Equity share capital

24.1 The reconciliation of equity shares outstanding at the beginning and at the end of the period

Particulars	As at March 31, 2023	As at March 31, 2022
Authorised		
450,000,000 (March 31, 2022 : 450,000,000) Equity shares of ₹10/- each	4,500.00	4,500.00
5,000,000 (March 31, 2022 : 5,000,000) Preference shares of ₹1000/- each	5,000.00	5,000.00
Issued, subscribed and fully paid up		
March 31, 2023: 40,14,48,231 (March 31, 2022: 401,345,266) Equity shares of ₹10/- each fully paid up	4,014.48	4,013.45
Total Equity	4,014.48	4,013.45

24.2 Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹10/- per share. All these shares have the same rights and preferences with respect to the payment of dividend, repayment of capital and voting. The Company declares and pays dividends in Indian rupees. The interim dividend is declared and approved by Board of Directors.



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In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

24.3 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year

Particulars	In Numbers	Amount
As at April 01, 2021	401,195,856	4,011.96
Shares issued in exercise of Employee Stock Options during the year	149,410	1.49
As at March 31, 2022	401,345,266	4,013.45
Shares issued in exercise of Employee Stock Options during the year	102,965	1.03
As at March 31, 2023	401,448,231.00	4,014.48

24.4 Details of Equity shareholder holding more than 5% shares in the company

Particulars	As at March 31, 2023			As at March 31, 2022		
	No. of shares held	% holding in the class	% change in shareholding of Promoters during the year	No. of shares held	% holding in the class	% change in shareholding of Promoters during the year
Sara George	29,036,548	7.23%	Nil	29,036,548	7.23%	Not Applicable
George Alexander Muthoot (Promoter)	23,630,900	5.89%	Nil	23,630,900	5.89%	-45.84%
George Jacob Muthoot (Promoter)	43,630,900	10.87%	Nil	43,630,900	10.87%	Nil
George Thomas Muthoot (Promoter)	43,630,900	10.87%	Nil	43,630,900	10.87%	Nil
Susan Thomas	29,985,068	7.47%	Nil	29,985,068	7.47%	Not Applicable
Alexander George	22,289,710	5.55%	Nil	22,289,710	5.55%	Not Applicable
George M George	22,289,710	5.55%	Nil	22,289,710	5.55%	Not Applicable

24.5 Disclosure as to aggregate number and class of shares allotted as pursuant to contract(s) without payment being received in cash, fully paid up by way of bonus shares and shares bought back

Particulars	Fully paid up pursuant to contract(s) without payment being received in cash	Fully paid up by way of bonus shares	Shares bought back
Equity Shares :			
2022-2023	Nil	Nil	Nil
2021-2022	Nil	Nil	Nil
2020-2021	Nil	Nil	Nil
2019-2020	Nil	Nil	Nil
2018-2019	Nil	Nil	Nil
2017-2018	Nil	Nil	Nil

24.6 Shares reserved for issue under Employee Stock Option Scheme

The Company has reserved 63,485 equity shares (March 31, 2022: 206,865) for issue under the Employee Stock Option Scheme 2013.

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(₹ in millions, except for share data and unless otherwise stated)

Note 25: Other equity

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory reserve		
Balance at the beginning of the year	42,377.74	34,315.09
Add: Transfer from Retained earnings	7,122.21	8,062.65
Balance at the end of the year	49,499.95	42,377.74
Securities Premium		
Balance at the beginning of the year	15,063.70	15,016.44
Add: Securities premium on share options exercised during the year	36.59	47.26
Securities premium on share options exercised during the year		
Balance at the end of the year	15,100.29	15,063.70
Debenture Redemption Reserve		
Balance at the beginning of the year	35,123.98	35,123.98
Add: Amount transferred from Retained earnings	-	-
Less: Amount transferred to surplus in the statement of profit and loss		
Balance at the end of the year	35,123.98	35,123.98
General Reserve		
Balance at the beginning of the year	2,676.33	2,676.33
Add: Amount transferred from Retained earnings	-	-
Balance at the end of the year	2,676.33	2,676.33
Share option outstanding account		
Balance at the beginning of the year	61.74	105.00
Add: Share based payment expenses	-	(1.98)
Less: Transfer To Securities premium on account of options exercised	-	(41.28)
Deduction on allotment during the year	(41.62)	
Balance at the end of the year	20.12	61.74
Capital reserve		
Balance at the beginning of the year	0.66	0.66
Add: Amount transferred from Retained earnings	-	-
Balance at the end of the year	0.66	0.66
Capital Redemption reserve		
Balance at the beginning of the year	500.00	500.00
Add: Amount transferred from Retained earnings	-	-
Balance at the end of the year	500.00	500.00
Retained Earnings		



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Particulars	As at	As at
	March 31, 2023	March 31, 2022
Balance at the beginning of the year	88,710.70	63,973.67
Add: Profit for the year	36,122.98	40,166.20
Add : Transfers from ESOP Reserves	9.16	
Add: Adjustments to non controlling interest	259.51	657.40
Less: Appropriation		
Dividend on equity shares	(8,026.91)	(8,023.92)
Transfer to Statutory Reserve	(7,122.21)	(8,062.65)
Total appropriations	(15,149.12)	(16,086.57)
Balance at the end of the year	109,953.23	88,710.70
Other Comprehensive Income		
Balance at the beginning of the year	(671.06)	27.10
Add/Less: Other comprehensive income for the year	439.54	(698.16)
Balance at the end of the year	(231.52)	(671.06)
Total	212,643.04	183,843.79

25.1 Nature and purpose of reserve

(a) Statutory reserve

Statutory Reserve represents the Reserve Fund created under Section 45 IC of the Reserve Bank of India Act, 1934. Accordingly an amount representing 20% of Profit for the period is transferred to the fund for the year.

(b) Securities Premium

This Reserve represents the premium on issue of equity shares and can be utilized in accordance with the provisions of the Companies Act, 2013."

(c) Debenture Redemption Reserve

Pursuant to Rule 18(7)(b)(iii) of the Companies (Share Capital and Debentures) Rules, 2014, as amended vide the Companies (Share Capital and Debentures) Amendment Rules, August 16, 2019, the Company, being an NBFC registered with the Reserve Bank of India under Section 45 IA of the RBI Act, 1934, is not required to create a Debenture Redemption Reserve, in respect of public issue of debentures and debentures issued by it on a private placement basis.

(d) General Reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of profit for the period at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

(e) Share Options outstanding account

The fair value of equity settled share based payments transactions is recognised in the Statement of Profit and Loss with corresponding credit to Share option outstanding account.

(f) Retained earnings

This Reserve represents the cumulative profits of the Company. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

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(g) Capital Redemption Reserve

The amount in Capital Redemption Reserve is equal to nominal amount of the Non-Convertible Redeemable Preference Shares redeemed. The Group may issue fully paid up bonus shares to its members out of the capital redemption reserve account.

(h) Capital Reserve

A capital reserve is used for contingencies or to offset capital losses. It is derived from the accumulated capital surplus created out of capital profit.

(i) Other Comprehensive Income

Equity instruments through Other Comprehensive Income

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated in the FVOCI equity investments reserve. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

Effective portion of Cash Flow Hedges and Cost of Hedging Reserve

Effective portion of cash flow hedges represents the cumulative gains/(losses) arising on changes in fair value of the derivative instruments designated as cash flow hedges through OCI. The amount recognized as effective portion of Cash flow hedge is reclassified to profit or loss when the hedged item affects profit or loss. The company designates the spot element of foreign currency forward contracts as hedging instruments. The changes in the fair value of forward element of the forward contract on reporting date is deferred and retained in the cost of hedging reserve.

(₹ in millions, except for share data and unless otherwise stated)

Remeasurement of defined benefit plans

It represents the gain/(loss) on remeasurement of Defined Benefit Obligation and of Plan assets

Gain/ (loss) from translating financial statements of foreign operations

The Group is required to convert the financial statements of its foreign operations into its functional currency, which is the Indian Rupee. This translation process involves using the exchange rates at the end of the reporting period for assets and liabilities and the exchange rates at the transaction dates for income and expenses. The resulting exchange differences from this translation are not recognized in the Statement of Profit and Loss. Instead, they are recorded separately as a component of other equity known as the Foreign Currency Translation Reserve (FCTR).

However, there are two exceptions to this approach. Firstly, if the exchange differences pertain to a non-controlling interest (NCI) in a subsidiary, the Group allocates the relevant portion of these differences to the NCI. Secondly, if the Group disposes of a foreign operation, either wholly or partially, the cumulative amount of exchange differences in the FCTR is transferred to the Statement of Profit and Loss. This transfer becomes a part of the gain or loss on disposal.

25.2 Dividend proposed to be distributed to equity shareholders for the period

Dividend proposed to be distributed to equity shareholders for the period (not recognised as liability)

Interim dividend for 2022-23 @ ₹22/- per equity share	8,831.86
Date of declaration of interim dividend for the period	April 06, 2023



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(₹ in millions, except for share data and unless otherwise stated)

Note 26: Interest income

Particulars	Year ended March 31, 2023			Year ended March 31, 2022		
	On Financial asset measured at fair value through OCI	On Financial asset measured at amortised cost	Interest income on financial assets classified at fair value through profit or loss	On Financial asset measured at fair value through OCI	On Financial asset measured at amortised cost	Interest income on financial assets classified at fair value through profit or loss
Interest on Loans						
Gold Loan	-	101,460.63	-	-	107,851.23	-
Corporate Loans	-	80.36	-	-	26.31	-
Personal Loan	-	833.91	-	-	603.60	-
Staff Loan	-	3.90	-	-	2.82	-
Housing Loans	-	1,322.97	-	-	1,602.66	-
Mortgage loans	-	38.04	-	-	93.16	-
Pledge loans	-	10.75	-	-	3.59	-
Business Loans	-	225.11	-	-	126.30	-
Vehicle Loan	-	213.01	-	-	352.82	-
Microfinance loans	-	8,539.83	-	-	6,622.79	-
Other loans	-	32.14	-	-	28.25	-
Interest on hire purchase	-	0.66	-	-	0.11	-
Interest on leases	-	32.68	-	-	122.60	-
Interest income from investments	-	1,746.34	-	-	1,228.59	-
Interest on deposits with banks	-	812.60	-	-	504.72	-
Interest on treasury bills	-	97.09	-	-	22.83	-
Interest Income on Unit Trust	-	9.45	-	-	18.38	-
Other interest income	-	95.88	-	-	40.76	-
Total	-	115,555.35	-	-	119,251.52	-

Note 27: Net gain/(loss) on fair value changes

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(A) Net gain on financial instruments at fair value through profit or loss		
(i) On trading portfolio		
- Investments	716.51	466.84
- Others	-	28.90
Net gain/ (loss) on fair value changes	-	-
(ii) On financial instruments designated at fair value through profit or loss	(192.38)	-
(B) Gain on fair valuation of equity shares	0.01	-
Total Net gain/(loss) on fair value changes (C)	524.14	495.74
Fair Value changes:		
- Realised	716.51	495.74
- Unrealised	(192.37)	-
Total Net gain(loss) on fair value changes	524.14	495.74

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(₹ in millions, except for share data and unless otherwise stated)

Note 28: Sale of services

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Income from Money Transfer business	110.02	121.44
Income from Power Generation Windmill	3.24	18.25
Total	113.26	139.69

Note 29: Other Income

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Profit on settled contracts	-	13.60
Bad debt recovered	430.05	169.70
Rental income	3.10	2.54
Others	340.27	339.69
Total	773.42	525.54

Note 30: Finance Costs

Particulars	Year ended March 31, 2023		Year ended March 31, 2022	
	On financial liabilities measured at fair value through profit or loss	On financial liabilities measured at amortised cost	On financial liabilities measured at fair value through profit or loss	On financial liabilities measured at amortised cost
(a) Interest on deposits	-	494.89	-	244.42
(b) Interest on borrowing (other than debt securities)	-	30,559.24	-	29,380.14
(c) Interest on debt securities	-	10,573.87	-	12,382.17
(d) Interest on subordinate liabilities	-	434.95	-	520.91
(e) Interest on lease liabilities	-	18.46	-	13.48
(f) Other interest expense	-	10.37	-	17.40
Total	-	42,091.78	-	42,558.52

Note 31: Impairment on financial instruments

Particulars	Year ended March 31, 2023		Year ended March 31, 2022	
	On financial instruments measured at fair value through OCI	On financial instruments measured at amortised cost	On financial instruments measured at fair value through OCI	On financial instruments measured at amortised cost
Loans	-	2,117.10	-	2,599.23
Bad Debts Written Off	-	169.16	-	1,225.07
Investments Written Off	-	115.94	-	7.00
Other Assets	-	10.11	-	1.62
Provision for Interest only Strip	-	7.76	-	9.19
Total	-	2,420.07	-	3,842.21



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(₹ in millions, except for share data and unless otherwise stated)

Note 32: Employee Benefits Expenses

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salaries and Wages	13,831.22	11,426.89
Contributions to Provident and Other Funds	870.54	815.96
Share based payments to employees	-	(1.98)
Staff Welfare Expenses	180.92	127.22
Total	14,882.68	12,368.09

Note 33: Depreciation, amortization and impairment

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation of Tangible Assets	680.52	587.88
Depreciation of Investment Property	0.30	2.96
Amortization of Intangible Assets	29.24	40.94
Depreciation on Right to Use Assets	71.55	68.25
Total	781.61	700.03

Note 34: Other Expenses

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Rent	2,621.18	2,434.78
Rates & Taxes	651.94	618.83
Energy Costs	430.57	336.65
Repairs and Maintenance	621.22	642.21
Communication Costs	488.06	554.63
Printing and Stationery	243.13	175.31
Advertisement & Publicity	1,613.03	1,213.48
Directors' Sitting Fee	14.83	21.09
Commission to Non-Executive Directors	10.15	8.82
Auditors' fees and expenses (Refer note 34.1)	15.99	13.44
Legal & Professional Charges	599.03	409.44
Insurance	136.72	144.79
Internal Audit and Inspection Expenses	146.65	113.55
Vehicle Hire & Maintenance	11.69	9.28
Travelling and Conveyance	690.35	425.52
Business Promotion Expenses	221.33	67.25
Bank Charges	156.60	117.29
Donation to Political Parties	5.58	0.50
Business Support Charges	57.54	18.04
Loss on Sale of property, plant and equipment	21.16	6.47
Membership and subscription	9.52	8.64
Cloud Charges	50.83	29.10
Establishment Charges	10.33	0.15
Miscellaneous expense	533.42	560.49
Expenditure on Corporate Social Responsibility (Refer note 34.2)	985.26	845.96
Total	10,346.11	8,775.71

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Note 34.1 Auditors' fees and expenses:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
As Auditors' (including limited review)	13.85	12.58
For Other Services	2.13	0.80
For Reimbursement of Expenses	0.01	0.06
Total	15.99	13.44

Note 34.2 Expenditure on Corporate Social Responsibility:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
a) Gross amount required to be spent by the Group during the year	984.51	841.63
b) Amount spent during the period		
i) Construction/acquisition of any asset		
- In Cash	-	-
- Yet to be paid in cash	-	-
ii) On purpose other than (i) above -		
- In Cash	985.26	845.96
- Yet to be paid in cash	-	-
Total	985.26	845.96

Note 35: Income Tax

The components of income tax expense for the year ended March 31, 2023 and year ended March 31, 2022 are:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Current tax	12,341.19	14,110.96
Adjustment in respect of current income tax of prior years	(105.52)	(7.20)
Deferred tax relating to origination and reversal of temporary differences	294.47	(315.12)
Income tax expense reported in statement of Profit and Loss	12,530.14	13,788.64
OCI Section		
Current tax related to items recognised in OCI during the period:		
- Remeasurement of defined benefit plans	12.32	6.00
Deferred tax related to items recognised in OCI during the period:		
- Remeasurement of defined benefit plans	(0.86)	0.40
- Fair value changes on equity instruments through other comprehensive income	(21.35)	15.48
- Change in Value of forward elements of forward contract	99.78	(168.68)
- Effective portion of gain on hedging instruments in cash flow hedges	61.66	(10.15)
- Fair value gain on debt instruments through other comprehensive income	-	(6.18)
Income tax charged to OCI	151.55	(169.13)

In accordance with the provisions of Section 115BAA of the Income Tax Act, 1961, the companies in the Group incorporated in India have opted to pay income tax at a reduced rate of 22% (plus surcharge @ 10% and cess @ 4%).



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Reconciliation of the total tax charge:

The tax charge shown in the Statement of Profit and Loss differs from the tax charge that would apply if all profits had been charged at tax rate applicable to the companies in the Group. A reconciliation between the tax expense and the accounting profit multiplied by substantively enacted tax rate for the year ended March 31, 2023 and year ended March 31, 2022 is, as follows:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Accounting profit before tax	49,227.80	54,101.87
At India's statutory income tax rate of 25.168% (2022: 25.168%)	12,389.65	13,616.36
Effect of derecognition of previously recognised deferred tax assets	-	-
Effect of unrecognised deferred tax assets	(0.02)	(3.54)
Effect of derecognition of previously recognised deferred tax assets	(0.86)	-
Effect of income that is exempt from taxation	6.98	10.51
Income of Subsidiaries taxed at diff tax rates (net)	(6.21)	11.71
Income taxed at different rate (Capital Gains)	-	-
Impact of allowance of Provision 5% as per Section 36(1)(vii)(d) of IT act, 1961	-	-
Adjustments in respect of current income tax of previous year	(94.95)	(7.20)
Effect of change in tax law, rate or tax status	-	-
Expenses disallowed in Income Tax Act	249.13	198.54
Interest on income tax grouped under Current tax charge	30.72	43.09
Others	(44.31)	(80.83)
Income tax expense reported in the Statement of Profit and Loss	12,530.14	13,788.64

The following table shows deferred tax recorded in the balance sheet and changes recorded in the Income tax expense:

Deferred Tax Assets/(Liabilities)	As at March 31, 2023	As at March 31, 2022
Fixed asset: Timing difference on account of Depreciation and Amortisation	308.69	281.09
ROU Asset : Timing difference on account of depreciation and amortisation	1.41	(0.70)
On application of Expected Credit Loss method for loan loss provisions and related adjustments as per Ind AS 109 and amortisation of net income under Effective Interest Rate Method not adjusted under Income Tax Act, 1961	552.06	702.71
On Fair Value Changes of derivative liability not adjusted under Income Tax Act, 1961	135.20	381.05
On Amortisation of expenses under Effective Interest Rate method for financial liabilities not permitted under Income Tax Act, 1961	(109.95)	(169.34)
Net gain on fair valuation of Investments not adjusted under Income Tax Act, 1961	(148.83)	(170.00)
Impact due to gain/loss on fair value of securitisation	(248.81)	(109.93)
Impact of expenditure charged to the Statement of Profit and Loss in the current year but claimed as expense for tax purpose on payment basis.	2.98	12.91
Tax Losses relating to foreign subsidiary	0.05	20.98
Transitional adjustment	51.00	95.62
Statutory reserve as per NHB	(67.54)	(62.31)
Interest Spread on assignment	(177.34)	(215.97)
On Other Provisions	189.20	157.27
Net deferred tax assets / (liabilities)	488.12	923.38
Deferred tax Assets (Net as per Balance Sheet)	640.98	1,089.74
Deferred tax Liabilities (Net as per Balance Sheet)	152.86	166.36
Net deferred tax assets / (liabilities)	488.12	923.38

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(₹ in millions, except for share data and unless otherwise stated)

Reconciliation of deferred tax assets/(liabilities): -

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Opening balance	923.38	450.54
Tax income/(expense) during the period recognised in profit or loss	(294.47)	315.12
Tax income/(expense) during the period recognised in OCI	(139.23)	169.14
Exchange differences	(1.56)	(11.42)
Closing balance	488.12	923.38

Note 36: Earnings per share

Basic earnings per share (EPS) is calculated by dividing the net profit for the year attributable to equity holders of Parent Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the net profit attributable to equity holders of Parent Company (after adjusting for interest on the convertible preference shares and interest on the convertible bond, in each case, net of tax, if any) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Net profit attributable to ordinary equity holders	36,122.98	40,166.20
Weighted average number of equity shares for basic earnings per share	401,397,883	401,268,121
Effect of dilution	60,216	196,527
Weighted average number of equity shares for diluted earnings per share	401,458,099	401,464,648
Earnings per equity share		
Basic earnings per share ₹	89.99	100.10
Diluted earnings per share ₹	89.98	100.05

Note 37: Segment Information

The Group is engaged primarily in the business of Financing, where operating results are regularly reviewed by the respective entity's chief operating decision maker to make decisions about resources to be allocated and to assess its performance, and for which discrete financial information is available. Further other business segments do not exceed the quantitative thresholds as defined by the Ind AS 108 on "Operating Segment". Hence, there are no separate reportable segments, as required by the Ind AS 108 on "Operating Segment".

Note 38: Retirement Benefit Plan

Defined Contribution Plan

The Group makes contributions to Provident Fund which are defined contribution plan for qualifying employees.

Defined Benefit Plan

The Company and five subsidiaries (AAF, BML, MHIL, MML and MIBPL) have defined benefit gratuity plans. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Every employee who has completed five years or more of service gets a gratuity on leaving the service of the Group at 15 days salary (last drawn salary) for each completed year of service.

Gratuity schemes are funded by Insurance companies except in the case of AAF.



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(₹ in millions, except for share data and unless otherwise stated)

The following tables summaries the components of net benefit expense recognized in the Statement of Profit and Loss and the funded status and amounts recognized in the Balance Sheet for the gratuity plan.

Net liability/(assets) recognised in the Balance Sheet

Particulars	As at March 31, 2023	As at March 31, 2022
Present value of funded obligations	1,426.10	1,415.52
Fair value of planned assets	(1,332.23)	(1,268.10)
Defined Benefit obligation/(asset)	93.87	147.42

Muthoot Money Limited : Net liability/(assets) recognised in the Balance Sheet

Particulars	As at March 31, 2023	As at March 31, 2022
Present value of funded obligations	2.31	1.68
Fair value of planned assets	(3.88)	(3.43)
Defined Benefit obligation/(asset)	(1.57)	(1.75)

Net benefit expense recognised in Statement of Profit and Loss

Particulars	As at March 31, 2023	As at March 31, 2022
Current service cost	182.46	176.99
Past service cost	-	(0.16)
Net Interest on net defined benefit liability/ (asset)	10.52	5.73
Net benefit expense	192.98	182.56

Details of changes in present value of defined benefit obligations as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Present value of defined benefit obligation at the beginning of the year	1,417.20	1,333.98
Current service cost	182.46	176.99
Past Service Cost	-	(0.16)
Interest cost on benefit obligation	88.23	77.70
Re-measurements:		
a. Actuarial loss/ (gain) arising from changes in financial assumptions	(67.43)	(29.02)
b. Actuarial loss/ (gain) arising from experience over the past years	3.34	(3.14)
Benefits paid	(195.35)	(135.52)
FCTR Adjustments	(0.08)	(3.63)
Present value of Defined Benefit obligation at the end of the year	1,428.41	1,417.20

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(₹ in millions, except for share data and unless otherwise stated)

Details of changes in fair value of plan assets are as follows: -

Particulars	As at March 31, 2023	As at March 31, 2022
Fair value of plan assets at the beginning of the year	1,271.53	1,238.79
Interest income on plan assets	77.71	71.97
Employer contributions	206.14	103.72
Benefits paid	(194.30)	(134.70)
Re-measurements:		
a. Return on Plan assets, excluding amount included in net interest on the net defined benefit liability/(asset)	(24.97)	(8.25)
Fair value of plan assets as at the end of the year	1,336.11	1,271.53
Actual return on plan assets	52.74	63.72
Expected employer contribution for the coming year	175.99	172.27

Remeasurement (gain)/ loss in Other Comprehensive Income (OCI)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Remeasurements on defined benefit obligation		
Actuarial gain/(loss) arising from changes in financial assumptions	67.43	34.33
Actuarial gain/(loss) arising from experience over the past years	(1.34)	(2.19)
Remeasurements on plan assets		
Return on Plan assets, excluding amount included in net interest on the net defined benefit liability/(asset)	(24.97)	(8.25)
Actuarial gain /(loss) (through OCI)	41.12	23.89

As at March 31, 2023 and March 31, 2022, plan assets of the Group, where applicable, were primarily invested in insurer managed funds.

The principal assumptions used in determining gratuity obligations for the Group's plans are shown below:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salary Growth Rate	7.00% - 15.00% Pa	6.00% - 10.00% p.a
Discount Rate	7.10% - 15.00%	4.60% - 13.10% p.a
Withdrawal Rate	15.00% - 38.00% p.a.	15.00% - 38.00% p.a.
Mortality	IALM 2012-14 Ult.	IALM 2012-14 Ult.
Interest rate on net DBO/ (Assets)	4.60% - 6.20% p.a.	4.30% - 6.25% p.a.
Expected weighted average remaining working life	2 - 5 Years	2 - 5 Years



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(₹ in millions, except for share data and unless otherwise stated)

A quantitative sensitivity analysis for significant assumption As at March 31, 2023 and March 31, 2022 of the Parent Company, MHIL, MML and MIBPL are as below:

Assumptions	Sensitivity Level	As at March 31, 2023	As at March 31, 2022
Discount Rate	Increase by 1%	(67.12)	(70.66)
Discount Rate	Decrease by 1%	74.20	78.49
Further Salary Increase	Increase by 1%	73.54	77.11
Further Salary Increase	Decrease by 1%	(67.80)	(70.78)
Employee turnover	Increase by 1%	(2.74)	(5.89)
Employee turnover	Decrease by 1%	2.77	6.24
Mortality Rate	Increase in expected lifetime by 1 year	0.06	0.06
Mortality Rate	Increase in expected lifetime by 3 years	0.15	0.15

A quantitative sensitivity analysis for significant assumption As at March 31, 2023 and March 31, 2022 of BML are as below:

Assumptions	Sensitivity Level	As at March 31, 2023	As at March 31, 2022
Discount Rate	Increase by 0.50%	(1.07)	(0.86)
Discount Rate	Decrease by 0.50%	1.10	0.89
Further Salary Increase	Increase by 1%	2.14	-
Further Salary Increase	Decrease by 1%	(2.06)	-
Further Salary Increase	Increase by 0.50%	-	1.71
Further Salary Increase	Decrease by 0.50%	-	(1.64)

The sensitivity is performed on the DBO at the respective valuation date by modifying one parameter whilst retaining other parameters constant. There are no changes from the previous period to the methods and assumptions underlying the sensitivity analyses. The weighted average duration of the defined benefit obligation As at March 31, 2023 is 5 years for the Company, BML, & MIBPL and 2 years for MML & MHIL (As at 31, March 2022; 5 Years for the company, BML & MIBPL and 2 years for MML & MHIL). The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

A quantitative sensitivity analysis for significant assumption As at March 31, 2023 and March 31, 2022 of AAF are as below:

Assumptions	Sensitivity Level	As at March 31, 2023	As at March 31, 2022
Discount Rate	Increase by 1%	(10.95)	(8.22)
Discount Rate	Decrease by 1%	11.92	8.64
Discount Rate	Increase by 5%	-	(7.51)
Discount Rate	Decrease by 5%	-	9.65
Further Salary Increase	Increase by 1%	11.95	8.63
Further Salary Increase	Decrease by 1%	(10.92)	(8.22)

Description of Asset Liability Matching (ALM) Policy

The Group primarily deploys its gratuity investment assets in insurer-offered debt market-linked plans. As investment returns of the plan are highly sensitive to changes in interest rates, liability movement is broadly hedged by asset movement if the duration is matched.

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Description of funding arrangements and funding policy that affect future contributions

The liabilities of the fund are funded by assets. The Group aims to maintain a close to full-funding position at each Balance Sheet date. Future expected contributions are disclosed based on this principle.

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

The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations. The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments, mortality, withdrawals and other relevant factors.

Note 39: Maturity analysis of assets and liabilities

The table below shows the maturity analysis of assets and liabilities according to when they are expected to be recovered or settled. For Loans and advances to customers, the Group uses the same basis of expected repayment behaviour as used for estimating the EIR. Issued debt reflect the contractual coupon amortisations.

Particulars	As at March 31, 2023		Total
	Within 12 months	After 12 months	
Assets			
Financial assets			
Cash and cash equivalents	77,701.83	-	77,701.83
Bank Balance other than Cash and cash equivalents	1,870.21	784.55	2,654.76
Derivative Financial instruments	-	-	-
Trade receivables	98.95	-	98.95
Loans	640,736.41	65,131.34	705,867.75
- Adjustment on account of EIR/ECL	-	-	(323.91)
Investments	946.56	4,510.56	5,457.12
- Adjustment on account of EIR/ECL	-	-	-
Other financial assets	1,758.47	1,694.53	3,453.00
Non-financial Assets	-	-	-
Current tax assets (net)	112.42	362.15	474.57
Deferred tax assets (net)	9.34	631.64	640.98
Investment property	12.84	69.18	82.02
Property, plant and equipment	-	3,272.37	3,272.37
Right to use assets	14.13	128.10	142.23
Capital Work In Progress	-	674.27	674.27
Goodwill	-	-	-
Other intangible assets	-	58.85	58.85
Intangible Asset under Development	-	0.44	0.44
Other non financial assets	696.67	237.34	934.01
Total assets	723,957.83	77,555.32	801,189.24
Liabilities			
Financial Liabilities			
Derivative financial instruments	1,921.73	-	1,921.73
Trade payables	1,341.21	-	1,341.21
Other Payables	817.29	-	817.29



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(₹ in millions, except for share data and unless otherwise stated)

Particulars	As at March 31, 2023		
	Within 12 months	After 12 months	Total
Debt Securities	56,198.86	90,002.14	146,201.00
- Adjustment on account of EIR	-	-	(155.21)
Borrowings (other than debt securities)	294,093.74	112,010.76	406,104.50
- Adjustment on account of EIR	-	-	(129.92)
Deposits	2,848.48	466.28	3,314.76
- Adjustment on account of EIR	-	-	-
Subordinated Liabilities	713.50	1,837.34	2,550.84
- Adjustment on account of EIR	-	-	(4.29)
Lease Liabilities	64.99	90.58	155.57
Other Financial liabilities	10,652.02	1,924.37	12,576.39
	-	-	-
Non-financial Liabilities	-	-	-
Current tax liabilities (net)	811.92	-	811.92
Provisions	3,233.80	385.12	3,618.92
Deferred tax liabilities (net)	-	152.86	152.86
Other non-financial liabilities	635.92	47.67	683.59
Total Liabilities	373,333.45	206,917.12	579,961.16
Net	350,624.38	(129,361.79)	221,228.09

Particulars	As at March 31, 2022		
	Within 12 months	After 12 months	Total
Assets			
Financial assets			
Cash and cash equivalents	100,358.14	-	100,358.14
Bank Balance other than Cash and cash equivalents	2,048.93	742.54	2,791.47
Derivative Financial instruments	605.01	-	605.01
Trade receivables	70.09	-	70.09
Loans	608,721.48	42,117.79	650,839.27
- Adjustment on account of EIR/ECL	-	-	(5,562.86)
Investments	1,352.43	3,880.62	5,233.06
- Adjustment on account of EIR/ECL	-	-	-
Other financial assets	1,053.01	1,754.26	2,807.28
Non-financial Assets			
Current tax assets (net)	110.21	-	110.21
Deferred tax assets (net)	15.42	1,074.32	1,089.74
Investment property	9.07	84.33	93.41
Property, plant and equipment	0.88	2,816.05	2,816.92
Right to use assets	12.80	135.00	147.80
Capital Work In Progress	66.97	456.47	523.44
Goodwill	-	-	-
Other intangible assets	-	58.74	58.74
Intangible Asset under Development	-	0.49	0.49
Other non financial assets	768.94	113.63	882.57
Total assets	715,193.39	53,234.24	762,864.77

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(₹ in millions, except for share data and unless otherwise stated)

Particulars	As at March 31, 2022		
	Within 12 months	After 12 months	Total
Liabilities			
Financial Liabilities			
Derivative financial instruments	1,326.58	3,471.39	4,797.97
Trade payables	1,570.20	-	1,570.20
Other Payables	3.46	-	3.46
Debt Securities	36,688.89	95,301.54	131,990.43
- Adjustment on account of EIR	-	-	(250.08)
Borrowings (other than debt securities)	268,565.98	140,318.48	408,884.46
- Adjustment on account of EIR	-	-	(331.22)
Deposits	2,106.50	128.75	2,235.26
- Adjustment on account of EIR	-	-	-
Subordinated Liabilities	459.47	2,544.91	3,004.38
- Adjustment on account of EIR	-	-	(7.05)
Lease Liabilities	58.39	101.41	159.80
Other Financial liabilities	10,830.35	2,493.13	13,323.48
Non-financial Liabilities			
Current tax liabilities (net)	1,418.15	-	1,418.15
Provisions	3,265.16	414.67	3,679.83
Deferred tax liabilities (net)	0.82	165.54	166.36
Other non-financial liabilities	1,081.18	59.18	1,140.36
Total Liabilities	327,375.14	244,999.00	571,785.79
Net	387,818.25	(191,764.76)	191,078.97

Note 40: Change in liabilities arising from financing activities disclosed as per Ind AS 7, Cash flow statements

Particulars	As at April 01, 2022	Cash Flows	Exchange difference	Change in fair value	Others	As at March 31, 2023
Debt Securities	131,740.35	14,225.96	-	-	79.48	146,045.79
Borrowings other than debt securities	408,553.24	(3,896.22)	(55.78)	1,254.62	118.72	405,974.58
Deposits	2,235.26	1,143.57	(64.07)	-	-	3,314.76
Subordinated Liabilities	2,997.33	(459.47)	-	-	8.69	2,546.55
Total liabilities from financing activities	545,526.18	11,013.84	(119.85)	1,254.62	206.89	557,881.68

Particulars	As at April 01, 2021	Cash Flows	Exchange difference	Change in fair value	Others	As at March 31, 2022
Debt Securities	146,669.90	(14,991.44)	-	-	61.89	131,740.35
Borrowings other than debt securities	351,009.78	55,565.48	(645.76)	2,530.40	93.34	408,553.24
Deposits	2,579.53	432.27	(776.53)	-	-	2,235.26
Subordinated Liabilities	3,706.89	(732.83)	-	-	23.27	2,997.33
Total liabilities from financing activities	503,966.10	40,273.48	(1,422.29)	2,530.40	178.50	545,526.18



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Note 41: Contingent liabilities, commitments and leasing arrangements

(A) Contingent Liabilities

Particulars	As at	As at
	March 31, 2023	March 31, 2022
(a) Claims against the Group not acknowledged as debt		
(i) Income Tax Demands	446.17	446.25
(ii) Service Tax Demands	4,995.05	4,995.05
(iii) Others	426.97	426.97
(iv) Disputed claims against the Group under litigation not acknowledged as debts	89.77	71.26
(b) Guarantees - Counter Guarantees Provided to Banks	349.42	317.26
(c) Corporate Guarantee issued in favour of National Housing Bank for loan availed by wholly owned subsidiary M/s Muthoot Homefin (India) Limited [Amount of Guarantee ₹2,750.00 millions (₹2,250.00 millions as at March 31, 2022)]	1,940.91	1,466.41
(d) Others	-	-

(B) Commitments

Particulars	As at	As at
	March 31, 2023	March 31, 2022
(i) Estimated amount of contracts remaining to be executed on capital account, net of advances, and not provided for	223.46	584.11
(ii) Promissory notes	112.37	179.95
(iii) Commitments related to loans sanctioned but undrawn	9,779.85	18,683.62
(iv) Capital commitments	1.01	3.98

(C) Lease Disclosures

Finance Lease:

The Group has not taken or let out any assets on financial lease.

Operating Lease :

Lease disclosures under Ind AS 116

For the operating lease agreements entered into by the Group which are considered as short term leases under Ind AS 116, right-of-use asset and lease liability has not been recognised during the year. The lease rental payments for such short term leases amounting to ₹2,621.18 millions (₹2,434.78 millions for the year ended March 31, 2022) are recognised as 'Rent' in the Statement of Profit and Loss. For all other lease arrangements under Ind AS 116, the Group has recognised right-of-use asset and lease liability.

Lease rentals received for assets let out on operating lease ₹3.10 millions (₹2.53 millions for the year ended March 31, 2022) are recognized as income in the Statement of Profit and Loss under the head 'Other Income'.

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(₹ in millions, except for share data and unless otherwise stated)

Maturity Analysis of lease liabilities

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Less than one year	64.99	58.39
One to five years	87.74	101.41
More than five years	2.84	-
Total	155.57	159.80

Interest on lease liabilities amounting to ₹18.46 millions (₹13.48 millions for the year ended March 31, 2022) are recognised under Finance Cost in the Statement of Profit and Loss.

Carrying value of Right-of-Use Assets

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Balance as at April 01, 2022/ April 01, 2021	147.80	170.01
Additions during the year	68.72	77.20
Deductions	(0.47)	(13.72)
Exchange Gain /(Loss)	(2.27)	(17.44)
Less: Depreciation charge for the year	(71.55)	(68.25)
Balance as at March 31, 2023/ March 31, 2022	142.23	147.80

Note 42: Related Party Disclosures

Names of Related Parties

(A) Key Management Personnel (Directors)

1. George Jacob Muthoot
2. George Thomas Muthoot
3. George Alexander Muthoot
4. Alexander George
5. George Muthoot George
6. George Muthoot Jacob
7. George Alexander
8. Jose Mathew
9. Justice (Retd.) Jacob Benjamin Koshy
10. Pratip Chaudhuri
11. Vadakkakara Antony George
12. Ravindra Pisharody
13. Usha Sunny
14. Abraham Chacko
15. Chamacheril Mohan Abraham

Designation

- Chairman & Whole-time Director
- Whole-time Director
- Managing Director
- Whole-time Director
- Whole-time Director
- Whole-time Director
- Whole-time Director
- Independent Director
- Independent Director
- Independent Director (Retired on August 31, 2022)
- Independent Director
- Independent Director
- Independent Director
- Independent Director
- Independent Director (w.e.f August 31, 2022)



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(₹ in millions, except for share data and unless otherwise stated)

(B) Enterprises owned or significantly influenced by key management personnel or their relatives (Directors)

1. Muthoot Vehicle & Asset Finance Limited	11. Muthoot Forex Limited
2. Xandari Resorts Private Limited (Formerly known as Muthoot Leisure And Hospitality Services Private Limited)	12. Xandari Pearl Beach Resorts Private Limited (Formerly known as Marari Beach Resorts Private Limited)
3. MGM Muthoot Medical Centre Private Limited	13. Muthoot Health Care Private Limited
4. Muthoot Securities Limited	14. Muthoot Properties & Investments
5. Muthoot Housing & Infrastructure	15. Muthoot Precious Metals Corporation
6. Muthoot Gold Bullion Corporation	16. GMG Associates
7. Muthoot M George Institute of Technology	17. St. Georges Educational Society
8. Emsyne Technologies Private Limited (Formerly known as Muthoot Systems & Technologies Private Limited)	18. M.G. George Muthoot Charitable Trust (Formerly known as Muthoot M George Charitable Trust)
9. Muthoot Educational Trust	19. Muthoot Finance Education Trust (Tamilnadu)
10. Geem Marketing Services Private Limited (Formerly known as Muthoot Marketing Service Private Limited)	

(C) Relatives of Key Management Personnel (Directors)

Name of Relative	Relationship	Key Management Personnel
Elizabeth Jacob	Spouse	George Jacob Muthoot
Reshma Susan Jacob	Daughter	George Jacob Muthoot
Susan Thomas	Spouse	George Thomas Muthoot
Anna Thomas, Tania Thomas	Daughter	George Thomas Muthoot
Anna Alexander	Spouse	George Alexander Muthoot
Eapen Alexander	Son	George Alexander Muthoot
Radhika George Verghese, Swathy Eapen	Son's wife	George Alexander Muthoot
Sara George	Mother	Alexander George, George Muthoot George
Radhika George Verghese	Spouse	George Alexander
Leela Zachariah	Sister	George Alexander Muthoot, George Jacob Muthoot, George Thomas Muthoot
Sindhu Mohan	Spouse	Chamacheril Mohan Abraham

(D) Key Management Personnel (other than Directors) Designation

1. Oommen Mammen Kaithayil	Chief Financial Officer
2. Rajesh Achutha Warriar	Company Secretary

Notes

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(₹ in millions, except for share data and unless otherwise stated)

Related Party transactions during the year:

Particulars	Key Management Personnel (Directors)		Relatives of Key Management Personnel (Directors)		Entities over which Key Management Personnel and their relatives are able to exercise significant influence (Directors)				Key Management Personnel (other than Directors)		Others*	
	Year Ended March 31, 2023	Year Ended March 31, 2022	Year Ended March 31, 2023	Year Ended March 31, 2022	Year Ended March 31, 2023	Year Ended March 31, 2022	Year Ended March 31, 2023	Year Ended March 31, 2022	Year Ended March 31, 2023	Year Ended March 31, 2022	Year Ended March 31, 2023	Year Ended March 31, 2022
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Purchase of Travel Tickets for Company Executives/ Directors/ Customers	-	-	-	-	-	0.02	-	-	-	-	-	-
Accommodation facilities for Company Executives/ Clients/ Customers	-	-	-	-	12.90	7.52	-	-	-	-	-	-
Staff Welfare expense	-	-	-	-	0.11	0.18	-	-	-	-	-	-
Complementary Medical Health Check Up for Customers/ Employees	-	-	-	-	0.88	-	-	-	-	-	-	-
Brokerage paid for NCD Public Issue	-	-	-	-	5.49	1.24	-	-	-	-	-	-
Professional Charges Paid	-	-	-	-	4.50	-	-	-	-	-	-	-
Advertisement Expenses	-	-	-	-	-	0.33	-	-	-	-	-	-
Expenditure on Corporate Social Responsibility (includes payments made on behalf of beneficiaries)	-	-	-	-	732.79	568.31	-	-	-	-	-	-
Foreign Currency purchased for travel	-	-	-	-	0.92	0.17	-	-	-	-	-	-
Interest paid on Borrowings	444.22	673.85	411.91	505.93	0.24	0.44	-	-	-	-	-	-
Interest paid on NCD	-	-	5.61	0.52	-	-	-	-	-	-	-	-
Interest paid on NCD - Listed	15.30	24.14	5.45	7.48	28.84	31.45	0.09	0.09	0.27	0.27	0.27	
Directors Remuneration	950.18	815.68	-	-	-	-	-	-	-	-	-	-
Commission and sitting fee to Non-executive Directors	14.63	12.99	-	-	-	-	-	-	-	-	-	-
Salaries and Allowances	-	-	20.70	41.92	-	-	24.17	22.03	-	-	-	-
Loans accepted	8,279.94	5,751.92	4,927.32	4,910.81	-	-	-	-	-	-	-	-
Loans repaid	10,573.45	7,762.14	6,209.51	2,992.13	2.24	2.05	-	-	-	-	-	-
Purchase of Listed NCD of the Company	3,827.00	1,868.00	3,694.64	300.00	373.81	141.02	-	-	-	-	5.00	-
Redemption of NCD of the Company	-	-	5.00	-	-	-	-	-	-	-	-	-
Redemption of Listed NCD of the Company	2,669.52	245.99	1,502.42	1,038.95	87.09	194.73	-	-	-	-	-	-
Rent paid	-	-	2.09	1.46	26.13	25.26	-	-	-	-	-	-
Rent received	-	-	-	-	2.26	2.00	-	-	-	-	-	-
Rent deposit given	-	-	-	-	-	-	-	-	-	-	-	-
Rent deposit repaid	-	-	-	-	0.20	-	-	-	-	-	-	-
Dividend paid	3,760.94	3,063.65	2,134.72	2,838.97	-	-	1.10	1.91	-	-	-	-
Commission Received on Money Transfer business	-	-	-	-	3.49	3.99	-	-	-	-	-	-
Service Charges Collected	-	-	-	-	1.74	1.76	-	-	-	-	-	-

*Others refers to relatives of Key Management Personnel (Other than Directors)

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Balance outstanding as at the year end: Asset/ (Liability) :

Particulars	Key Management Personnel (Directors)		Relatives of Key Management Personnel (Directors)		Entities over which Key Management Personnel and their relatives are able to exercise significant influence (Directors)		Key Management Personnel (other than Directors)		Others*	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Investments in Equity Shares	-	-	-	-	392.55	331.92	-	-	-	-
NCD	-	-	-	(5.00)	-	-	-	-	-	-
NCD - Listed	(4,346.48)	(3,183.49)	(4,025.45)	(1,827.23)	(553.94)	(267.23)	(1.20)	(1.20)	(8.00)	(3.00)
Security Deposit	-	-	-	-	(10.00)	(10.00)	-	-	-	-
Rent Deposit	-	-	-	-	13.94	14.14	-	-	-	-
Borrowings	(2,976.22)	(5,269.73)	(3,173.92)	(4,456.11)	(1.54)	(3.78)	-	-	-	-
Directors Remuneration Payable	(288.62)	(279.93)	-	-	-	-	-	-	-	-
Commission payable to Non-executive Directors	(9.14)	(8.45)	-	-	-	-	-	-	-	-
Interest payable on NCD	-	-	-	(1.45)	-	-	-	-	-	-
Interest payable on Borrowings	-	-	-	-	(0.01)	(0.02)	-	-	-	-
Trade Payables	-	-	-	-	(0.11)	(0.11)	-	-	-	-
Loans	-	-	-	-	-	-	-	-	-	-
Trade Receivables	-	-	-	-	0.28	0.38	-	-	-	-
Other financial assets	-	-	-	-	0.17	0.32	-	-	-	-
Amounts payable (net) to related parties	(7,620.46)	(8,741.60)	(7,199.37)	(6,289.79)	(158.66)	65.62	(1.20)	(1.20)	(8.00)	(3.00)

*Others refers to relatives of Key Management Personnel (Other than Directors)

Note

a) Related parties have been identified on the basis of the declaration received by the management and other records available.

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Compensation of key management personnel of the Group :

Key management personnel are those individuals who have the authority and responsibility for planning and exercising power to directly or indirectly control the activities of the Company and its employees. The Company considers the members of the Board of Directors which include independent directors (and its sub-committees) to be key management personnel for the purposes of IND AS 24 Related Party Disclosures.

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Short-term employee benefits	964.81	828.67
Total	964.81	828.67

The Company has included Key Managerial Personnel defined under Section 2(51) of the Companies Act, 2013 other than Directors as Key Management Personnel (other than Directors) as per the disclosure requirements under RBI's Scale Based Regulation for NBFCs.

Note 43: Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

Fair Value Hierarchy of financial instruments measured at fair value

I. The following table shows an analysis of financial instruments recorded at fair value

The fair value measurement hierarchy for financial instruments measured at fair value as at March 31, 2023 is as follows:

Particulars	At Fair Value Through Profit or Loss			Total
	Level-1	Level-2	Level-3	
Investments	45.72	44.24	528.64	618.60

Particulars	At Fair Value Through Other Comprehensive Income			Total
	Level-1	Level-2	Level-3	
Investments	452.03	1,423.63	-	1,875.66
Derivative Financial Instruments (assets)	-	-	-	-
Derivative Financial Instruments (liabilities)	-	1,921.73	-	1,921.73

The fair value measurement hierarchy for financial instruments measured at fair value as at March 31, 2022 is as follows:

Particulars	At Fair Value Through Profit or Loss			Total
	Level-1	Level-2	Level-3	
Investments	952.92	179.26	-	1,132.18

Particulars	At Fair Value Through Other Comprehensive Income			Total
	Level-1	Level-2	Level-3	
Investments	630.50	1,329.97	-	1,960.47
Derivative Financial Instruments (assets)	-	605.01	-	605.01
Derivative Financial Instruments (liabilities)	-	4,797.97	-	4,797.97



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Valuation methodologies of financial instruments measured at fair value

Fair values of financial assets, other than those which are subsequently measured at amortised cost, have been arrived at as under :

Investment at fair value through profit and loss

For investment at fair value through profit and loss, valuation is done using quoted prices from active markets at the measurement date. The equity instruments which are actively traded on public stock exchanges with readily available active prices on a regular basis are classified as Level 1. Units held in mutual funds are measured based on their published net asset value (NAV), taking into account redemption and/or other restrictions are generally Level 1.

The fair valuation technique for investments in Security receipts (SRs) by Belstar Microfinance Limited is classified under Level 3. Since the investment was made in the month of March 2023 and the investment value approximates the net asset value as at March 31, 2023 as confirmed by the Asset Reconstruction Company (ARC), disclosure of sensitivity of fair value measurement in unobservable inputs is not considered relevant.

Derivative Financial Instruments (assets/liabilities) at fair value through other comprehensive income

The financial assets/liabilities on derivative contracts has been valued at fair value through other comprehensive income using closing rate and is classified as Level 2.

Investments at fair value through other comprehensive income

Equity instruments in non-listed entities are initially recognised at transaction price and re-measured as per fair valuation report on a case-by-case and classified as Level 2 . The equity instruments which are actively traded on public stock exchanges with readily available active prices on a regular basis are classified as Level 1.

II. The following tables show the reconciliation of the opening and closing amounts of Level 3 financial assets and liabilities measured at fair value:

March 31,2023	As at April 01, 2022	Issuances and Settlements (Net)	Transfers into Level 3	Transfers from Level 3	Net interest income	Other Comprehensive Income	As at March 31, 2023
Financial assets at FVOCI							
Loans	-	-	-	-	-	-	-
Financial assets at FVTPL							
Investment	-	528.64	-	-	-	-	528.64

March 31,2022	As at April 01, 2021	Issuances and Settlements (Net)	Transfers into Level 3	Transfers from Level 3	Net interest income	Other Comprehensive Income	As at March 31, 2022
Financial assets at FVOCI							
Loans	1,034.45	(1,016.56)	-	-	-	(17.89)	-
Financial assets at FVTPL							
Investment	-	-	-	-	-	-	-

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Fair value of financial instruments not measured at fair value

Set out below is a comparison, by class, of the carrying amounts and fair values of the Group's financial instruments that are initially measured at fair value and subsequently carried at amortised cost in the financial statements.

Particulars	Level	Carrying Value		Fair Value	
		As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Financial Assets					
Cash and cash equivalents	1	77,701.83	100,358.14	77,701.83	100,358.14
Bank Balance other than above	1	2,654.76	2,791.47	2,654.76	2,791.47
Trade receivables	3	98.95	70.09	98.95	70.09
Loans	3	705,543.84	645,276.41	705,543.84	645,276.41
Investments	3	1,088.24	264.36	1,088.24	264.36
Investments	1	1,874.62	1,876.06	1,808.12	1,843.08
Other Financial assets	3	3,453.00	2,807.28	3,453.00	2,807.28
Total Financial Assets		792,415.24	753,443.81	792,348.74	753,410.83
Financial Liabilities					
Trade Payable	3	2,158.50	1,572.38	2,158.50	1,572.38
Debt Securities	2	146,045.79	131,740.35	146,909.34	136,387.70
Borrowings (other than debt securities)	2	405,974.58	408,553.24	405,974.58	408,553.24
Deposits	2	3,314.76	2,235.26	3,314.76	2,235.26
Subordinated Liabilities	2	2,546.55	2,997.33	2,546.55	2,997.33
Other Financial liabilities	3	12,576.39	13,323.48	12,576.39	13,323.48
Total Financial Liabilities		572,616.57	560,422.04	573,480.12	565,069.39

Valuation methodologies of financial instruments not measured at fair value

Short-term financial assets and liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and cash equivalents, trade receivables, balances other than cash and cash equivalents and trade payables without a specific maturity.

Loans and advances to customers

The fair values of loans and receivables are estimated by discounted cash flow models that incorporate assumptions for credit risks, probability of default and loss given default estimates. Since comparable data is not available, Credit risk is derived using, historical experience, management view and other information used in its collective impairment models.

Fair values of portfolios are calculated using a portfolio-based approach, grouping loans as far as possible into homogenous groups based on similar characteristics i.e., type of loan. The respective company then calculates and extrapolates the fair value to the entire portfolio using effective interest rate model that incorporate interest rate estimates considering all significant characteristics of the loans. The credit risk is applied as a top-side adjustment based on the collective impairment model incorporating probability of defaults and loss given defaults. Hence, the carrying amount of such financial assets at amortised cost net of impairment loss allowance is of reasonable approximation of their fair value.

Investments- at amortised cost

For Government Securities, the market value of the respective Government stock as on the date of reporting has been considered for fair value computations.



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Debt Securities

The fair value of debt securities is estimated by a discounted cash flow model incorporating interest rate estimates from market observable data such as secondary prices for its traded debt itself.

Financial liabilities at amortised cost

The fair values of financial liabilities held-to-maturity (financial liabilities other than trade payables and debt securities) are estimated using effective interest rate model based on contractual cash flows using actual yields. Since the cost of borrowing on the reporting date is not expected to be significantly different from the actual yield considered under effective interest rate model, the carrying value of financial liabilities at amortised cost is considered a reasonable approximation of their fair value.

Note 44: Risk Management

Risk is an integral part of the Group's business and sound risk management is critical to the success. Further, the Group is exposed to risks that are particular to its lending and the environment within which it operates and primarily includes credit, liquidity and market risks. The companies in the Group has a risk management policy which covers risk associated with the financial assets like loans, investments, cash and cash equivalents, other receivables, etc. and financial liabilities like borrowings, debt securities, subordinate liabilities, trade and other payables. The risk management policy is approved by the Board of Directors.

The Group has an elaborate process for risk management. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The Group is generally exposed to credit risk, liquidity risk, market risk and operational risk.

A. Credit Risk

Credit risk is the risk that a customer or counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group's major income generating activity is gold loan, housing loan, receivables through financing activity, vehicle loan, personal loans and others. Therefore credit risk is a principal risk. Credit risk mainly arises from loans and advances to

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customers and investments in debt securities that are an asset position. The Group considers all elements of credit risk exposure such as counterparty default risk, risk of not taking collateral against loans, geographical risk and sector risk for risk management purposes. The Group also follow a systematic methodology in the opening of new branches, which takes into account factors such as demand for credit in the area; income and market potential; and socio-economic and law and order risks in the proposed area.

1. Policies and procedures for credit risk for different products

The Group addresses credit risk by following different processes for different products:

a) Gold Loan

- a) Credit risk on Gold loan is considerably reduced as collateral is Gold ornaments which can be easily liquidated and there is only a distant possibility of losses due to adequate margin of 25% or more retained while disbursing the loan. Credit risk is further reduced through a quick but careful collateral appraisal and loan approval process. Hence overall, the credit risk is normally low.
- b) Sanctioning powers for Gold Loans is delegated to various authorities at branches/controlling offices. Sanctioning power is used only for granting loans for legally permitted purposes. The maximum Loan to Value does not exceed the limit stipulated by the Reserve Bank of India under any circumstances.
- c) Gold ornaments brought for pledge is the primary responsibility of Branch Manager. Branch executives should enquire with the customers about the ownership of the ornaments being pledged for loan and the loan should be granted only after they are convinced about the genuineness of the customer and his capacity to own that much quantity of gold. In addition to the above, customers are also required to sign a declaration of ownership of ornaments offered as security for the loan. Extra care is taken if the gold jewellery brought for pledge by any customer at any one time or cumulatively is more than 20 gm. The declaration should also

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contain an explanation specifically as to how the ownership was vested with the customer.

- d) Auctions are conducted as per the Auction Policy of the Group and the guidelines issued by Reserve Bank of India. Auction is generally conducted before loan amount plus interest exceeds realizable value of gold. After reasonable time is given to the customers for release after loan becomes overdue and exhausting all efforts for persuasive recovery, auction is resorted to as the last measure in unavoidable cases. Group has the right to recover dues remaining even after set off of amount received on auctions from the customer. Any excess received on auctions are refunded to the customer.
- e) In case of loans other than Gold Loan, loans are given whether with primary/collateral security, like secured loans or without any primary/collateral security like unsecured loans, more than ordinary care is taken such that loans are granted only to persons/firms/companies of repute with credit worthiness, future cash flows to repay the loan and track record.

b) Housing loan and Vehicle loan

The credit risk management policy of the Group seeks to have following controls and key metrics that allows credit risks to be identified, assessed, monitored and reported in a timely and efficient manner in compliance with regulatory requirements:

- Standardize the process of identifying new risks and designing appropriate controls for these risks.
- Minimize losses due to defaults or untimely payments by borrowers.
- Maintain an appropriate credit administration and loan review system.
- Establish metrics for portfolio monitoring.
- Design appropriate credit risk mitigation techniques.

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Risk assessment and measurement

Group is having a robust risk assessment framework to address each of the identified risks. The following is the framework implemented in order to ensure completeness and robustness of the risk assessment for housing loan and receivables under financing activity.

- Selection of client base - Adequate due diligence is carried out for selection of customers.
- Credit assessment - credit rating and credit bureau check.
- Follow up and regular monitoring of the group.

Risk Mitigation

The following risk mitigation measures have been suggested at each stage of loan life cycle:

- Loan Origination - site screening, independent visit by manager, adequate training to officers.
- Loan underwriting - Risk rating, independent assessment, etc.
- Loan Pre and Post Disbursement - disbursement at the branch premises and in the bank account only, tracking to avoid misuse of funds.
- Loan monitoring - credit officers to attend group meeting, reminder of payment of EMI's on time, etc.
- Loan collection and recovery - monitor repayments, confirmation of balances.

c) Receivables under financing activity

Risk Identification

Credit risk may originate in one or multiple of following ways mentioned below:

- Adverse selection of members for group formation eg. (bogus members, defaulters, etc.).
- Adverse selection of groups for undertaking lending activity (unknown members due to geographical vicinity, etc.).



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- Gap in credit assessment of borrower's credit worthiness (Failure to collect KYC documents, verify residential address, assess income source, etc).
- Undue Influence of Animator/Representative on group members (misuses of savings of group, etc.).
- Sanction of higher loan amount.
- Improper use of loan amount than the designated activity.
- Over-concentration in any geography/branch/zone etc.
- Change in the savings pattern/meeting pattern of group post availing loan (eg. failure of members to deposit minimum savings amount each month, absence of members from meetings, etc.).

Risk assessment and measurement

Group is having a robust risk assessment framework to address each of the identified risks. The following is the framework implemented in order to ensure completeness and robustness of the risk assessment.

- Selection of client base for group formation - Adequate due diligence is carried out for selection of women borrowers who are then brought together for SHG formation. (eg. members with same level of income, only one member from family, annual per capita income, etc.).
- Adequate Training and Knowledge of SHG operations.
- Credit assessment - credit rating and credit bureau check.
- Follow up and regular monitoring of the Group.

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Risk Mitigation

- Loan Origination - site screening, independent visit by manager, adequate training to officers.
- Loan underwriting - Risk rating, independent assessment, etc.
- Loan Pre and Post Disbursement - disbursement at the branch premises and in the bank account only, tracking to avoid misuse of funds.
- Loan monitoring - credit officers to attend group meeting, reminder of payment of EMI on time, etc.
- Loan collection and recovery - monitor repayments, confirmation of balances.

II. Impairment assessment

Definition of default and cure

The Group considers a financial instrument defaulted and therefore stage 3 (credit - impaired) for ECL calculations in all cases when the borrower becomes 90 days past due on its contractual payments. As a part of a qualitative assessment of whether a customer is in default, the Group also considers a variety of instances that may indicate unlikeliness to pay. When such event occurs, the Group carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as stage 3 for ECL calculations.

It is the Group's policy to consider a financial instrument as 'cured' and therefore re-classified out of Stage 3 only when none of the default criterias have been present. The decision whether to classify an asset as Stage 2 or Stage 1 once cured depends on the updated credit grade, at the time of the cure, and whether this indicates there has been a significant increase in credit risk compared to initial recognition.

Group's internal credit rating grades and staging criteria for loans are as follows:

Rating	Loans Days past due (DPD)	Stages
High grade	Not yet due	Stage 1
Standard grade	1-30 DPD	Stage 1
Sub-standard grade	31-60 DPD	Stage 2
Past due but not impaired	61-90 DPD	Stage 2
Impaired	91 DPD or More	Stage 3

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Exposure at Default (EAD)

The Exposure at Default is an estimate of the exposure at a future default date, considering expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest.

Probability of Default (PD)

The Probability of Default is an estimate of the likelihood of default over a given time horizon. For Stage 1 financial assets, the Group assesses the possible default events within 12 months for the calculation of the 12 month ECL. For Stage 2 and Stage 3 financial assets, the exposure at default is considered for over the lifetime of the instruments. The Group uses historical information where available to determine PD. Considering the different products and schemes, the Group has bifurcated its loan portfolio into various pools. PD is calculated using Incremental 91 DPD approach considering fresh slippage using historical information. Where historical information is not available, the PD/default rates as stated by external reporting agencies is considered.

Based on its review of macro-economic developments and economic outlook, the Group has assessed that no adjustment is required for temporary overlays to determine qualitative impact on its PD's as at March 31, 2023 and March 31, 2022.

Loss Given Default (LGD)

LGD is the estimated loss that the Group might suffer if the borrower defaults. The Group determines its recovery (net present value) by analysing the recovery trends, borrower rating, collateral value and expected proceeds from sale of asset.

The LGD rates have been computed internally based on the discounted recoveries in default accounts that are closed / written off / repossessed and upgrade during

(₹ in millions, except for share data and unless otherwise stated)

the year. When estimating ECLs on a collective basis for group of similar assets, the group applies same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

B. Liquidity Risk

Liquidity risk refers to the risk that the Group may not meet its financial obligations. Liquidity risk arises due to the unavailability of adequate funds at an appropriate cost or tenure. The objective of liquidity risk management, is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Group consistently generates sufficient cash flows from operating and financial activities to meet its financial obligations as and when they fall due. The Group mobilises funds from multiple sources, including from banks, financial institutions and capital markets to maintain a healthy mix of sources. The focus is on diversifying fund raising sources, managing interest rate risks and maintaining a strong relationship with banks, financial institutions, mutual funds, insurance companies, other domestic and foreign financial institutions and rating agencies to ensure that credit concerns are addressed and thereby liquidity risk is well addressed.

The maturity schedule for all financial liabilities and assets are regularly reviewed and monitored. The companies in the Group has an asset liability management (ALM) policy and ALM Committee to review and monitor the liquidity risk and ensure the compliance with the prescribed regulatory requirement. The ALM Policy prescribes the detailed guidelines for managing the liquidity risk.

The table below provide details regarding the contractual maturities of significant financial assets and liabilities (including balances on account of Inter-company transactions) of the Company, BML, MHIL, MML and AAF as on:-

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Maturity pattern of assets and liabilities as on March 31, 2023 :

Particulars	Upto 1 month	1 to 2 months	2 to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	Over 5 years	Not sensitive to ALM	Total
Financial Liabilities										
Derivative Financial Instruments	3.05	26.27	53.22	1,815.98	23.21	-	-	-	-	1,921.73
Payables	2,068.61	425.01	364.63	615.34	1,348.95	334.13	132.16	-	-	5,288.83
Debt Securities	12,297.49	1,387.84	10,152.58	1,474.46	30,608.11	70,766.09	12,607.55	6,360.65	(155.21)	145,499.56
Borrowings (other than Debt Securities)	6,999.70	5,392.25	51,572.08	107,605.59	127,767.92	101,393.68	11,453.74	631.78	(130.51)	412,686.23
Deposits	-	-	-	-	-	-	-	-	-	-
Subordinated Liabilities	230.39	-	-	387.10	236.00	1,189.67	647.67	-	(4.29)	2,686.54
Other Financial liabilities	4,577.24	562.51	867.69	587.11	1,803.88	1,218.05	695.98	1.29	-	10,313.75
Financial assets										
Cash and cash equivalents	77,010.77	246.74	-	-	51.43	-	-	-	-	77,308.94
Bank Balance other than Cash and cash equivalents	106.87	6.73	0.17	66.55	228.89	350.63	12.91	-	-	772.75
Derivative Financial Instruments	-	-	-	-	-	-	-	-	-	-
Receivables	22.77	-	-	0.90	-	-	-	-	-	23.67
Loans	137,023.99	100,528.47	81,348.36	160,800.25	165,358.15	36,660.98	25,340.16	4,108.89	(347.71)	710,821.54
Investments	917.16	2.37	22.71	16.81	14.42	568.46	-	4,908.43	-	6,450.36
Other Financial assets	536.43	12.60	10.77	32.77	71.36	1,227.80	240.11	121.81	-	2,253.65



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Maturity pattern of assets and liabilities as on March 31, 2022 :

Particulars	Upto 1 month	1 to 2 months	2 to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	Over 5 years	Not sensitive to ALM	Total
Financial Liabilities										
Derivative Financial Instruments	25.90	-	-	54.30	1,246.38	3,471.39	-	-	-	4,797.97
Payables	1,194.60	2.83	1.06	1.42	318.74	-	-	-	-	1,518.65
Debt Securities	2,771.90	3,569.36	1,635.97	17,999.56	10,712.09	78,410.52	11,572.59	5,318.44	(250.08)	131,740.35
Borrowings (other than Debt Securities)	28,686.94	15,698.03	58,060.51	47,317.57	118,803.47	131,144.14	8,448.31	725.49	(331.22)	408,553.24
Deposits	692.73	500.02	32.28	317.91	563.57	108.37	20.38	-	-	2,235.26
Subordinated Liabilities	-	-	-	-	459.47	1,022.06	1,023.69	499.16	(7.05)	2,997.33
Other Financial liabilities	3,887.77	866.78	1,029.92	2,247.29	1,802.03	1,879.96	391.54	212.38	-	12,317.67
Financial assets										
Cash and cash equivalents	72,570.29	21,183.21	5,668.61	-	2.31	-	-	-	-	99,424.42
Bank Balance other than Cash and cash equivalents	434.28	256.90	9.42	83.48	794.84	409.74	15.60	-	-	2,004.26
Derivative Financial Instruments	-	-	-	-	605.01	-	-	-	-	605.01
Receivables	22.47	-	-	2.44	-	-	-	-	-	24.91
Loans	112,109.35	76,902.83	65,619.32	162,271.93	191,824.73	34,299.10	3,037.09	4,879.16	(5,667.25)	645,276.26
Investments	70.00	280.93	196.97	714.53	90.00	89.26	-	3,781.37	-	5,223.06
Other Financial assets	302.80	22.14	18.39	31.80	66.33	1,165.16	245.08	277.99	-	2,129.69



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C. Market Risk

Market Risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity, and other market changes. The objective of market risk management is to avoid excessive exposure of our earnings and equity to loss and reduce our exposure to the volatility inherent in financial instruments. The Group is exposed to four types of market risk as follows:

(a) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is subject to interest rate risk, primarily since it lends to customers at fixed rates and for maturity periods shorter than the funding sources. Majority of our borrowings are at fixed rates. However, borrowings at floating rates gives rise to interest rate risk. Interest rates are highly sensitive to many factors beyond control, including the monetary policies of the Reserve Bank of India, domestic and international economic and political conditions, inflation and other factors. In order to manage interest rate risk, the Group seek to optimize borrowing profile between short-term and long-term loans. The Group adopts funding strategies to ensure diversified resource-raising options to minimize cost and maximize stability of funds. Assets and liabilities are categorized into various time buckets based on their maturities and Asset Liability Management Committee supervises an interest rate sensitivity report periodically for assessment of interest rate risks. The Interest Rate Risk is mitigated by availing funds at very competitive rates through diversified borrowings and for different tenors.

During the year, Group has undertaken derivative transactions for hedging interest rate risk on certain domestic currency exposures linked to external benchmark through Interest Rate Swaps as below:

Particulars	As at March 31, 2023	As at March 31, 2022
Domestic Currency Exposure	6,000.00	-

The following table demonstrates the sensitivity to a reasonably possible change in the interest rates on the portion of borrowings affected. With all other variables held constant, the profit before taxes affected through the impact on floating rate borrowings are as follows:

Muthoot Finance Limited

Particulars	Effect on Statement of Profit and Loss for the year 2022-23	Effect on Statement of Profit and Loss for the year 2021-22
1% increase in interest rates	2,582.41	2,400.21
1% decrease in interest rates	(2,582.41)	(2,400.21)

Belstar Microfinance Limited

Particulars	Effect on Statement of Profit and Loss for the year 2022-23	Effect on Statement of Profit and Loss for the year 2021-22
0.50% increase in interest rates	(202.00)	(150.59)
0.50% decrease in interest rates	202.00	150.59

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Muthoot Money Limited

Particulars	Effect on Statement of Profit and Loss for the year 2022-23	Effect on Statement of Profit and Loss for the year 2021-22
1% increase in interest rates	32.67	11.86
1% decrease in interest rates	(32.67)	(11.86)

Muthoot Homefin (India) Limited

Particulars	Effect on Statement of Profit and Loss for the year 2022-23	Effect on Statement of Profit and Loss for the year 2021-22
1% increase in interest rates	70.33	97.33
1% decrease in interest rates	(70.33)	(97.33)

(b) Price Risk

For Gold loan

Sudden fall in the gold price and fall in the value of the pledged gold ornaments can result in some of the customers to default if the loan amount and interest exceeds the market value of gold. This risk is in part mitigated by a minimum 25% margin retained on the value of jewellery for the purpose of calculation of the loan amount. Further, we appraise the jewellery collateral solely based on the weight of its gold content, excluding weight and value of the stone studded in the jewellery. In addition, the sentimental value of the gold jewellery to the customers may induce repayment and redemption of the collateral even if the value of gold ornaments falls below the value of the repayment amount. An occasional decrease in gold prices will not increase price risk significantly on account of our adequate collateral security margins. However, a sustained decrease in the market price of gold can additionally cause a decrease in the size of our loan portfolio and our interest income.

Equity price risk is the risk that the fair value of equities decrease as the result of changes in level of equity indices and individual stocks. The trading equity price risk exposure arises from equity securities classified at FVTPL and the non-trading equity price risk exposure arises from equity securities classified at FVOCI.

A 10% increase/(decrease) in the equity price (traded and non-traded) would have the impact as follows:

Particulars	Increase / (Decrease) in percentage	Sensitivity of profit or loss	Sensitivity of other comprehensive income
As at March 31, 2023	10/(10)	0.00/(0.00)	187.57/(187.57)
As at March 31, 2022	10/(10)	0.00/(0.00)	196.05/(196.05)

For Housing loan and receivables under financing activity

The Group's exposure to price risk is not material and it is primarily on account of investment of temporary treasury surplus in the highly liquid debt funds for very short durations. The Group has a board approved policy of investing its surplus funds in highly rated debt mutual funds and other instruments having insignificant price risk, not being equity funds/ risk bearing instruments.



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(c) Prepayment risk

Prepayment risk is the risk that the Group will incur a financial loss because its customers and counterparties repay or request repayment earlier than expected, such as fixed rate loans like ours when interest rates fall.

(d) Foreign currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency risk for the Company arises majorly on account of foreign currency borrowings. The Company's foreign currency exposures are managed in accordance with its Foreign Exchange Risk Management Policy which has been approved by its Board of Directors. The Company has hedged its foreign currency risk on its foreign currency borrowings as on March 31, 2023 by entering into cross currency swaps and forward contracts with the intention of covering the entire term of foreign currency exposure. The counterparties for such hedge transactions are banks.

The Company's exposure on account of Foreign Currency Borrowings at the end of the reporting period expressed in Indian Rupees are as follows:

Particulars	Foreign currency	As at	As at
		March 31, 2023	March 31, 2022
External Commercial Borrowings - Senior Secured Notes (principal amount and interest accrued but not due on reporting date)	USD	45,359.21	76,815.78

Since the foreign currency exposure is completely hedged by equivalent derivative instrument, there will not be any significant impact on sensitivity analysis due to the possible change in the exchange rates where all other variables are held constant. On the date of maturity of the derivative instrument, considering the hedging for the entire term of the foreign currency exposure, the sensitivity of profit and loss to changes in the exchange rates will be Nil.

D. Operational and business risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to operate effectively, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Group cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes, including the use of internal audit.

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Note 45: Disclosure with regard to dues to Micro Enterprises and Small Enterprises

Disclosure required under the Micro, Small and Medium Enterprises Development Act, 2006 are given as follows:

Particulars	March 31, 2023	March 31, 2022
a) Principal amount due	7.20	-
Interest due on the above	-	-
b) Interest paid during the period beyond the appointed day	-	-
c) Amount of payment made to the supplier beyond the appointed day during the accounting year	-	-
d) Amount of interest due and payable for the period of delay in making payment without adding the interest specified under the Act.	-	-
e) Amount of interest accrued and remaining unpaid at the end of the period	-	-
f) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as deductible expenditure under section 23 of the Act.	-	-

Note 46: Dividend remitted in foreign currency

Dividend remitted in foreign currency during the year ended March 31, 2023 is ₹3.42 Millions and ₹1.24 Millions in March 31, 2022.

Note 47: Frauds during the year

During the year, frauds committed by employees and customers of the Group amounted to ₹52.41 million (March 31, 2022: ₹44.17 million) which has been recovered /written off / provided for. Of the above, fraud by employees of the Group amounted to ₹39.72 million (March 31, 2022: ₹6.55 million).

Note 48: Corporate Social Responsibility (CSR)

The gross amount required to be spent by the respective companies in the Group for CSR activities undertaken in accordance with Schedule VII and as per Section 135 of the Companies Act, 2013 is ₹984.51 million (March 31, 2022: ₹841.63 million) and the total amount spent (including amount spent by foreign subsidiary - AAF) is ₹993.05 million (March 31, 2022: ₹845.96 million) as detailed below:

Sl No.	Particulars	Amount required to be spent	Amount spent	Amount unspent*
i)	MFL	957.45	964.40	22.83
ii)	BML	16.43	16.43	-
iii)	MHIL	4.39	4.39	-
iv)	MIBPL	6.24	6.24	-
v)	MAMPL	NA	0.85	-
vi)	AAF	NA	0.74	NA
		984.51	993.05	22.83

There is no shortfall in the CSR amount required to be spent by the group as per section 135(5) of the Act for the financial year ended March 31, 2023.



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The Group although was not required to spend under the provisions of Section 135 of Company's Act, 2013 for the financial year ended March 31, 2023, has spent ₹7.80 millions in excess of requirement provided under sub-section (5) of section 135 of Company's Act, 2013. The Group has decided to carry forward the same to set off against future requirement to spend under sub-section (5) of section 135 of Company's Act, 2013 up to immediate succeeding three financial years. The Board of Directors has passed a resolution to that effect. The details of Pre Spent CSR is detailed below :

Sl No.	Particulars	Amount Pre spent
i)	MFL	6.95
ii)	MAMPL	0.85

CSR activities include activities for employment enhancing vocational skills, social business projects, promotion of education, promoting and supporting technology and innovations, promoting sports activities, medical assistance to poor patients, environmental protection activities and activities for sustainable development, and various other activities including assistance and support in disaster management activities which are specified under Schedule VII of the Companies Act, 2013.

Note 49: Utilization of proceeds of Public Issue of Non - Convertible Debentures

The Group has during the year raised through public issue ₹13233.59 million of Secured Redeemable Non-Convertible Debentures. As at March 31, 2023, the Group has utilised the entire proceeds of the public issue, net of issue expenses in accordance with the objects stated in the offer documents.

Note 50: Share based payments

Pursuant to approval by the shareholders at their meeting held on September 27, 2013, the Company has established "Muthoot ESOP 2013" scheme administered by the ESOP Committee of Board of Directors. The following options were granted as on March 31, 2023. The fair value of the share options is estimated at the grant date using a Black-Scholes pricing model, taking into account the terms and conditions upon which the share options were granted. However, the above performance condition is only considered in determining the number of instruments that will ultimately vest.

I The Company has formulated various share-based payment schemes for its employees. Details of all grants in operation during the year ended March 31, 2023 are as given below:

Particulars	Tranche 1	
	Grant A	Grant B
Scheme Name		
Date of grant	November 09, 2013	November 09, 2013
Date of Board approval	November 09, 2013	November 09, 2013
Method of settlement	Equity settled	Equity settled
No. of equity shares for an option	One option - One share	One option - One share
No. of options granted	3,711,200	1,706,700
Exercise price per option (in ₹)	₹50	₹50
Vesting period	1-5 years	2-6 years
Manner of vesting	In a graded manner over a 5 year period with 10%,15%,20%,25% and 30% of the grants vesting in each year commencing from the end of 12 months from the date of grant	In a graded manner over a 6 year period with 10%,15%,20%,25% and 30% of the grants vesting in each year commencing from the end of 24 months from the date of grant

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Particulars	Tranche 1	
	Grant A	Grant B
A) Fixed Vesting period is as follows on following dates :-		
1 st vesting "12 months from the date of grant (for Grant A & Loyalty)" and "24 months from the date of grant (for Grant B)"	November 09, 2014	November 09, 2015
2 nd vesting "On expiry of one year from the 1 st vesting date"	November 09, 2015	November 09, 2016
3 rd vesting "On expiry of one year from the 2 nd vesting date"	November 09, 2016	November 09, 2017
4 th vesting "On expiry of one year from the 3 rd vesting date"	November 09, 2017	November 09, 2018
5 th vesting "On expiry of one year from the 4 th vesting date"	November 09, 2018	November 09, 2019
B) Conditional Vesting	Service only - graded vesting	Service only - graded vesting
Exercise period	8 Years	

Particulars	Tranche 2		Tranche 3
	Grant A	Grant B	Grant A
Date of grant	July 08, 2014	July 08, 2014	March 06, 2015
Date of Board approval	July 08, 2014	July 08, 2014	March 06, 2015
Method of settlement	Equity settled	Equity settled	Equity settled
No. of equity shares for an option	One option - One share	One option - One share	One option - One share
No. of options granted	456,000	380,900	325,000
Exercise price per option (in ₹)	₹50	₹50	₹50
Vesting period	1-5 years	2-6 years	1-5 years
Manner of vesting	In a graded manner over a 5 year period with 10%,15%,20%,25% and 30% of the grants vesting in each year commencing from the end of 12 months from the date of grant	In a graded manner over a 6 year period with 10%,15%,20%,25% and 30% of the grants vesting in each year commencing from the end of 24 months from the date of grant	In a graded manner over a 5 year period with 10%,15%,20%,25% and 30% of the grants vesting in each year commencing from the end of 12 months from the date of grant
A) Fixed Vesting period is as follows on following dates :-			
1 st vesting "12 months from the date of grant (for Grant A & Loyalty)" and "24 months from the date of grant (for Grant B)"	July 08, 2015	July 08, 2016	March 06, 2016
2 nd vesting "On expiry of one year from the 1 st vesting date"	July 08, 2016	July 08, 2017	March 06, 2017
3 rd vesting "On expiry of one year from the 2 nd vesting date"	July 08, 2017	July 08, 2018	March 06, 2018
4 th vesting "On expiry of one year from the 3 rd vesting date"	July 08, 2018	July 08, 2019	March 06, 2019
5 th vesting "On expiry of one year from the 4 th vesting date"	July 08, 2019	July 08, 2020	March 06, 2020
B) Conditional Vesting	Service only - graded vesting	Service only - graded vesting	Service only - graded vesting
Exercise period	8 Years		8 Years



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Particulars	Tranche 4		
	Grant A	Grant B	Loyalty
Date of grant	June 27, 2016	June 27, 2016	June 27, 2016
Date of Board approval	June 27, 2016	June 27, 2016	June 27, 2016
Method of settlement	Equity settled	Equity settled	Equity settled
No. of equity shares for an option	One option - One share	One option - One share	One option - One share
No. of options granted	390,400	728,300	8,150
Exercise price per option (in ₹)	₹50	₹50	₹10
Vesting period	1-5 years	2-6 years	1-2 years
Manner of vesting	In a graded manner over a 5 year period with 10%,15%,20%,25% and 30% of the grants vesting in each year commencing from the end of 12 months from the date of grant	In a graded manner over a 6 year period with 10%,15%,20%,25% and 30% of the grants vesting in each year commencing from the end of 24 months from the date of grant	In a graded manner over a 2 year period with 50% vesting at the end of 12 months from the date of grant and the remaining 50% of the grants vesting at the end of 24 months from the date of grant
A) Fixed Vesting period is as follows on following dates :-			
1 st vesting "12 months from the date of grant (for Grant A & Loyalty)" and "24 months from the date of grant (for Grant B)"	June 27, 2017	June 27, 2018	June 27, 2017
2 nd vesting "On expiry of one year from the 1 st vesting date"	June 27, 2018	June 27, 2019	June 27, 2018
3 rd vesting "On expiry of one year from the 2 nd vesting date"	June 27, 2019	June 27, 2020	-
4 th vesting "On expiry of one year from the 3 rd vesting date"	June 27, 2020	June 27, 2021	-
5 th vesting "On expiry of one year from the 4 th vesting date"	June 27, 2021	June 27, 2022	-
B) Conditional Vesting	Service only - graded vesting	Service only - graded vesting	Service only - graded vesting
Exercise period		8 Years	5 Years

Particulars	Tranche 5		
	Grant A	Grant B	Loyalty
Date of grant	August 07, 2017	August 07, 2017	August 07, 2017
Date of Board approval	August 07, 2017	August 07, 2017	August 07, 2017
Method of settlement	Equity settled	Equity settled	Equity settled
No. of equity shares for an option	One option - One share	One option - One share	One option - One share
No. of options granted	248,200	342,900	1,150
Exercise price per option (in ₹)	₹50	₹50	₹10
Vesting period	1-5 years	2-6 years	1-2 years
Manner of vesting	In a graded manner over a 5 year period with 10%,15%,20%,25% and 30% of the grants vesting in each year commencing from the end of 12 months from the date of grant	In a graded manner over a 6 year period with 10%,15%,20%,25% and 30% of the grants vesting in each year commencing from the end of 24 months from the date of grant	In a graded manner over a 2 year period with 50% vesting at the end of 12 months from the date of grant and the remaining 50% of the grants vesting at the end of 24 months from the date of grant

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Particulars	Tranche 5		
	Grant A	Grant B	Loyalty
A) Fixed Vesting period is as follows on following dates :-			
1 st vesting "12 months from the date of grant (for Grant A & Loyalty)" and "24 months from the date of grant (for Grant B)"	August 07, 2018	August 07, 2019	August 07, 2018
2 nd vesting "On expiry of one year from the 1 st vesting date"	August 07, 2019	August 07, 2020	August 07, 2019
3 rd vesting "On expiry of one year from the 2 nd vesting date"	August 07, 2020	August 07, 2021	-
4 th vesting "On expiry of one year from the 3 rd vesting date"	August 07, 2021	August 07, 2022	-
5 th vesting "On expiry of one year from the 4 th vesting date"	August 07, 2022	August 07, 2023	-
B) Conditional Vesting	Service only - graded vesting	Service only - graded vesting	Service only - graded vesting
Exercise period		8 Years	5 Years

II Computation of fair value of options granted during the year

The Black-Scholes Model has been used for computing the weighted average fair value considering the following:

Particulars	Tranche 1	
	Grant A	Grant B
Share price on the date of grant (₹)	117.30	117.30
Exercise price (₹)	₹50	₹50
Expected volatility (%)	57.68%	57.68%
Life of the options granted (years)		
Expected life of options	1.5-5.5 years	2.5-6.5 years
Weighted average contractual life	4 years	5 years
Risk-free interest rate (%)	8.4% - 8.8% p.a.	8.4% - 8.95% p.a.
Expected dividend yield (%)	3.84 % p.a.	3.84 % p.a.
Model used	Black-Scholes Model	Black-Scholes Model
Fair value per option tranche on grant date (₹) (corresponding vesting date shown in brackets)	₹68.75 (Nov 9, 2014)	₹70.21 (Nov 9, 2015)
	₹70.21 (Nov 9, 2015)	₹71.13 (Nov 9, 2016)
	₹71.13 (Nov 9, 2016)	₹71.52 (Nov 9, 2017)
	₹71.52 (Nov 9, 2017)	₹71.47 (Nov 9, 2018)
	₹71.47 (Nov 9, 2018)	₹71.11 (Nov 9, 2019)

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. Volatility is estimated by the actual movement in share prices of the company for one year preceding the grant date. This historical volatility is the annualised standard deviation of the continuously compounded rates of daily stock returns.



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Particulars	Tranche 2		Tranche 3
	Grant A	Grant B	Grant A
Share price on the date of grant (₹)	₹184.30	₹184.30	₹219.05
Exercise price (₹)	₹50	₹50	₹50
Expected volatility (%)	53.96%	53.96%	34.50%
Life of the options granted (years)			
Expected life of options	1.5-5.5 years	2.5-6.5 years	1.5-5.5 years
Weighted average contractual life	4 years	5 years	4 years
Risk-free interest rate (%)	8.26% - 8.35% p.a.	8.24% - 8.32% p.a.	7.45% - 7.60% p.a.
Expected dividend yield (%)	3.26% p.a.	3.26% p.a.	2.74% p.a.
Model used	Black-Scholes Model	Black-Scholes Model	Black-Scholes Model
Fair value per option tranche on grant date (₹) (corresponding vesting date shown in brackets)	₹131.77 (July 8, 2015)	₹130.56 (July 8, 2016)	₹165.61 (Mar 6, 2016)
	₹130.56 (July 8, 2016)	₹129.33 (July 8, 2017)	₹163.16 (Mar 6, 2017)
	₹129.33 (July 8, 2017)	₹127.91 (July 8, 2018)	₹160.66 (Mar 6, 2018)
	₹127.91 (July 8, 2018)	₹126.26 (July 8, 2019)	₹158.13 (Mar 6, 2019)
	₹126.26 (July 8, 2019)	₹124.39 (July 8, 2020)	₹155.57 (Mar 6, 2020)

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. Volatility is estimated by the actual movement in share prices of the company for one year preceding the grant date. This historical volatility is the annualised standard deviation of the continuously compounded rates of daily stock returns.

Particulars	Tranche 4		
	Grant A	Grant B	Loyalty
Share price on the date of grant (₹)	₹280.35	₹280.35	₹280.35
Exercise price (₹)	₹50	₹50	₹10
Expected volatility (%)	36.98%	36.98%	36.98%
Life of the options granted (years)			
Expected life of options	1.5-5.5 years	2.5-6.5 years	1.5-2.5 years
Weighted average contractual life	4 years	5 years	2 years
Risk-free interest rate (%)	6.91% - 7.41% p.a.	7.08% - 7.47% p.a.	6.91% - 7.08% p.a.
Expected dividend yield (%)	2.14% p.a.	2.14% p.a.	2.14% p.a.
Model used	Black-Scholes Model	Black-Scholes Model	Black-Scholes Model
Fair value per option tranche on grant date (₹) (corresponding vesting date shown in brackets)	₹226.42 (June 27, 2017)	₹223.87 (June 27, 2018)	₹262.48 (June 27, 2017)
	₹223.87 (June 27, 2018)	₹221.34 (June 27, 2019)	₹257.37 (June 27, 2018)
	₹221.34 (June 27, 2019)	₹218.80 (June 27, 2020)	-
	₹218.80 (June 27, 2020)	₹216.20 (June 27, 2021)	-
	₹216.20 (June 27, 2021)	₹213.54 (June 27, 2022)	-

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. Volatility is estimated by the actual movement in share prices of the company for one year preceding the grant date. This historical volatility is the annualised standard deviation of the continuously compounded rates of daily stock returns.

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Particulars	Tranche 5		
	Grant A	Grant B	Loyalty
Share price on the date of grant (₹)	₹473.00	₹473.00	₹473.00
Exercise price (₹)	₹50	₹50	₹10
Expected volatility (%)	40.24%	40.24%	40.24%
Life of the options granted (years)			
Expected life of options	1.5-5.5 years	2.5-6.5 years	1.5-2.5 years
Weighted average contractual life	5 years	6 years	2 years
Risk-free interest rate (%)	6.16% - 6.59% p.a.	6.27% - 6.67% p.a.	6.16% - 6.27% p.a.
Expected dividend yield (%)	1.27% p.a.	1.27% p.a.	1.27% p.a.
Model used	Black-Scholes Model	Black-Scholes Model	Black-Scholes Model
Fair value per option tranche on grant date (₹) (corresponding vesting date shown in brackets)	₹416.95 (August 7, 2018)	₹413.92 (August 7, 2019)	₹452.31 (August 7, 2018)
	₹413.92 (August 7, 2019)	₹410.90 (August 7, 2020)	₹447.05 (August 7, 2019)
	₹410.90 (August 7, 2020)	₹407.88 (August 7, 2021)	-
	₹407.88 (August 7, 2021)	₹404.82 (August 7, 2022)	-
	₹404.82 (August 7, 2022)	₹401.71 (August 7, 2023)	-

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. Volatility is estimated by the actual movement in share prices of the company for one year preceding the grant date. This historical volatility is the annualised standard deviation of the continuously compounded rates of daily stock returns.

III Reconciliation of options

Particulars	Tranche 1		Tranche 2		Tranche 3
	Grant A	Grant B	Grant A	Grant B	Grant A
Financial Year 2022-23					
Options outstanding at April 1, 2022	-	-	1,860	3,000	15,000
Granted during the year	-	-	-	-	-
Forfeited during the year	-	-	-	-	-
Exercised during the year	-	-	-	3,000	15,000
Expired / lapsed during the year	-	-	1,860	-	-
Options outstanding at March 31, 2023	-	-	-	-	-
Options exercisable at March 31, 2023	-	-	-	-	-
Weighted average remaining contractual life (in years)	-	-	-	-	-
Weighted average share price at the time of exercise*	-	-	-	992.20	1,028.08



Notes

forming part of Financial Statements

(₹ in millions, except for share data and unless otherwise stated)

Particulars	Tranche 4			Tranche 5		
	Grant A	Grant B	Loyalty	Grant A	Grant B	Loyalty
Financial Year 2022-23						
Options outstanding at April 1, 2022	22,520	43,645	-	64,925	55,915	-
Granted during the year	-	-	-	-	-	-
Forfeited during the year	-	-	-	-	-	-
Exercised during the year	2,120	22,235	-	49,335	11,275	-
Expired / lapsed during the year	3,400	10,115	-	3,790	21,250	-
Options outstanding at March 31, 2023	17,000	11,295	-	11,800	23,390	-
Options exercisable at March 31, 2023	17,000	11,295	-	11,800	9,350	-
Weighted average remaining contractual life (in years)	-	-	-	-	0.35	-
Weighted average share price at the time of exercise*	992.2	1048.18	-	1045.97	1,044.13	-

* Disclosure of weighted average share price at the time of exercise is applicable only for plans where there has been an exercise of options in respective financial year.

The Company has used Fair value method for accounting of Share based payments cost.

Particulars	Tranche 1		Tranche 2		Tranche 3
	Grant A	Grant B	Grant A	Grant B	Grant A
Financial Year 2021-22					
Options outstanding at April 1, 2021	10,295	5,725	2,680	3,340	27,500
Granted during the year	-	-	-	-	-
Forfeited during the year	-	-	-	-	-
Exercised during the year	2,495	2,070	310	340	12,500
Expired / lapsed during the year	7,800	3,655	510	-	-
Options outstanding at March 31, 2022	-	-	1,860	3,000	15,000
Options exercisable at March 31, 2022	-	-	1,860	3,000	15,000
Weighted average remaining contractual life (in years)	-	-	-	-	-
Weighted average share price at the time of exercise*	1,488.51	1,474.72	1,505.05	1,505.05	1,445.25

Particulars	Tranche 4			Tranche 5		
	Grant A	Grant B	Loyalty	Grant A	Grant B	Loyalty
Financial Year 2021-22						
Options outstanding at April 1, 2021	77,920	81,425	875	115,350	90,705	-
Granted during the year	-	-	-	-	-	-
Forfeited during the year	-	-	-	-	-	-
Exercised during the year	52,305	24,945	-	42,280	12,165	-
Expired / lapsed during the year	3,095	12,835	875	8,145	22,625	-
Options outstanding at March 31, 2022	22,520	43,645	-	64,925	55,915	-
Options exercisable at March 31, 2022	22,520	13,015	-	10,955	12,410	-
Weighted average remaining contractual life (in years)	-	0.24	-	0.35	0.90	-
Weighted average share price at the time of exercise*	1497.85	1501.47	-	1501.23	1,501.18	-

*Disclosure of weighted average share price at the time of exercise is applicable only for plans where there has been an exercise of options in respective financial year.

The Company has used Fair value method for accounting of Share based payments cost.

Notes

forming part of Financial Statements

(₹ in millions, except for share data and unless otherwise stated)

Note 51: Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

Name of the entity in the Group	Net assets, i.e. total assets minus total liabilities as at March 31, 2023		Share in profit or loss for the year ended March 31, 2023		Share in other comprehensive income for the year ended March 31, 2023		Share in total comprehensive income for the year ended March 31, 2023	
	As a % of consolidated net assets	Amount	As a % of consolidated profit/loss	Amount	As a % of consolidated other comprehensive income	Amount	As a % of consolidated total comprehensive income	Amount
Parent								
Muthoot Finance Limited	90.96%	201,500.98	94.58%	34,707.52	107.31%	460.00	94.72%	35,167.52
Subsidiaries								
Indian								
1. Muthoot Insurance Brokers Private Limited	0.72%	1,588.10	1.26%	463.78	0.26%	1.12	1.25%	464.90
2. Belstar Micro Finance Limited	2.81%	6,222.59	2.04%	747.54	(1.68%)	(7.20)	1.99%	740.34
3. Muthoot Homefin (India) Limited	2.07%	4,574.67	0.28%	103.98	(0.02%)	(0.07)	0.28%	103.91
4. Muthoot Money Limited	0.47%	1,038.00	0.01%	2.41	0.09%	0.39	0.01%	2.80
5. Muthoot Asset Management Private Limited	0.52%	1,141.27	0.13%	46.46	-	-	0.13%	46.46
6. Muthoot Trustee Private Limited	0.00%	10.22	0.00%	0.27	-	-	0.00%	0.27
Foreign								
1. Asia Asset Finance PLC, Sri Lanka	0.26%	581.69	0.14%	51.03	(3.43%)	(14.70)	0.10%	36.33
Non-controlling interests in all subsidiaries								
Indian								
1. Belstar Micro Finance Limited	2.12%	4,700.40	1.51%	555.72	(1.26%)	(5.41)	1.48%	550.31
Foreign								
1. Asia Asset Finance PLC, Sri Lanka	0.08%	170.12	0.05%	18.95	(1.27%)	(5.46)	0.04%	13.49
Total		221,528.04		36,697.66		428.67		37,126.33

Note : The amounts stated above have been considered from the respective financial statements of the companies, without adjusting the intercompany transactions.



Notes

forming part of Financial Statements

Note 52: Details of Benami Property Held

No proceedings have been initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder in the financial years ended March 31, 2023 and March 31, 2022.

Note 53: Wilful Defaulter

The Group has not been declared as a wilful defaulter by any bank or financial institution or other lender in the financial years ended March 31, 2023 and March 31, 2022.

Note 54: Relationship with struck off Companies

The Group has no transaction with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.

Note 55: Registration of Charges or satisfaction with Registrar of Companies (ROC)

All charges or satisfaction are registered with ROC within the statutory period for the financial years ended March 31, 2023 and March 31, 2022. No charges or satisfactions are yet to be registered with ROC beyond the statutory period.

Note 56: Compliance with number of layers of companies

The number of layers prescribed under section 2(87) of the Companies Act 2013 read with the Companies (Restriction on number of Layers) Rules, 2017, is not applicable to the company.

Note 57: Compliance with approved Scheme(s) of Arrangements

The Group has not entered into any Scheme of Arrangements which requires the approval of the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 for the financial years ended March 31, 2023 and March 31, 2022.

Note 58: Utilisation of Borrowed funds and Share premium

The Group, as part of its normal business, grants loans and advances, makes investment, accept non-convertible debentures from its customers, other entities and persons and borrows money from banks, financial institutions, other entities and persons. These transactions are part of Group's normal non-banking finance business, which is conducted ensuring adherence to all regulatory requirements.

We state that 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 Group to any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly, or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

The Group has not received any funds from any other persons or entities, including foreign entities (Funding Party) with the understanding whether recorded in writing or otherwise, that the Group shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note 59: Undisclosed Income

The Group does not have any transaction that are not recorded in the books of account but has been surrendered or disclosed as income during the year in tax assessments under the Income tax Act, 1961 (such as search or survey or any other relevant provision under Income Tax Act 1961) and there was no instance of previously unrecorded income as above to be recorded in the books of accounts during the year.

Note 60: Details of Crypto Currency or Virtual Currency

The Group has not traded or invested in Crypto currency or Virtual currency during the financial years ended March 31, 2023 and March 31, 2022.

Notes

forming part of Financial Statements

Note 61: Impact of COVID-19

The global outbreak of Coronavirus (COVID-19) pandemic has not caused any significant impact on the operations and financial position of the Company for the year and previous year.

Hence in the opinion of the management of the Company, the impairment loss as stated in Note 8 and provision as stated in Note 22.1 is considered adequate.

Note 62: Business combinations and acquisition of non-controlling interests

Belstar Microfinance Limited

During the year, the company acquired 1,47,060 shares of Belstar Microfinance Limited (BML) from promoters for a consideration of ₹50.00 Millions, resulted an increase in company's stake to 61.01% of BML's equity share capital. Subsequently BML issued 32,35,295 equity shares to external share holders, by which company's stake in BML's equity share capital reduced to 56.97% as at March 31, 2023 (March 31, 2022: 60.69%).

Note 63: Previous year's figures have been regrouped/rearranged, wherever necessary to conform to current year's classifications/disclosure.

Notes on accounts form part of consolidated financial statements

As per our report of even date attached

For Elias George & Co.
(FRN : 000801S)

For Babu A. Kallivayalil & Co.
(FRN : 005374S)

For and on behalf of the Board of Directors

sd/-
Ranjit Mathews P
Partner
Chartered Accountants
Membership No. 205377

sd/-
Babu Abraham Kallivayalil
Partner
Chartered Accountants
Membership No. 026973

sd/-
George Jacob Muthoot
Chairman & Whole-time Director
DIN: 00018235

sd/-
George Alexander Muthoot
Managing Director
DIN: 00016787

sd/-
Oommen K. Mammen
Chief Financial Officer

sd/-
Rajesh A
Company Secretary

Place: Kochi
Date: May 19, 2023

Place: Kochi
Date: May 19, 2023

Corporate Information

Board of Directors

George Jacob Muthoot
Chairman & Whole Time Director

George Alexander Muthoot
Managing Director

George Thomas Muthoot
Whole Time Director

Alexander George
Whole Time Director

George Muthoot George
Whole Time Director

George Alexander
Whole Time Director

George Muthoot Jacob
Whole Time Director

Abraham Chacko
Independent Director

Jacob Benjamin Koshy
Independent Director

Jose Mathew
Independent Director

Chamacheril Mohan Abraham
Independent Director

Ravindra Pisharody
Independent Director

Usha Sunny
Independent Director

Vadakkakara Antony George
Independent Director

Registered office

2nd Floor, Muthoot Chambers
Opposite Saritha Theatre Complex
Banerji Road, Kochi 682 018
Kerala, India

CIN: L65910KL1997PLC011300

RBI Regn. No: N.16.00167

Tel: (91 484) 239 4712

Fax: (91 484) 239 6506

Email (General)

mails@muthootgroup.com

Email (Investors)

investors@muthootfinance.com

Email (Institutional Investors)

investorrelations@muthootfinance.com

Website: www.muthootfinance.com

Chief Financial Officer

Oommen K Mammen

Company Secretary

Rajesh A

Joint Statutory Auditors

M/s. Elias George & Co.,

Chartered Accountants,
(Firm Registration No. 0008015)
38/1968A, EGC House, HIG Avenue,
Gandhi Nagar, Kochi 682 020

M/s. Babu A. Kallivayalil & Co.,

Chartered Accountants,
(Firm Registration No. 053745)
II Floor, Manchu Complex, P T Usha
Road, Kochi-682 011

Listing

Equity Shares

National Stock exchange of India
Limited & BSE Limited

Non-convertible Debentures

BSE Limited

Commercial Papers

BSE Limited

Senior Secured Notes

International Securities Market

London Stock Exchange

Registrar & Transfer Agent

Equity Shares

Link Intime India Private Limited

Surya, 35, Mayflower Avenue
Behind Senthil Nagar,
Sowripalayam Road
Coimbatore – 641 028
Tel: (91 422) – 231 4792, 231 5792
Fax: (91 422) – 231 4792
Email: coimbatore@linkintime.co.in
Website: www.linkintime.co.in

Listed Non-Convertible Debentures

Link Intime India Private Limited

C-101, 247 Park, L.B.S. Marg,
Vikhroli (West), Mumbai - 400 083
Tel: (91 22) 4918 6000
Fax: (91 22) 4918 6060
Email: bonds.helpdesk@linkintime.co.in
Website: www.linkintime.co.in

Debenture Trustee (Listed Non-Convertible Debentures)

IDBI Trusteeship Services Limited

Asian Building, Ground Floor
17 R, Kamani Marg, Ballard Estate
Mumbai 400 001, India
Tel: (91 22) 4080 7000
Fax: (91 22) 6631 1776
Email: itsl@idbitrustee.com
Website: www.idbitrustee.co.in

Trustee (Senior Secured Notes)

DB Trustees (Hong Kong) Limited

Level 52, International
Commerce Centre
1 Austin Road West, Kowloon
Hong Kong

Muthoot Family



Muthoot Finance

Muthoot Chambers

Opp Saritha Theatre Complex, Banerji Road, Kochi 682 018

Tel: +91 - 484 - 2396 478/2394

www.muthootfinance.com



Muthoot Finance

Muthoot Finance Limited

(CIN: L65910KL1997PLC011300)

2nd Floor, Muthoot Chambers,

Opposite Saritha Theatre Complex, Banerji Road, Ernakulam, Kerala, India - 682 018

(T): +91-484-2396478, 2394712, Fax: +91-484-2396506, 2397399

Email: cs@muthootgroup.com

Website: www.muthootfinance.com

NOTICE TO SHAREHOLDERS

Notice is hereby given pursuant to Section 96 and 101 of the Companies Act, 2013 (“Act”) that the 26th Annual General Meeting (AGM) of the members of Muthoot Finance Limited (“the Company”) will be held on **Friday, September 29, 2023, at 03.30 P.M. (IST)** through Video Conferencing (“VC”)/Other Audio Visual Means (“OAVM”) facility to transact the following businesses:-

ORDINARY BUSINESS:

Item No. 1: Adoption of financial statements

To receive, consider and adopt:

- a. The Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2023, together with the Reports of the Board of Directors and the Auditors thereon; and
- b. The Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2023, together with the Report of the Auditors thereon.

Item No. 2: Appointment of Mr. George Alexander Muthoot as a director, liable to retire by rotation

To appoint a Director in place of Mr. George Alexander Muthoot (holding DIN: 00016787), who retires by rotation at the Annual General Meeting and being eligible, offers himself for re-appointment: -

Members are requested to consider and, if thought fit, pass the following resolution as an ordinary resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. George Alexander Muthoot (holding DIN: 00016787), who retires by rotation at this meeting, and being eligible, has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

Item No. 3: Appointment of Mr. George Jacob Muthoot as Director, liable to retire by rotation

To appoint a Director in place of Mr. George Jacob Muthoot (holding

DIN: 00018235), who retires by rotation at the Annual General Meeting and being eligible, offers himself for re-appointment: -

Members are requested to consider and if thought fit, pass the following resolution as an ordinary resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. George Jacob Muthoot (holding DIN: 00018235), who retires by rotation at this meeting, and being eligible, has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

SPECIAL BUSINESS:

Item No. 4: Appointment of Mr. Joseph Korah as an Independent Director

To appoint Mr. Joseph Korah (holding DIN: 09128318) as an Independent Director of the Company: -

Members are requested to consider, and if thought fit, pass with or without modification(s), the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Mr. Joseph Korah (holding DIN: 09128318), who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a member, signifying his intention to propose Mr. Joseph Korah’s candidature for the office of Director, be and is hereby appointed as a Director (Non-Executive & Independent) of the Company, not liable to retire by rotation, to hold office from this Annual

General Meeting till the 29th Annual General Meeting of the Company to be held in the year 2026.”

RESOLVED FURTHER THAT the Board of Directors of the Company (including its committee thereof) and/ or the Company Secretary of the Company be and are hereby authorized to do all such acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this resolution and matters incidental thereto.”

Item No. 5: Re-appointment of Ms. Usha Sunny as an Independent Director

To re- appoint Ms. Usha Sunny (holding DIN: 07215012) as Independent Director of the Company:-:

Members are requested to consider, and if thought fit, pass with or without modification(s), the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Ms. Usha Sunny (holding DIN: 07215012), who has submitted a declaration that she meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a member, signifying his intention to propose Ms. Usha Sunny’s candidature for the office of Director, be and is hereby re-appointed as a Director (Non-Executive & Independent) of the Company, not liable to retire by rotation, for a second consecutive term commencing from November 30, 2023 till the 31st Annual General Meeting of the Company to be held in the year 2028.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its committee thereof) and/ or the Company Secretary of the Company be and are hereby authorized to do all such acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this resolution and matters incidental thereto.”

Item No. 6: Increase in the borrowing powers of the Board of Directors under Section 180(1)(c) of the Companies Act, 2013

To increase the borrowing powers of the Board of Directors of the Company to Rs. 1,00,000/- crores:

Members are requested to consider, and if thought fit, pass with or without modification(s), the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and other applicable provisions of the Articles of Association of the Company and in supersession of the earlier resolution passed by the members on September 30, 2020, the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (herewith referred to as the Board which expression shall also include a Committee thereof), to borrow moneys, over and above the paid-up share capital, free reserves and securities premium account (apart from the temporary loans obtained from the Company’s bankers in the ordinary course of business) as and when required, including without limitation, from any Bank(s) and/or other Financial Institution(s) and/or foreign lender and/or any body corporate/entity/entities and/or authority/authorities, either in rupees or in such other foreign currencies as may be permitted by law from time to time, or by issuing debentures/ bonds, commercial papers, fixed/ floating rate notes or other instruments as may be deemed appropriate by the Board, such that the moneys to be borrowed together with the moneys already borrowed by the Company and outstanding at any point of time shall not exceed a sum of ₹ 100,000 crores (Rupees One Lakh crores only).

RESOLVED FURTHER THAT the Board be and is hereby authorised and empowered to do all such acts, deeds, matters and things, arrange, give such direction as may be deemed necessary or expedient, or settle the terms and conditions of such instrument, securities, loan, debt instrument as the case may be, on which all such moneys as are borrowed, or to be borrowed, from time to time, as to interest, repayment, security or otherwise howsoever as it may think fit, and to execute all such documents, instruments and writings as may be required to give effect to this resolution and for matters connected therewith or incidental thereto, including intimating the concerned authorities or other regulatory bodies and delegating all or any of the powers conferred herein to any Committee of Directors or Officers of the Company.

RESOLVED FURTHER THAT the Board (including any Committee duly constituted by the Board of Directors or any authority as approved by the Board of Directors) be and is hereby authorized to do all such acts, deeds and things and to sign and execute all such deed, documents and instruments as may be necessary, expedient and incidental thereto to give effect to this resolution.”

By Order of the Board of Directors
For **Muthoot Finance Limited**

Place: Kochi
Date: August 11, 2023

Sd/
Rajesh A
Company Secretary
FCS7106

NOTES:

1. Pursuant to the General Circulars 14/2020, 17/2020, 20/2020, 02/2021, 21/2021, 2/2022, and 10/2022, and issued by the Ministry of Corporate Affairs (MCA) and SEBI Circulars dated May 12, 2020, January 15, 2021, May 13, 2022, and January 05, 2023 (hereinafter collectively referred to as “the Circulars”), companies are allowed to hold AGM through Video Conferencing (“VC”)/Other Audio Visual Means (“OAVM”), without the physical presence of members at a common venue. Hence, in compliance with the Circulars, the 26th AGM of the Company is being held through VC/OAVM. The deemed venue for holding the AGM will be the Registered Office of the Company.
2. Further, Securities and Exchange Board of India (SEBI), vide its Circulars dated May 12, 2020, January 15, 2021, May 13, 2022 and January 5, 2023 (SEBI Circulars) and other applicable circulars issued in this regard, have provided relaxations from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).
3. As per the provisions of Clause 3.A.II. of the General Circular No.20/2020 dated May 5, 2020, the matters of Special Business as appearing in the accompanying Notice, are considered to be unavoidable by the Board and hence, form part of this Notice.
4. An explanatory statement pursuant to Section 102 of the Companies Act, 2013 (the Act), setting out material facts relating to business under Item Number 4 to 6 to be transacted at the AGM, is annexed hereto and forms part of this Notice.
5. The relevant details, pursuant to Regulations 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking appointment/re-appointment at this AGM is annexed.
6. In case of joint holders, the Member whose name appears as the first holder in the order of the names as per the Register of Members of the Company will be entitled to vote at the meeting.
7. The Company has appointed Central Depository Services (India) Limited (CDSL) as the authorised agency, to provide VC/OAVM facility for the AGM of the Company.
8. **SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC/ OAVM, PHYSICAL ATTENDANCE OF MEMBERS DOES NOT ARISE. ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THE AGM CONDUCTED THROUGH VC/OAVM AND HENCE THE PROXY FORM AND ATTENDANCE SLIP ARE NOT ANNEXED TO THIS NOTICE.**
9. The Company has appointed Dr. C.V. Madhusudhanan, Practising Company Secretary (Membership No. FCS 5367; CP 4408) or failing him Mr. V R Sankaranarayanan, Partner, Practising Company Secretary (Membership No. FCS 11684; CP 11367), Partners of M/s. KSR & Co., Company Secretaries LLP, Coimbatore as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner, on resolutions proposed in the Notice.
10. The Company has fixed **Friday, September 22, 2023** as the ‘Cut-off Date’ to record the entitlement of the shareholders to cast their voting through remote e-voting/e-voting during the AGM.
11. Any person who is not a Member on the Cut-off date should treat this Notice for information purposes only.
12. Members holding shares in physical form are requested to note that except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialized form with a depository. Members holding shares in physical form are required to dematerialize their holdings at the earliest as it will not be possible to transfer shares held in physical form.
13. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
14. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
15. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc, authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to madhu@ksrandco.in or sankar@ksrandco.in with a copy marked to rajesh.warrier@muthootgroup.com
16. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the Members

from the date of circulation of this Notice up to the date of AGM, i.e. **September 29, 2023**. Members seeking to inspect such documents can send an email to **rajesh.warrier@muthootgroup.com**

17. The Register of Members and Share Transfer Books of the Company will remain closed from **September 22, 2023 to September 29, 2023** (both days inclusive). Transfers received during book closure will be considered only after reopening of the Register of Members.
18. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect to such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, members whose dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on **www.iepf.gov.in**. For details, please refer to the Corporate Governance report which forms part of the Annual Report and Company's website, **www.muthootfinance.com**
19. Members may please note that there is a facility for nomination, in the prescribed form, available at request, from the Company or Registrar and Transfer Agent of the Company to any person to whom shares in the Company held by such Member, shall vest in the event of his/her death. Members holding shares in dematerialized form may contact their Depository Participant for recording the nomination in respect of their holdings.
20. Members should notify the changes in their address immediately to the Registrar and Transfer Agent of the Company/Depository Participants (DP) as the case may be. Members who are holding shares in Dematerialised form (Demat) are requested to keep their Bank Account details including IFSC and/or MICR updated with their respective DPs (Depository Participant) and those members who are holding shares in physical form, by sending a request to the Registrar and Transfer Agent by quoting their Folio No, PAN along with cancelled cheque or other acceptable Bank Account proof.
21. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN, mandates, nominations, bank details such as name of the bank and branch details, bank account number, MICR Code, IFSC Code, etc., to their DPs and in case the shares are held by them in electronic form and, to Link Intime India Private Limited in case the shares are held by them in physical form. The process for registration of e-mail address is mentioned below:

Physical Holding	Please send a request to the Registrar and Transfer Agents of the Company, Link Intime India Private Limited at coimbatore@linkintime.co.in in providing the Folio No, Name of Shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN Card), Aadhaar (self-attested scanned copy of Aadhaar Card) for registering email address.
Demat Holding	Please contact your Depository Participant (DP) and register your email address in your demat account, as per the process advised by your DP.

22. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified from time to time.
23. A brief profile of the Directors, who are appointed/re-appointed, nature of their expertise in specific functional areas, names of Companies in which they hold directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 are provided as annexure to this notice.
24. Notice of the AGM including instructions for e-voting along with the Annual Report for the FY 2022-23 are being sent through electronic mode only to those Members whose email addresses are registered with the Company/DP. Members may note that the Notice and Annual Report for the FY 2022-23 will also be available on the Company's website, **www.muthootfinance.com**, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of CDSL, [https:// www.evotingindia.com](https://www.evotingindia.com)
25. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.
26. 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 MCA 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 Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

27. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.muthootfinance.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.

28. Instructions for e-voting and joining AGM through VC/OAVM are as follows:

The remote e-voting period commences on Tuesday, September 26, 2023 at 09:00 A.M (IST) and ends on Thursday, September 28, 2023 at 05:00 P.M (IST). The remote e-voting module shall be disabled by CDSL 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 22, 2023 may cast their vote electronically. The voting rights 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 22, 2023 .

THE INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(i) The voting period begins on Tuesday, September 26, 2023 at 09:00 A.M (IST) and ends on Thursday, September 28, 2023 at 05:00 P.M (IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Friday, September 22, 2023 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs)

providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

(i) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 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.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for **Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsl website www.cdslindia.com and click on login icon & New System Myeasi Tab. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at cdsl website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on 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 able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL Depository	<ol style="list-style-type: none"> 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 company name or e-Voting service provider name and you will be re-directed to e-Voting service provider 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 hold with NSDL), Password/OTP and a Verification Code as shown on the screen. 4) After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website 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) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful 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 company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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. CDSL and NSDL

Login type	Helpdesk details
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 toll free no. 1800 22 55 33
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

Step 2: (i) Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(ii) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

(iii) After entering these details appropriately, click on “SUBMIT” tab.

(iv) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided

that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(v) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(vi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(vii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(viii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

(ix) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

(x) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

(xi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.

(xii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xiii) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

(xiv) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; rajesh.warrier@muthootgroup.com (designated email address by company) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to

verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. 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.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at rajesh.warrier@muthootgroup.com. These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the 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 available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES

1. For Physical shareholders- please provide necessary details like 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 **coimbatore@linkintime.co.in**.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective **Depository Participant (DP)**
3. **For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.**

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following statement sets out all material facts relating to special businesses mentioned in the accompanying Notice:

Item No. 4: Appointment of Mr. Joseph Korah as an Independent Director

The Board of Directors of the Company in line with the requirements of Section 149 of the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 proposes to induct an Independent Director on the Board of Directors subject to the approval of the shareholders of the Company.

Mr. Joseph Korah (holding DIN: 09128318), an experienced IT professional with a demonstrated history of working in the information technology and services industry has consented for the appointment as Independent Director on the Board of Directors of the Company. Mr. Joseph Korah is a consulting professional skilled in Global Delivery, IT Strategy, Management, Pre-sales, and Business Intelligence. Brief profile of Mr. Joseph Korah, nature of his expertise in specified functional areas and names of companies in which he holds directorships and memberships/chairmanship of Board Committees, shareholding and relationships between Directors inter-se as stipulated under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read together with Secretarial Standards – 2 are provided at the end of this Notice.

The Board of Directors of your Company, based on the recommendation of the Nomination and Remuneration Committee, considers that given the professional background and information technology and services industry experience, the association of Mr. Joseph Korah as an Independent Director on the Board of Directors of the Company will be of immense value addition to the Company and all the stakeholders. In the opinion of the Board, Mr. Joseph Korah fulfills the eligibility criteria specified under the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Fit and Proper Criteria prescribed by the RBI.

The nomination and remuneration committee of the Board has evaluated the 'Fit and Proper Criteria' prescribed by the Reserve Bank of India (RBI) in accordance with the RBI Master Circular - "Non-Banking Financial Companies - Corporate Governance (Reserve Bank) Directions, 2015" and has recommended the appointment. The Company has also received a notice under Section 160 of the Companies Act, 2013 from a member, nominating Mr. Joseph Korah to the office of independent director on the Board of Directors of the Company.

Pursuant to the provisions of Section 149, 160 and other applicable provisions, of the Companies Act, 2013 read with Rules made thereunder, the Board of Directors, on the recommendation of the Nomination and Remuneration Committee, proposes the appointment of Mr. Joseph Korah as an Independent Director subject to the approval of Members in the annual general meeting.

The Company has received all statutory disclosures/declarations including, (i) consent in writing to act as director in Form DIR-2, pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 ("the Appointment Rules"), (ii) intimation in Form DIR-8 in terms of the Appointment Rules to the effect that he is not disqualified under subsection (2) of Section 164 of the Act, and (iii) a

declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act.

The Board, therefore, seeks the support and approval of Shareholders for the appointment of Mr. Joseph Korah as an independent director, not liable to retire by rotation, to hold office from this Annual General Meeting till the 29th Annual General Meeting of the Company to be held in the year 2026, pursuant to Sections 149, 152 and other applicable provisions of the Act and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof).

A copy of the draft Letter of Appointment, setting out the terms and conditions of appointment of Independent Director is available for inspection at the Registered Office of the Company during business hours on any working day and is also available at the website of the Company on the link https://www.muthootfinance.com/themes/bartik/uploads/ID_Terms_of_Appointment.pdf.

In compliance with the general circular no. 02/2022 issued by the MCA, this item is considered unavoidable and hence forms part of this Notice.

None of the Directors or Key Managerial Personnel and their relatives are concerned or interested (financially or otherwise) in the Resolution.

The Board recommends the Special Resolution as set out in Item No. 4 for the approval of the members.

Item No. 5 Re-appointment of Ms. Usha Sunny as an Independent Director

Ms. Usha Sunny was appointed as an additional director (Non-executive & Independent) with effect from November 30, 2020. Shareholders of the Company at the Annual General Meeting held on September 18, 2021 had approved the appointment of Ms. Usha Sunny as a Director (Non-Executive & Independent) for a period of 3 year commencing from November 30, 2020.

The term of office of Ms. Usha Sunny as a Director on the Board of the Company is expiring on November 29, 2023. The Board of Directors of the Company, on the recommendation of the Nomination and Remuneration Committee, at their meeting held on August 11, 2023, has recommended the reappointment of Ms. Usha Sunny as Independent Director for a second consecutive term commencing from November 30, 2023. The present resolution seeks the re-appointment of Ms. Usha Sunny as a Director (Non-Executive, Independent) for a second consecutive term commencing from November 30, 2023, in terms of the requirements of Sections 149, 152 read with Schedule IV of the Companies Act, 2013 and Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In terms of Sections 149, 150, 152 read with Schedule IV of the Companies Act, 2013, the Board of Directors have received declarations from Ms. Usha Sunny confirming that she meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013. The Board of Directors is of the opinion that Ms. Usha Sunny fulfils the conditions specified in the Companies Act, 2013 and the rules made thereunder and is independent of the management. Particulars of the proposed appointee as required under Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 annexed to the notice. Ms. Usha Sunny has also provided a declaration that she is not disqualified from being appointed as a Director of the Company in terms of Section 164 of the Companies Act, 2013.

The nomination and remuneration committee of the Board has evaluated the 'Fit and Proper Criteria' prescribed by the Reserve Bank of India (RBI) in accordance with the RBI Master Circular - "Non-Banking Financial Companies - Corporate Governance (Reserve Bank) Directions, 2015" and has recommended the appointment. The Company has also received a notice under Section 160 of the Companies Act, 2013 from a member, nominating Ms. Usha Sunny to the office of independent director on the Board of Directors of the Company.

The Board of Directors has recommended the proposal for the re-appointment of Ms. Usha Sunny as Director (Non-Executive, Independent), not liable to retire by rotation, for a period as specified in the proposed resolution. A detailed profile of Ms. Usha Sunny is provided along with the Notice of AGM. Pursuant to the provisions of Section 149 (10) of the Companies Act, 2013, an independent director shall be eligible for re-appointment for the second consecutive term as a Director (Non-Executive, Independent) upon passing a special resolution by the members of the Company.

The Board of Directors of the Company is confident that the re-appointment of Ms. Usha Sunny as Director (Non-Executive, Independent) will be beneficial to the Company and will have the support of the members. The Board thus recommends Resolution No. 5 for the approval of members as a Special Resolution.

Except Ms. Usha Sunny, being appointee in the resolution, none of the Directors or Key Managerial Personnel or their relatives thereof are in any way, concerned or interested in the above resolution.

In compliance with the general circular no. 02/2022 issued by the MCA, this item is considered unavoidable and hence forms part of this Notice.

The Board recommends the Special Resolution as set out in Item No. 5 for the approval of the members

Item No. 6: Increase in borrowing powers of the Board of Directors under Section 180(1)(c) of the Companies Act, 2013

The Members of the Company at their Meeting held on September 30, 2020 had passed a resolution authorizing the Board of Directors of the Company to borrow monies, from time to time, up to an amount of ₹75,000 crores outstanding at any point of time.

Your Company has witnessed considerable growth in the business over the years and is expecting the growth momentum to continue in the near future. In line with the growth expectations in business over the next few years, your Board believes that the Company will also need to raise more working capital resources to fund future growth. Considering future borrowing requirements, Board considers it necessary to obtain approval of members for increased borrowing powers of an amount of ₹100,000 crores outstanding at any point of time.

Pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013, approval of the members by means of a special resolution is required for the Board of Directors to borrow moneys in excess of its paid up capital and free reserves.

Hence, the Board recommends the resolution given under Item No. 6 as a Special Resolution.

Your Board is confident that the proposal for increase the borrowing powers of the Board will have the support of members.

In compliance with the general circular no. 02/2022 issued by the MCA, this item is considered unavoidable and hence forms part of this Notice.

None of the Directors or Key Managerial Personnel or their relatives thereof are in any way, concerned or interested in the above Resolution

By Order of the Board of Directors
For **Muthoot Finance Limited**

Sd/
Rajesh A
Company Secretary
FCS7106

Place: Kochi
Date: August 11, 2023

ADDITIONAL INFORMATION OF DIRECTORS FOR APPOINTMENT/RE-APPOINTMENT AS REQUIRED UNDER REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD ON GENERAL MEETINGS (SS-2) ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA.

1.Mr. George Alexander Muthoot

DIN	00016787
Age & Date of Birth	67 years, September 16, 1955
Nationality	Indian
Date of First Appointment on the Board	November 20, 2006
Qualifications	Chartered Accountant
Brief Profile	George Alexander Muthoot is a chartered accountant who qualified with first rank in Kerala and was ranked 20th overall in India, in 1978. He has a bachelor's degree in commerce from Kerala University where he was a rank holder and gold medalist. He was also awarded the Times of India group Business Excellence Award in customised Financial Services in March 2009. He was also awarded the CA Business Leader Award under Financial Services Sector from the Institute of Chartered Accountants of India for 2013. He served as the Chairman of the Kerala Non-banking Finance Companies Welfare Association from 2004 to 2007. He is also the Chairman of Finance Companies Association, Chennai. He is the founder member for the Indus Entrepreneurs International, Kochi Chapter and is now a member of the Core Committee of the Indus Entrepreneurs International Kochi Chapter. He has over four decades of experience in managing businesses operating in the field of financial services.
Directorship in other Companies	<ol style="list-style-type: none"> 1. Muthoot Infopark Private Limited 2. Muthoot Forex Limited 3. M G M Muthoot Medical Centre Private Limited 4. Muthoot Insurance Brokers Private Limited 5. Muthoot Vehicle & Asset Finance Limited 6. Xandari Pearl Beach Resorts Private Limited (formerly known as Marari Beach Resorts Private Limited) 7. Adams Properties Private Limited 8. Muthoot Commodities Limited 9. Geem Marketing Services Private Limited (formerly known as Muthoot Marketing Services Private Limited) 10. Muthoot M George Institute of Technology 11. Muthoot Homefin (India) Limited 12. Xandari Heritage Resorts Private Limited (formerly known as Muthoot Anchor House Hotels Private Limited) 13. Geobros Properties and Realtors Private Limited 14. MMG Investment Services Private Limited (Formerly known as Muthoot M George Real Estate Private Limited) 15. Finance Companies' Association (India)
Listed entities from which the director has resigned in the past three years	Nil
Chairmanship/Membership of Audit Committee and Stakeholders Relationship Committee of the Board of Directors of other Indian Companies of which he/she is a Director as required under Regulation 26(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	Nil

Terms and conditions of appointment or re-appointment	Mr. George Alexander Muthoot was appointed as Managing Director w.e.f April 01, 2020, on such terms and conditions as approved by the members of the Company by a special resolution at the Annual General Meeting held on September 28, 2019, for a period of five years and liable to retire by rotation. Present re-appointment of Mr. George Alexander Muthoot on retirement by rotation is within the above said period of appointment as Managing Director and hence there is no change in the terms and conditions of appointment.
Details of remuneration sought to be paid	Mr. George Alexander Muthoot was appointed as Managing Director w.e.f April 01, 2020, on such terms and conditions as approved by the members of the Company by a special resolution at the Annual General Meeting held on September 28, 2019, for a period of five years and liable to retire by rotation. Present re-appointment of Mr. George Alexander Muthoot on retirement by rotation is within the above said period of appointment as Managing Director and remuneration will be paid as specified in the said resolution and subject to the recommendations of the Nomination and Remuneration Committee of the Board of Directors.
Details of remuneration last drawn by such person (Financial Year 2022-23)	₹ 22,20,60,600
Relationship with other Directors and Key Managerial Personnel	<ul style="list-style-type: none"> •Mr. George Alexander Muthoot is the brother of Mr. George Jacob Muthoot, Whole Time Director, and Mr. George Thomas Muthoot, Whole Time Director of the Company; •Mr. George Alexander (Jr.) is the son of Mr. George Alexander Muthoot; <p>Except for the above, none of the other Directors, Key Managerial Personnel and their relatives are related.</p>
Number of Meetings of the Board attended during the Financial Year 2022-23	Mr. George Alexander Muthoot attended 7 board meetings held during the Financial Year 2022-23
Shareholding in the Company	2,36,30,900 equity shares constituting 5.89% of the paid-up share capital as on 31.03.2023

2.Mr. George Jacob Muthoot

DIN	00018235
Age & Date of Birth	70 Years, September 21,1952
Nationality	Indian
Date of First Appointment on the Board	August 16, 2005
Qualifications	Degree in Civil Engineering
Brief Profile	George Jacob Muthoot has a degree in civil engineering from Manipal University and is a businessman by profession. He is a member of the Trivandrum Management Association, The Confederation of Real Estate Developers Association of India (Trivandrum) and the Trivandrum Agenda Task Force. He is also a member of the Rotary Club, Trivandrum (South), governing body member of the Charitable and Educational Society of Trivandrum Orthodox Diocese and Finance Committee Member, Mar Diocese College of Pharmacy, Althara, Trivandrum. He has over four decades of experience in managing businesses operating in the field of financial services.
Directorship in other Companies	<ol style="list-style-type: none"> 1. Xandari Resorts Private Limited (formerly known as Muthoot Leisure and Hospitality Services Private Limited) 2. Muthoot Infopark Private Limited 3. Muthoot Insurance Brokers Private Limited 4. Muthoot Forex Limited 5. M G M Muthoot Medical Centre Private Limited

	<ol style="list-style-type: none"> 6. Geem Marketing Services Private Limited (Formerly known as Muthoot Marketing Services Private Limited) 7. Xandari Pearl Beach Resorts Private Limited (formerly known as Marari Beach Resorts Private Limited) 8. MMG Developers Private Limited (Formerly known as Muthoot Developers Private Limited) 9. Muthoot Commodities Limited 10. Adams Properties Private Limited 11. Oxbow Properties Private Limited 12. Muthoot M George Institute of Technology 13. Xandari Heritage Resorts Private Limited (formerly known as Muthoot Anchor House Hotels Private Limited) 14. Geobros Properties and Realtors Private Limited 15. Muthoot Health Care Private Limited 16. MMG Investment Services Private Limited (Formerly known as Muthoot M. George Real Estate Private Limited). 17. Muthoot Money Limited 18. Muthoot Global UK Limited 						
Listed entities from which the director has resigned in the past three years	Nil						
Chairmanship/Membership of Audit Committee and Stakeholders Relationship Committee of the Board of Directors of other Indian Companies of which he is a Director as required under Regulation 26(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	<table border="1"> <thead> <tr> <th>Name of Company</th> <th>Name of Committee</th> <th>Designation</th> </tr> </thead> <tbody> <tr> <td>Muthoot Forex Limited</td> <td>Audit Committee</td> <td>Member</td> </tr> </tbody> </table>	Name of Company	Name of Committee	Designation	Muthoot Forex Limited	Audit Committee	Member
Name of Company	Name of Committee	Designation					
Muthoot Forex Limited	Audit Committee	Member					
Terms and conditions of appointment or re-appointment	Mr. George Jacob Muthoot was appointed as Whole Time Director w.e.f April 01, 2020, on such terms and conditions as approved by the members of the Company by a special resolution at the Annual General Meeting held on September 28, 2019, for a period of five years and liable to retire by rotation. Present re-appointment of Mr. George Jacob Muthoot on retirement by rotation is within the above said period of appointment as Whole Time Director and hence there is no change in the terms and conditions of appointment.						
Details of remuneration sought to be paid	As stated in the terms and conditions of the appointment above.						
Details of remuneration last drawn by such person (Financial Year 2022-23)	₹ 22,20,60,600						
Relationship with other Directors and Key Managerial Personnel	<ul style="list-style-type: none"> • Mr. George Jacob Muthoot is the brother of Mr. George Alexander Muthoot, Managing Director, and Mr. George Thomas Muthoot, Whole Time Director of the Company; • Mr. George Muthoot Jacob is the son of Mr. George Jacob Muthoot; <p>Except for the above, none of the other Directors, Key Managerial Personnel and their relatives are related.</p>						
Number of Meetings of the Board attended during the Financial Year 2022-23	Mr. George Jacob Muthoot attended 7 board meetings held during the Financial Year 2022-23						
Shareholding in the Company	4,36,30,900 equity shares constituting 10.87% of the paid up share capital as on 31.03.2023.						

3.Mr. Joseph Korah

DIN	09128318
Age & Date of Birth	47 Years, May 11, 1976
Nationality	Indian
Date of First Appointment on the Board	NA
Qualifications	<ol style="list-style-type: none"> 1. MBA from Cornell University, 2. MS, Software Engineering from Birla Institute of Technology and Science and 3. B.Tech from University of Calicut
Brief Profile	<p>Joseph Korah is the Co-Founder and President of Impaqtive which he founded in 2021. Impaqtive is a Global Salesforce Consulting partner. Prior to founding Impaqtive, he spent 23 years at Cognizant where he was a Vice President and the Global Delivery Leader of the Salesforce Practice at Cognizant. He also held an additional role as the Center Head of the Kochi Development center. Joe obtained his Engineering degree from Calicut University, his MS from BITS, Pilani and his MBA from Johnson School, Cornell University. Joe was the Vice Chairman of GTECH from 2014 to 2017. GTECH is an industry body representing all IT companies in Kerala. He was also on the NASSCOM Regional Council. He has been on the Round Table India National Board and served on the Managing Committee of the Kerala Management Association.</p>
Directorship in other Companies	<ol style="list-style-type: none"> 1. Impaqtive Technologies India Private Limited 2. Emsyne Technologies Private Limited 3. Impaqtive US Corp
Chairmanship/Membership of Audit Committee and Stakeholders Relationship Committee of the Board of Directors of other Indian Companies of which he is a Director as required under Regulation 26(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	Nil
Listed entities from which the director has resigned in the past three years	Nil
Terms and conditions of appointment or re-appointment	The present appointment is for a period of three years and he is not liable to retire by rotation during the said tenure.
Details of remuneration sought to be paid	Being appointed as the Non-Executive Independent Director, he will be eligible for a Commission (in addition to the sitting fee for attending the meetings of the Board of Directors or Committees thereof, as the Board of Directors may from time to time determine) not exceeding in aggregate one percent of the net profits of the Company for each financial year, as computed in the manner laid down in Section 198 of the Companies Act, 2013, or any statutory modification(s) or reenactment(s) thereof and subject to the recommendation of Nomination and Remuneration Committee of the Board of Directors.
Details of remuneration last drawn by such person (Financial Year 2022-23)	Nil
Relationship with other Directors and Key Managerial Personnel	None of the Directors or Key Managerial Personnel of the Company are related to the appointee.
Number of Meetings of the Board attended during the Financial Year 2022-23	Not Applicable

Shareholding in the Company	NIL
Skills and Capabilities	Strong consulting professional skilled in Global Delivery, IT Strategy, Management, Pre-sales, and Business Intelligence.

4.Ms. Usha Sunny

DIN	07215012
Age & Date of Birth	63 years, May 30, 1960
Nationality	Indian
Date of First Appointment on the Board	November 30, 2020
Qualifications	<ol style="list-style-type: none"> 1. Member of the Institute of Cost Accountants of India, 2. Master's Degree in Commerce from University of Kerala.
Brief Profile	Ms. Usha Sunny is an experienced banking professional with more than 3 decades of experience. Ms. Usha Sunny has worked with Mashreq Bank PSC, Dubai, Standard Chartered Bank, Dubai, Indian Overseas Bank and Kerala State Drugs and Pharmaceuticals Limited in diversified roles.
Directorship in other Companies	Securaplus Safety Private Limited
Listed entities from which the director has resigned in the past three years	NIL
Chairmanship/Membership of Audit Committee and Stakeholders Relationship Committee of the Board of Directors of other Indian Companies of which he/she is a Director as required under Regulation 26(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	NIL
Terms and conditions of appointment or re-appointment	The present appointment is for a period of five years and not liable to retire by rotation during the said tenure. She is being appointed as the non-executive Independent Director.
Details of remuneration sought to be paid	Being appointed as the Non-Executive Independent Director, she will be eligible for a Commission (in addition to the sitting fee for attending the meetings of the Board of Directors and Committees thereof, as the Board of Directors may from time to time determine) not exceeding in aggregate one percent of the net profits of the Company for each financial year, as computed in the manner laid down in Section 198 of the Companies Act, 2013, or any statutory modification(s) or re-enactment(s) thereof and subject to the recommendation of the Nomination and Remuneration Committee of the Board of Directors.
Details of remuneration last drawn by such person (Financial Year 2022-23)	₹ 20,90,000.00/-
Relationship with other Directors and Key Managerial Personnel	None of the Directors and Key Managerial Personnel of the Company are related to the appointee.
Number of Meetings of the Board attended during the Financial Year 2022-23	Ms. Usha Sunny attended 7 board meetings held during the Financial Year 2022-23
Shareholding in the Company	Nil