



ANNUAL REPORT
2021-2022



INVOLVED.
INCLUSIVE.
INNOVATIVE.

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.



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 in 2021.

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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.

Financial statements

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INVOLVED. INCLUSIVE. INNOVATIVE.



The general consensus around the definition of a successful business is:

The business must generate good revenues.

The business must generate attractive profits.

The business must deliver robust returns to its shareholders.

At Muthoot, we believe a business has to go beyond these 'musts'. Since our inception, we have been clear about one thing: our sole goal was to bring about a transformative change in the lives of the people.

Starting from our customers, who were overlooked and did not have access to any formal line of credit, to the marginalised sections of the society who had been deprived of the basic necessities because of their economic status.

From the beginning itself, every business strategy that we have devised has been centred around the words: involvement, inclusion and innovation.

With regards to our business, we are the pioneers of gold loan business in the country. Over the years, we have been able to instil confidence among the people belonging to the lower rung of society that if no one else, Muthoot Finance is there for them. As a result, we have been able to eliminate the stigma surrounding the deposit of gold as collateral for

loans. 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.

Our idea of inclusion is not restricted to just our customers who had no access to credit previously - it goes way beyond that. At Muthoot, we believe that our growth as a company is redundant if it does not translate into the upliftment of communities. For us, corporate social responsibility has never been a statutory obligation. Every year, we place immense focus to strategise how we could direct our initiatives in a way that brings forth a significant change in the lives of people. As a result of our concerted efforts, we have been recognised nationally on numerous occasions as one of the most responsible organisations.

CORPORATE IDENTITY

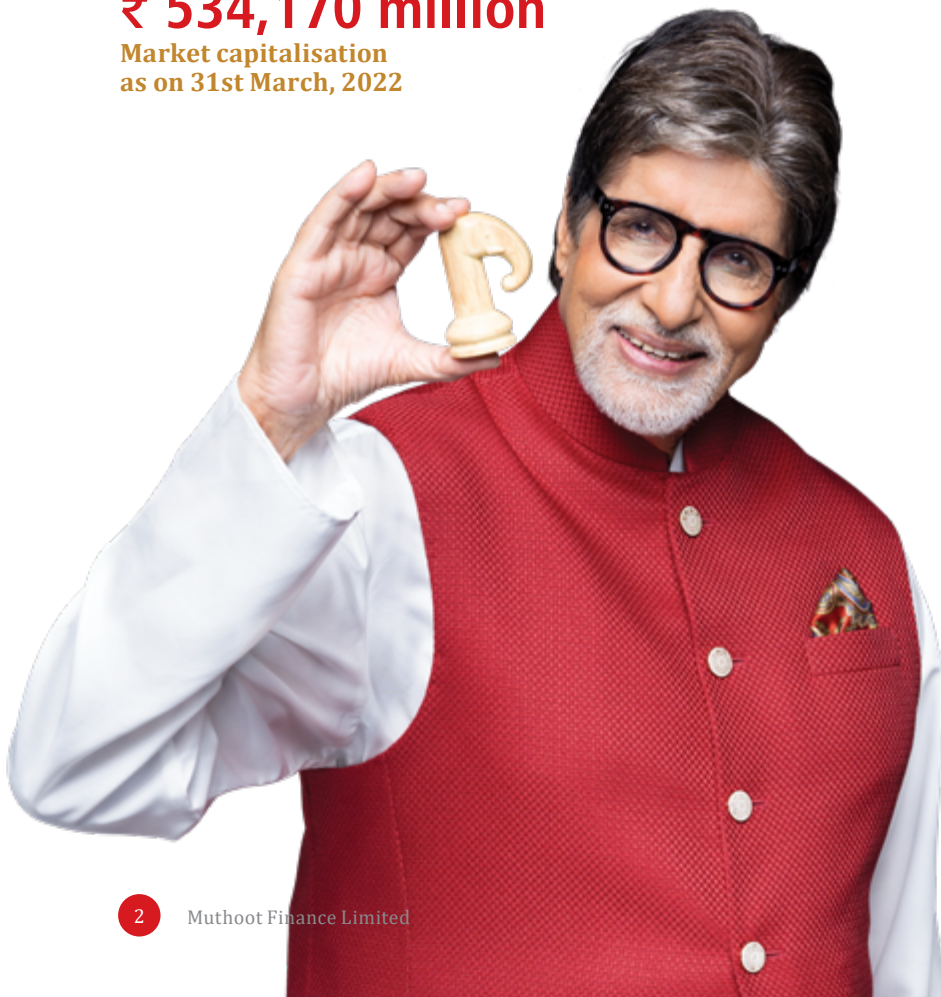
Promoting financial inclusion since inception

We were founded by Shri Ninan Mathai Muthoot in 1887 as a modest trading business and embarked upon the gold loan business in 1939 by his son Shri. M George Muthoot. Since then, the Muthoot Group has been able to establish itself as a major conglomerate promoting financial inclusion.

Today, we are India's largest and most trusted gold loan company and have completely revolutionised India's gold loan segment. Our primary goal has always been to cater to individuals who possess gold jewellery but do not have access to formal credit within a reasonable time, or for whom credit may not be available at all. As a result of our concerted efforts to serve the underserved and unserved, we have been able to empower millions of people across different strata of our society.

₹ 534,170 million

Market capitalisation
as on 31st March, 2022



Muthoot Finance at a glance



29

States/Union territory
presence



187 tonnes
Gold jewellery kept
as security



>4,600
Pan-India branches



>1,00,000
Retail investor base across
debentures and subordinated
debt portfolio



>26,000
Team members



>2,00,000
Customers served
every day

Core values

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



Ethics

Our primary aim is to put the needs of the customer first. We strive to provide them with the best quality of service under the Muthoot Brand umbrella and we do it with a smile.



Values

Accountability for all our operations and services and towards the society makes us a socially responsible and intelligent corporate citizen. Our empire has grown in leaps and bounds on the basis of our values. The times may change, but our values will remain unchanged.



Reliability

With an unblemished track record throughout the markets we serve, and across national as well as global boundaries, Muthoot Finance values its commitment to customer service.



Dependability

We do not judge ourselves by the profits we make but by the trust and confidence that people have shown in us for the past 135 years. Millions of people have turned to us for help in their hour of need because of this guiding principle of ours.



Trustworthiness

We pledge loyalty in our operations, fairness in our dealings and openness in our practices. At Muthoot Finance, we embrace policies and practices that fortify trust.



Integrity

This value is innate to a corruption-free atmosphere and an open work culture. We, at Muthoot Finance, therefore cultivate transparency as a work ethic.



Goodwill

Muthoot Finance serves millions of customers across the country. We serve over 2,00,000 customers each day. With an unmatched goodwill, the Company shoulders the responsibility of providing its customers with services of the highest quality.



Key Subsidiaries



Muthoot Homefin

Affordable housing finance

100%



Microfinance

60.69%



Muthoot Money

Vehicle finance

100%



Listed diversified NBFC
in Sri Lanka

72.92%



Muthoot Insurance Brokers




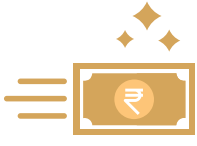









Insurance broking

100%

CORPORATE IDENTITY

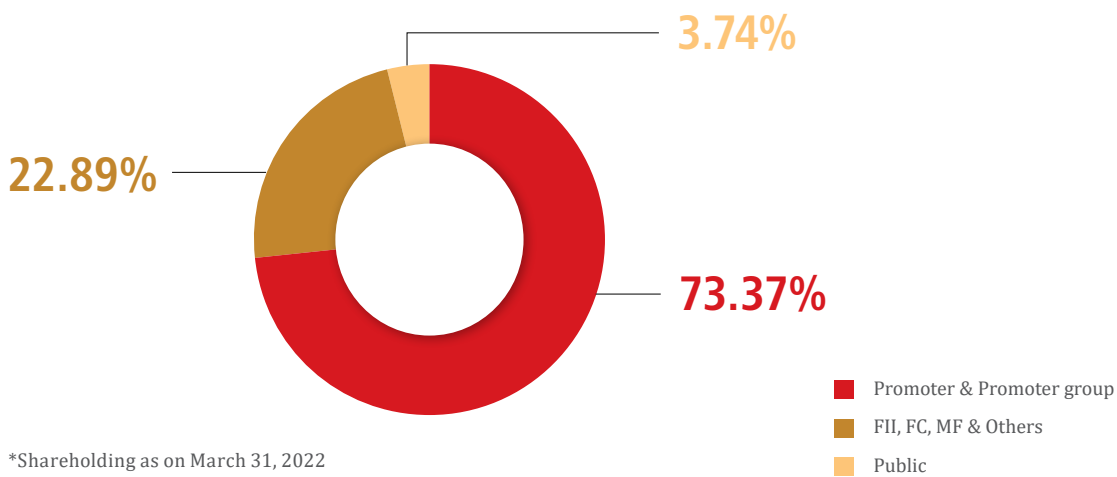
Our product offerings

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.

 <p>Gold loan</p>	 <p>Foreign inward money transfer services</p>	 <p>Domestic money transfer services</p>	
 <p>Instant money transfer services</p>	 <p>Microfinance</p>	 <p>Non-convertible debentures</p>	
 <p>Home loans</p>	 <p>Vehicle loans</p>	 <p>Personal loans</p>	 <p>Corporate loans</p>
 <p>Foreign exchange services</p>	 <p>Insurance services</p>	 <p>Business loans</p>	

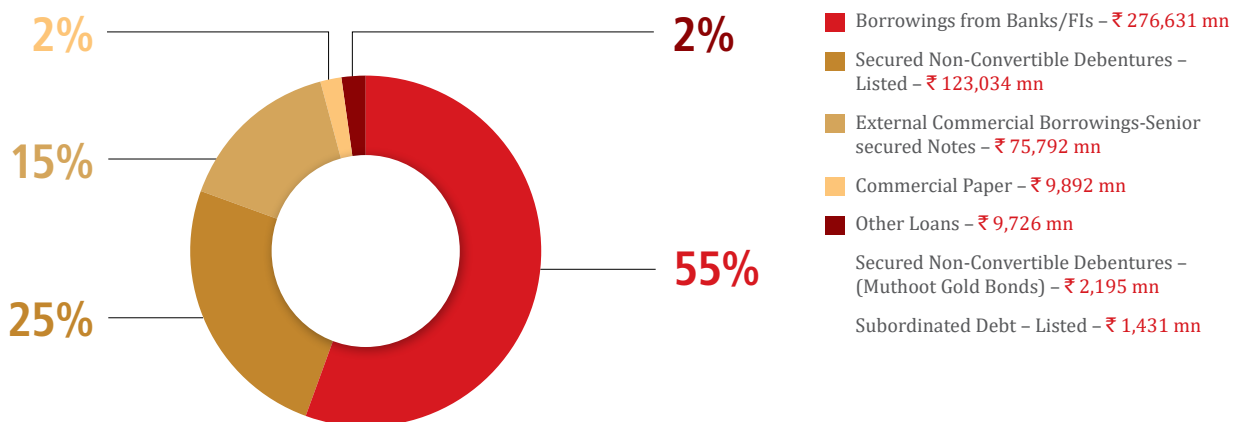


Shareholding pattern*



*Shareholding as on March 31, 2022

Diversified funding profile*



*As on March 31, 2022

CORPORATE IDENTITY

Domestic credit rating

Highest Rating among gold loan companies		
Short-term Rating		
Rating Agencies	Rating	Indicates
COMMERCIAL PAPER		
CRISIL RATINGS	CRISIL A1+	Very strong degree of safety with regard to timely payment of financial obligation and carry lowest credit risk
ICRA LIMITED	ICRA A1+	Very strong degree of safety with regard to timely payment of financial obligation and carry lowest credit risk
BANK LOANS		
ICRA LIMITED	ICRA A1+	Very strong degree of safety with regard to timely payment of financial obligation and carry lowest credit risk
Long-term Rating		
Rating Agencies	Rating	Indicates
SUBORDINATED DEBT		
CRISIL RATINGS	CRISIL AA+/Stable	High Degree of safety with regard to timely servicing of financial obligations and carry very low credit risk
ICRA LIMITED	ICRA AA+(Stable)	High Degree of safety with regard to timely servicing of financial obligations and carry very low credit risk
NON-CONVERTIBLE DEBENTURE		
CRISIL RATINGS	CRISIL AA+/Stable	High Degree of safety with regard to timely servicing of financial obligations and carry very low credit risk
ICRA LIMITED	ICRA AA+(Stable)	High Degree of safety with regard to timely servicing of financial obligations and carry very low credit risk
BANK LOANS		
ICRA LIMITED	ICRA AA+(Stable)	High Degree of safety with regard to timely servicing of financial obligations and carry very low credit risk

International credit rating

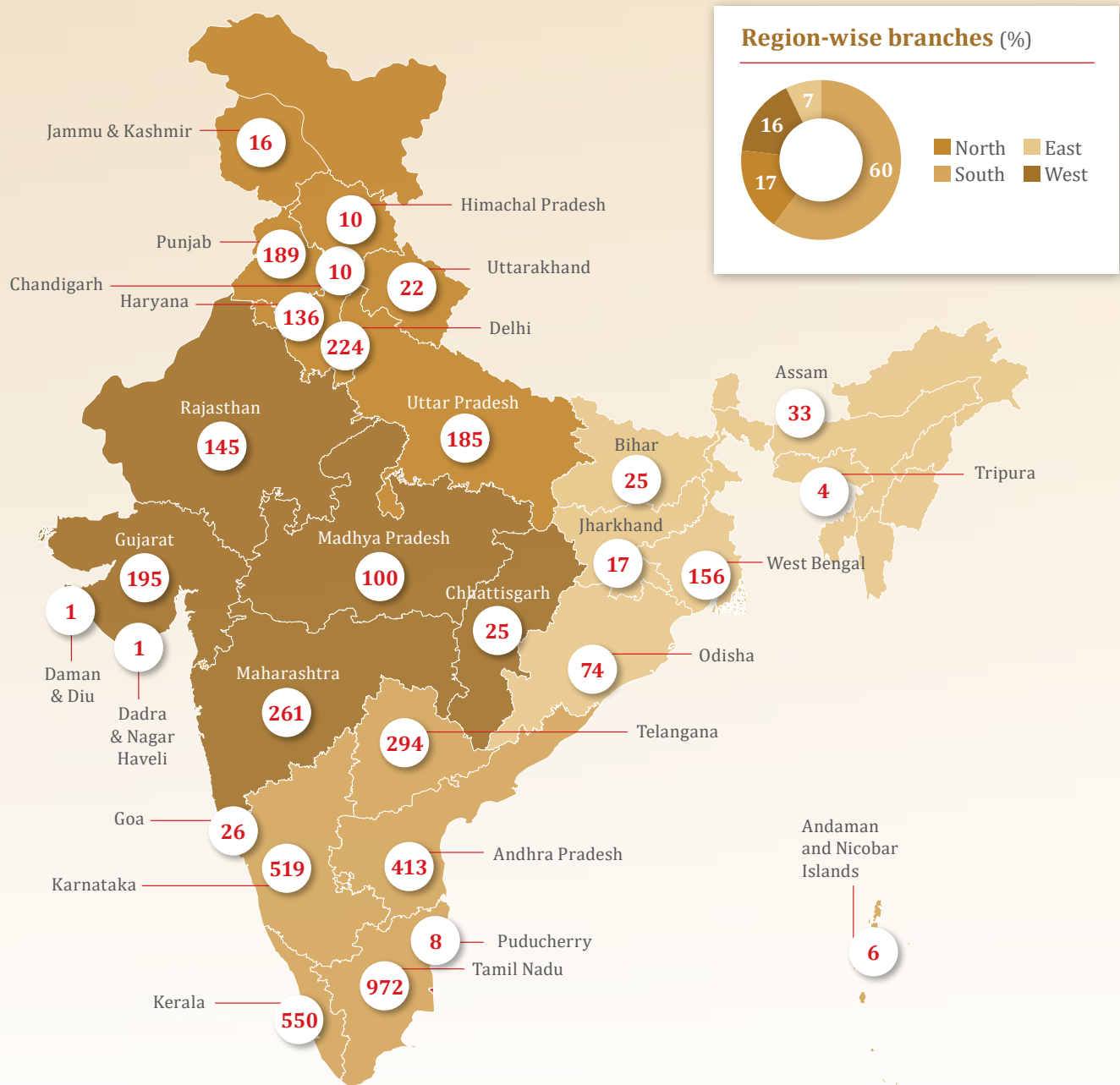
Long-term Rating		
Rating Agencies	Rating	Indicates
FITCH RATINGS	BB (Stable)	An elevated vulnerability to default risk, particularly in the event of adverse change in business or economic condition over time, however, business or financial flexibility exists that supports the servicing of financial commitments
S&P GLOBAL RATINGS	BB (Negative)	Less vulnerable in the near-term but faces major ongoing uncertainties to adverse business, financial and economic conditions
MOODY'S INVESTORS SERVICE	Ba2 (Stable)	Obligations are judged to be speculative and are subject to substantial credit risk. The modifier 2 indicates a midrange ranking



PRESENCE

Expanding our presence to every corner of the country

In a bid to promote financial inclusion, we have strategically expanded our presence to almost every corner of the country to ensure that we are able to serve the truly unserved and underserved sections of the society.



MILESTONES

Tracking our journey over the years



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 in the Company by 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 branches.

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



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
- Successful IPO of ₹9,012.50 million in April 2011
- 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 branches

2014

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

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 branches

2008

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

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 branches

MILESTONES

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). MHIL is a Housing Finance Company Registered with The National Housing Bank
- Acquired Muthoot Insurance Brokers Private Limited (MIBPL) as a wholly-owned subsidiary in June 2016. MIBPL is an unlisted private limited company holding a licence to act as direct broker from IRDA since 2013
- Acquired 46.83% of the capital of Belstar Investment and Finance Private Limited (BIFPL) in July 2016. BIFPL was reclassified as an 'NBFC-MFI' by RBI with effect from December 11, 2013
- CRISIL and ICRA upgraded long-term debt rating from AA-/Stable to AA/Stable

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

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%



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 4500
- 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 U.S. Securities Act, 1933
- 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 4500
- 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 U.S. Securities Act, 1933

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 %
- Branch network crossed 4600

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

CHAIRMAN'S MESSAGE

Always more than just a financial institution



Our goal is to blur the line between physical and digital through the integration of technology to ensure we are able to create a contactless and seamless ecosystem.

George Jacob Muthoot
Chairman & Whole Time Director

Dear Shareholders,

I hope that this finds you well and your loved ones are safe and in good health.

I want to begin by extending my heartfelt gratitude towards the medical fraternity and governments across nations for their contribution and resilience during the Covid-19 pandemic. A multitude of initiatives were undertaken by the governments towards the disaster management and addressing the economic disruptions. The timely rollout of vaccinations, stringent measures to curb the spread of the virus and effective medical recourses offered to patients have helped the world in gradually coming close to normalcy.

The last two years were probably the most challenging in history as the eruption of the pandemic brought about a set of completely unprecedented challenges. It is fair to say that none of the economies across the globe were immune to the disruptions it brought forth, including India.

However, I am pleased to say that I am extremely optimistic about the fact that the worst is behind us now. India demonstrated remarkable resilience, validated by the fact that it grew by 8.9% during CY2021, the fastest among major global economies. This was only made possible due to the wide-scale vaccination campaign across the country, easing of Covid restrictions in a phased manner, and proactive policy response from the Government of India and Reserve Bank of India (RBI).



Attractive opportunity at hand

We are of the belief that we are truly at an inflection point now. Gold demand had been growing consistently over the last decade till the outbreak of the pandemic which severely muted consumer sentiments. However, we have been noticing a gradual recovery in gold demand across the world, amidst the soaring inflation rates across major economies. A challenging period like this poses the question, 'What is the safest investment option?'

The answer is simple: Gold.

With uncertainties looming large, especially the ongoing geo-political and impending economic crisis, investors are viewing the purchase of gold as a safe-haven asset.

In India, gold has always held a central role in our culture and is often considered a symbol for wealth and status, notably more among the rural population and people belonging to the lower-income groups in the cities. The effects of the pandemic-induced challenges trickled down the most to the lower-income households, MSMEs and SMEs. These individuals ended up resorting to gold loan to mitigate their financial exigencies. So even during this challenging period, we witnessed a considerable demand.

We do not expect the RBI policy benchmark rate hikes to dampen the overall demand scenario and feel that this growth will be sustained over the foreseeable future as gold loans are an easily accessible medium of relief



We do not expect the RBI policy benchmark rate hikes to dampen the overall demand scenario and feel that this growth will be sustained over the foreseeable future as gold loans are an easily accessible medium of relief during this period of uncertainty.

during this period of uncertainty. Our goal moving forward would be to ensure that we are constantly innovating to be attractively placed for capitalising on these opportunities.

Our performance

Despite the emergence of unprecedented headwinds, we continued on our trajectory of delivering consistent performance. During the year under review, our gross loan assets under management increased to ₹ 580,532 million, compared to ₹ 526,223 million in the previous year, recording an increase of 10%. We have noticed a significant increase in our average ticket size from ₹ 61,743 to ₹ 68,739, validating the growth momentum in the economy. Our gold loan portfolio increased by ~11% and reached ₹ 575,313 million during the year under review.

Our total revenue during the year increased by ~5% to reach ₹ 110,984 million compared to ₹ 105,744 million in the previous year, whereas our profit after tax reached ₹ 39,543 million, compared to ₹ 37,222 million in the previous year, an increase of ~6%. We feel these numbers demonstrate the resilience imbibed within the organisation, considering the culmination of headwinds that we had to endure during the year.

We have been growing consistently over the years as a company and I am pleased to say, as a result of our concerted efforts over the years, we have been able to reach a net worth of ₹ 183,445 million and achieve an Earnings per Share of ₹ 98.55 as on 31st March, 2022.

CHAIRMAN'S MESSAGE

₹ 580,532 million
Gross loan assets under
management

Looking back at the performance of our subsidiaries

Muthoot Homefin (India) Limited, our housing finance subsidiary, recorded revenues of ₹ 2,137 million compared to ₹ 2,446 million in the previous year, while profit after tax declined from ₹ 126 million in FY21 to ₹ 84 million in the year under review. We have been conservative in the housing loan business amidst the pandemic headwinds and with the uptick in the economy, our housing loan disbursements picked up in Q4 FY22.

Belstar Microfinance Limited, our microfinance arm, performed significantly well as it recorded revenues of ₹ 7,284 million, compared to ₹ 5,532 million in the previous year, an increase of ~32%, while recording a profit after tax of ₹ 451 million.

Asset Asia Finance Plc, our Sri Lankan subsidiary, recorded revenues of LKR 3,181 million, compared to LKR 2,952 million in the previous year, an increase of ~8%. Its profit after tax stood at LKR 118 million, compared to LKR 45 million, a significant increase of 162%.

Muthoot Money Limited, which is primarily engaged in extending loans for vehicles, registered revenue of ₹ 456 million compared to ₹ 697 million in

₹ 39,543 million
Profit after tax

the previous year. We incurred a loss of ₹ 66 million during the year compared to a profit of ₹ 37 million in the previous year. Due to the pandemic and consequent lockdowns, we have been selective in vehicle loan business and reported improved loan disbursements in Q4 FY22.

Muthoot Insurance Brokers Private Limited, registered a premium collection of ₹ 4,793 million, compared to ₹ 4,055 million in the previous year an increase of ~18%. Similarly, our number of policies issued also increased from 3.2 million to 3.6 million.

Enhancing value for our shareholders

Our responsibility towards our valued shareholders, who have placed their trust in the Company, has always been of paramount importance to your Board of Directors. Your support and encouragement are critical to your company's success. The Board and the executive leadership recognise their responsibility towards delivering value for your investment in us. I feel privileged to report that your Board has paid a 200% dividend on the face value of the shares, involving a payout of ₹ 8,027 million.

Technology

This is a new India and we are fully aware that the modern Indian is impatient, and needs access to solutions at their fingertips. Aware of this reality, we are moving forward with a digital blueprint. Our goal is to blur the line between physical and digital through the integration of technology to ensure that we are able to create a contactless and seamless ecosystem.

In line with this, we launched Loan@Home in 2020 and witnessed increased business volumes in the year under review. For years, borrowers would have to physically come to our branches, deposit their gold and get their loans. Our Loan@Home facility completely changes that convention. Under this offering, customers can avail loans from the comfort of their homes. This has been made possible due to the embracement of digital architecture with an open mindset.

At Muthoot, we are changing the way we have been functioning internally and replacing the manual with digital, and integrating automation across all our business verticals. This digital-first approach will not



As a result of our concerted focus on community upliftment, we were awarded the 'Golden Peacock'

only help us improve efficiencies, but completely transform the customer experience. We have introduced a series of mobile applications – from lead creation, loan repayment to, loan top-up, customer onboarding, customer engagement, collections and so on. In addition to this, we are using WhatsApp for customer alerts and systems integration for smoother KYC procedures. We are also leveraging the power of 'artificial intelligence' to strengthen our surveillance and security system.

We will also continue to further strengthen our IT governance and information security system across the organisation in line with the RBI Master Direction for IT Framework

in NBFCs. We possess a dedicated team of software engineers, who have been engaged in designing, building and supporting all strategic software solutions to meet the ever-changing needs of the business. We truly believe that this digital mindset of ours will extend to all our concerned stakeholders and enhance value for them.

Being a responsible organisation

I can assure that anyone who has been associated with the organisation can vouch that for us, generating profits is not our sole motive, but doing it in a way that brings about a transformation in people's lives. For years, we have been working extensively towards the upliftment of the marginalised communities in our society. We placed great focus in the areas of education, healthcare, societal development and women empowerment, among others. During the year as well, we continued to identify areas where we could intervene and bring about a change for the better. As a result of our concerted focus on community upliftment, we were awarded the 'Golden Peacock' award by the Institute of Director's for the best CSR practices in the category on financial services for FY21-22.

Looking forward to what lays ahead

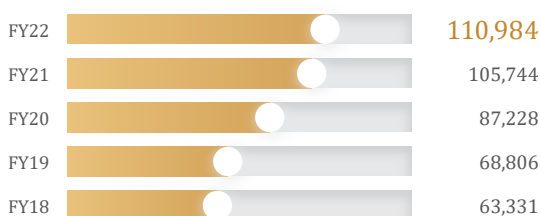
I want to thank each and every stakeholder for their continued support for all these years. We would not have reached where we are today if not for the undeterred grit and determination demonstrated by every single employee associated with the Company. I want to invite all the shareholders on this exciting journey of Muthoot, where we intend to transform the lives of millions across the country.

George Jacob Muthoot Chairman & Whole Time Director

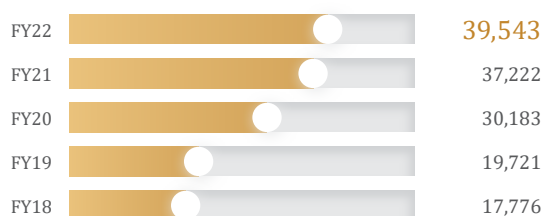
KEY PERFORMANCE INDICATORS

Demonstrating a resilient performance

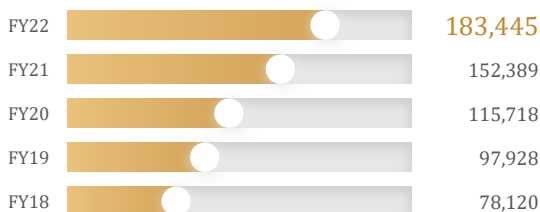
Revenue (₹ in million)



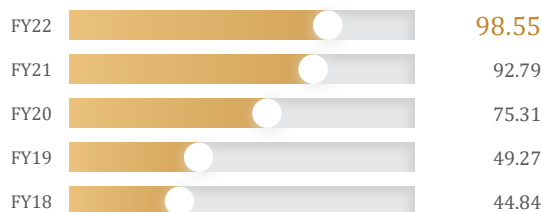
Profit after tax (₹ in million)



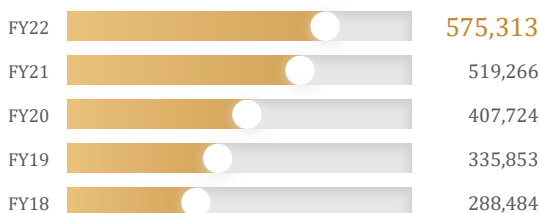
Net worth (₹ in million)



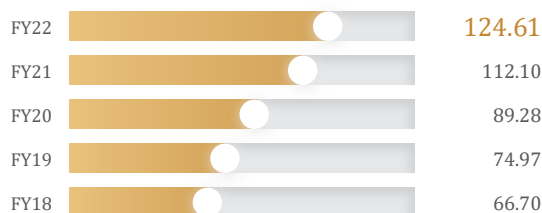
Earnings per share (₹)



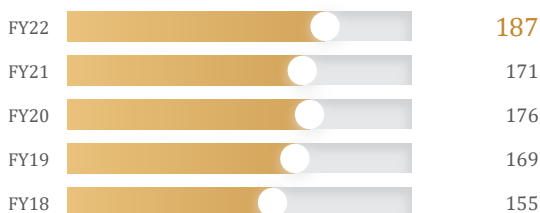
Gold loan portfolio (₹ in million)



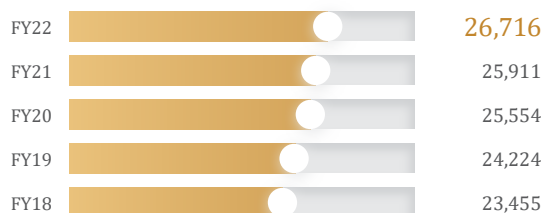
Average gold loan per branch (₹ in million)



Gold holdings (tonnes)



Total employees (₹ in million)





10-year performance review

(₹ in Millions, unless specified otherwise)

	FY13	FY14	FY15	FY16	FY17	FY18*	FY19*	FY20*	FY21*	FY22*
Total revenue	53,781	49,474	43,246	48,750	57,467	63,331	68,806	87,228	1,05,744	110,984
Profit before tax	15,114	11,936	10,279	13,168	19,210	28,447	30,768	40,574	50,065	53,094
Provision for tax	5,072	4,135	3,573	5,072	7,411	10,671	11,047	10,391	12,843	13,551
Profit after tax	10,042	7,801	6,705	8,096	11,798	17,776	19,721	30,183	37,222	39,543
Equity share capital	3,717	3,717	3,980	3,990	3,994	4,000	4,007	4,010	4,012	4,013
Reserves and surplus	33,639	38,929	46,855	52,202	61,170	74,120	93,921	1,11,708	1,48,377	179,432
Net worth	37,356	42,646	50,835	56,192	65,164	78,120	97,928	1,15,718	152,389	183,445
Loan assets	2,63,868	2,18,615	2,34,085	2,43,789	2,72,785	2,91,420	3,42,461	4,16,106	5,26,223	580,532
Branches (no.)	4,082	4,270	4,245	4,275	4,307	4,325	4,480	4,567	4,632	4,617
Employees (no.)	24,881	25,012	22,882	22,781	24,205	23,455	24,224	25,554	25,911	26,716

*Under IND-AS

Key ratios

₹ in Millions

	FY20	FY21	FY22
Capital adequacy (%)	25.47	27.39	29.97
Stage 3 loan assets (%)	2.16	0.88	2.99
Return on assets (%)	8.11	7.99	7.24
Return on equity (%)	28.26	27.77	23.55
Debt-equity	3.21	3.02	2.72

OPERATING LANDSCAPE

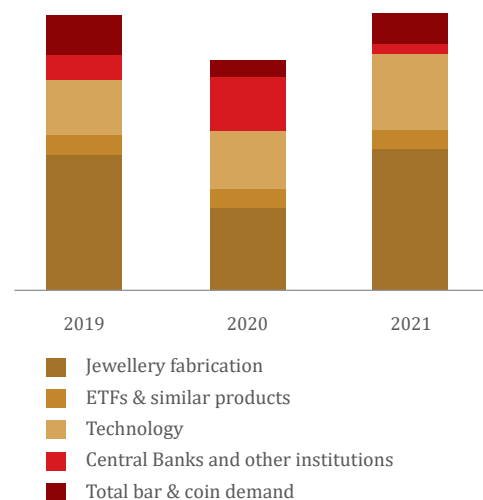
Golden opportunity at hand

The last couple of years have been extremely unpredictable for economies across the globe due to the eruption of the Covid 19 pandemic. The pandemic-induced challenges, coupled with the instabilities arising out of the geo political crisis, has resulted in significant increase in prices of key commodities resulting in soaring inflation. The uptick in gold demand and consumption could be attributable to investors resorting to purchase of gold as a safer option in this unpredictable scenario.

Global gold demand

Global gold demand had registered consistent growth over the decades till it was halted by the outbreak of the pandemic and the demand remained subdued for some time on account increased gold prices as well as uncertainty in income generation. However, the wide-scale vaccination across the globe, coupled with the substantial fiscal support from governments has resulted in the gradual improvement of the economic activity and corresponding income generation. The global gold demand during the year reached 4,021 tonnes, after recording a 10-year record high growth in the fourth quarter of CY 2021 (Source: Gold Org). Demand for gold in consumer-driven jewellery and technology sectors recovered significantly during the year, in line with the economic growth and sentiment. The purchase of gold by central banks in 2021 also outpaced the previous year. Investment demand was mixed in an environment of opposing forces: high inflation competed with rising yields for investors' attention.

The soaring inflation rates across the world have resulted in investors to resort to the purchase of gold as a safe-haven asset on the back of other investment vehicles plummeting. With uncertainty surrounding the geo-political crisis, it is expected that investors will continue to explore gold purchase as a viable option during these uncertain times.





797.3 tonnes
Gold consumption
in India in 2021

610.9 tonnes
Jewellery demand
in India in 2021

Gold demand in India

India is one of the largest markets for gold in the world. India's total gold consumption increased to 797.3 tonnes in 2021, an increase of 78.6% over 444.6 tonnes in 2020 (source: IBEF), due to the recovery of consumer sentiment and pent-up demand on account of the improving Covid-19 situation. This growth was propelled by the increased jewellery demand during the year under review, which increased to 610.9 tonnes, compared to 315.9 tonnes in previous year (Source: Economic Times), an increase of a staggering 93%. Gold jewellery demand grew by ~2x, reaching a six-year high in the process. The increase in demand was fuelled by the wedding and festival season, thereby asserting the importance of gold and its deep-rooted socio-economic footprint in household finance.

The pandemic brought about its own set of challenges and affected almost everyone, especially the people belonging to the lower-income groups. During this crisis period, low-income households, unbanked customers, MSMEs and SMEs resorted to gold loan for meeting their exigencies. Thus, the demand for gold loans has been strong even in these trying times, and we expect the momentum to continue as businesses start to revive, alongside the gradual healing of the economy.

Our response

Over the years, we have been able to solidify our position as largest gold loan company in the country and have established a significant brand recall. In lieu of the emerging trends, we have always diversified our offerings and have gone beyond home loans to insurance, housing, retail financing and microfinancing among others that ensure our profitability across economic cycles.

Customer-centricity is the focal point of our entire business model. We are leveraging technology and digital adoption to cater to all needs of our customers at a faster pace across the country. Our focus on customer satisfaction has enabled us to become the preferred choice of millions across the country.

What sets us apart



Trusted Brand



Diversified offerings



Customer-centricity



Competitive interest rates



Wide footprint



Technology and innovation

BUSINESS REVIEW

Diversifying our growth

Muthoot Finance

We are India's largest gold loan company in terms of loan portfolio and have always focused on providing financial services to the unserved or underserved sections of the society. We lend against security of 'Household Used Gold Ornaments' (HUGO) and do not deal in gold bullion. We endeavour to understand the specific requirements of individuals to be able to make funds available to them with alacrity. We provide free insured locker for the gold pledged; and the lending rates and other loan charges are intimated to each customer upfront to maintain transparency and ensure their complete understanding. We do not have any hidden charges or additional fees other than those specified. We also offer services like online gold loan, loan withdrawals, loan renewals, interest payments and loan repayments via our mobile app, iMuthoot, as well as the Muthoot online platform.

Highlights FY22

- Net worth increased to ₹183,445 million compared to ₹152,389 million in FY21
- Total income increased by 5% to reach ₹110,984 million compared to ₹105,744 million
- Profit after tax increased by 6% to reach ₹39,543 million compared to ₹37,222 million
- Branch network crossed 4,600
- Loan assets under management increased to ₹580,532 million compared to ₹526,223 million in the previous year
- Bolstered Loan@Home offerings to ensure our customers have access to credit from the comfort of their homes

Our offerings

Core service



Gold loans

Other services



Money transfer services



Business loans



Personal loans



Collection service



Corporate loans

₹ 5,80,532 million
Loan assets under management



Snapshot FY22

>4,600
Total branches

₹ 1,10,984 million
Income

₹ 39,543 million
PAT



Muthoot Homefin (India) Limited

Established in 2011, Muthoot Homefin (India) Limited (MHIL) is a housing finance company registered with the National Housing Bank (NHB). It became a wholly-owned subsidiary of Muthoot Finance Limited in August 2017. It focuses on providing affordable housing finance to customers belonging to the economically weaker sections (EWS) and lower-income Groups (LIG) in Tier II & Tier III cities. It operates through a hub-and-spoke model, with a presence in 16 states and centralised processing at the corporate office in Mumbai.

₹ 84 million
PAT

Highlights FY22

- CRISIL assigned long-term ratings of AA+/Stable on bank loan and NCD rating
- Focused on collections during the year and improved disbursements from Q4 FY22
- Focused on new products like Mini Lap products and Balance Transfers-Top-ups
- Focused on improving channel sourcing efficiency and empanelment numbers

Product portfolio



**Purchase from
developers/authority**



Resale



**Composite (land and
construction)**



**Improvement/
Balance**



**Extension
transfer**



**Balance transfer/
Top-up**



**Loan Against Residential
Property (LARP)**

Snapshot FY22

108
Total branches

₹ 14,699 million
Loan assets under
management

₹ 2,137 million
Income



BUSINESS REVIEW



Belstar Microfinance Limited

Incorporated in January 1988, Belstar Microfinance Limited (BML) is a systemically important non-deposit taking microfinance institution (NBFC- MFI), registered with the Reserve Bank of India. Under the guidance of an expert Board and an able leadership team, this subsidiary has transformed itself into a profitable and high-potential Microfinance Institution (MFI) with low credit risk. It provides scalable microfinance services to its 100% women clientele into various models like the self-help Groups, Pragthi, Small Enterprise Loans and other offering to cater to the requirement of the women borrowers. As of March 31, 2022, Muthoot Finance held 60.69% stake in Belstar Microfinance Limited.

₹ 451 million
PAT

Product Portfolio



Micro enterprise loan



Small and medium enterprise loan



Consumer goods loan



Education loan

Snapshot FY22

729
Total branches

₹ 43,658 million
Loan assets under management

₹ 7,284 million
Income

Highlights FY22

- Assets Under Management (AUM) grew 32% to ₹ 43,658 million.
- Served over 1.69 million women to help create livelihoods and uplift their lives.
- Increased our footprint to 729 branches across 18 states and 1 union territory.
- Raised equity of ₹ 2,750 million from Private Equity Investor ARUM Holdings Ltd., Muthoot Finance and MAJ Invest contributed ₹2,250 million, ₹280 million and ₹ 220 million respectively.
- Employees increased from 4,562 to 5,939
- Fresh sanctions from banks and financial institutions received during the year amounted to ₹32,816 million
- Spent ₹18.40 million for CSR related activities on account of Belstar Credit Plus Project, Belstar Health Help Desk, and also supported COVID relief measures



Muthoot Money Limited

Muthoot Money Limited (MML) became a wholly-owned subsidiary of Muthoot Finance Limited in October 2018. Headquartered in Hyderabad, it is an RBI registered Non-Banking Finance Company, engaged mainly in extending Vehicle loans.

₹ 456 million
Total income

Highlights FY22

- Focused more on funding Cars and new two wheelers in vehicle loan portfolio.
- Launched the Loan Originating System by name iMithra to digitally originate the leads for better TAT
- Received long term-rating AA/Stable from CRISIL

Product portfolio



New two-wheeler loans



Car (new and used) loans



Construction equipment loans



Commercial vehicle (new and used) loans



Gold loans



Snapshot FY22

68
Total branches

₹ 2,071 million
Loan assets under management

₹ 456 million
Income

BUSINESS REVIEW



₹ 276 million
PAT

Muthoot Insurance Brokers Private Limited

Muthoot Insurance Brokers is a direct insurance broker licensed by Insurance Regulatory and Development Authority of India (IRDAI) for doing life and non-life business. Muthoot Insurance Brokers became a wholly-owned subsidiary of Muthoot Finance in September 2016. It is actively distributing both life and non-life insurance products of various insurance companies.

Product Portfolio



Health insurance



Home insurance



Vehicle insurance



Life insurance



Travel insurance

Snapshot FY22

₹ 4,793 million
premium collection

36,03,048
Number of policies

₹ 450 million
Income

Highlights FY22

- Total premium collection increased by 18% to reach ₹ 4,793 million
- Number of policies increased by 12% to reach 36,03,048 policies
- Net worth crossed ₹ 1 billion in FY22.



Asia Asset Finance PLC

Asia Asset Finance PLC is a fully licensed, deposit-taking institution registered with the Central Bank of Sri Lanka and listed in the Colombo Stock Exchange. Possessing an experience of >50 years, it is involved in retail finance, hire purchase and business loans and has 59 branches located across Sri Lanka. The subsidiary was acquired in 2014 and has emerged as one of the most customer-friendly companies in Sri Lanka, backed by its unique products and services, new initiatives, long experience and well-honed financial skills. As on March 31, 2022, our total holding in AAF stood at 91 million equity shares representing 72.92% of their total capital.

₹ 43 million
PAT

Highlights FY22

- Total assets under management increased by 24% to reach LKR 17,345 million
- Profit after tax increased by 162% to LKR 118 million
- Total income increased by 8% to LKR 3,181 million
- Total deposit base grew by 24% to LKR 9 billion
- Total shareholders' funds increased by 24% to LKR 2,756 million
- Branch network expanded to 59 from 48 in the previous year
- Improved its credit rating to A- with a stable outlook

Product Portfolio



Fixed deposits



Personal loan



Mortgage loans



Microfinance



Leasing



Group personal loan



Factoring



Loan against gold jewellery



Business loan



Corporate loans



Short term loans

Snapshot FY22

59

Total branches

₹ 4,459 million
Loan assets under management

₹ 1,163 million
Income



TECHNOLOGY

Always innovating to grow and provide better services

We are the undisputed pioneers and market leaders in the gold loan business. In line with the digital and technological waves sweeping across the country, we have been taking significant strides to enhance productivity and provide our customers a hassle-free experience.

Gold Unlocker

We introduced Gold Unlocker, an intuitive product that enables our customers to carry out all e-commerce transactions or even ATM cash withdrawals through plastic cards.

Online gold verification

Ensuring the security of our customers' gold is our biggest priority. Our online Gold verification module enables quicker customer disposals and ensures customers get the true value for their security collateral. The online gold verification modules also helps our audit team to carry out cross verification and assessments of collaterals more securely and accurately.

Strengthening API framework

Application Programming Interface (API) allows seamless and secure exchange of information between our various internal and external systems. We have developed an in-house framework to strengthen the security-interfaced API, to ensure the data security and integrity. In addition to this, we have also strengthened security standards with additional encryption methodologies and Json web token. Our ready-to-use API stack significantly enhanced efficiencies and easiness to multiple interfaces with external applications in a reliable and secure manner.

KYC data refinement and customer data protection

We are constantly in the process of strengthening our applications to improve customer data and privacy. To ensure genuineness and authenticity of customer bank accounts, we have added multiple bank account verification channels, Digital KYC verification interfaces and customer biometric authentication.

Robotic Process Automation and Artificial Intelligence

We closely monitor technological advancements and implement them to ensure seamlessness in our operations. The Introduction of RPA (Robotic Process Automations) in the areas of bank reconciliation, payment gateway reconciliation and digital transaction reconciliation significantly streamlines the manual reconciliation process. We are also leveraging artificial intelligence to ensure the reduction of fraudulent biometrics. We are constantly in the process of improving our AI capabilities and models to ensure better accuracy.

Core Business Solutions (CBS) enhancements

Our core platform enhancements keep the availability, reliability and adaptability without losing the integrity of the application.

During the year we have enhanced the following.

- Product and network security
- API platform for easy and quick integration with third-party applications
- Digital repayment ecosystem by adapting different channels
- Moved to digital pledge forms to reaffirm our save environment policy
- Different business intelligent dashboards and MIS reports for quick and easy decision making
- Integration capabilities for the OTC (Over the Counter) products
- ICRP – Integrated Customer Retention ship programme for improving customer service
- Exclusive application for managing the take overs of loans seamlessly
- Loan at Home customer mobile applications, agent mobile application and branch modules for hassle-free loans for our customers from their home.



Mobile applications

iMuthoot - Android & iOS

We revamped our iMuthoot mobile app version 3.0 - 'One App for All Loan Application & Repayment' and provides the customers with the option to request for Gold loan, Home Loan, Personal Loan and Vehicle Loan, among others, from the comfort of their own homes. This enhanced version of the mobile application is a stepping stone to provide an enriched omni-channel experience to our customers. The users of the iMuthoot mobile App are offered significant convenience of interoperability of all their digital transactions without having to visit the branch.

Some of these services include:

- Repayment of Gold Loans, Home Loan, Personal Loan, Vehicle Loan with just one app
- Gold loan top-up and renewal without stepping out of home
- Making quick payments without any registration
- Assured security with Biometric Authentication Methods
- Intuitive loan calculator
- Easy link up of bank account and PAN
- Booking an appointment
- Payment of utility bills
- Buying insurance and purchasing zero interest products online
- Locate and leads to nearest Muthoot branch
- Personalised notifications and information in their preferred of language

Collection Mobile Applications for all verticals

This mobile-based collection of applications offers a robust tool for tracking and collecting Loan EMI's from customers' doorstep and maintaining records on a real-time basis. This significantly benefits the organisation as we can optimally utilise the resources, bringing about an improvement in the overall debt recovery and brings complete transparency in the process. The EMI collection solution has an inbuilt module for an agent onboarding, agent management, collection dashboards and tracking of agents and their activities.



TECHNOLOGY



Click-to-call

This is an enterprise mobile application for Muthoot Finance Branch employees to contact customers and conduct follow-ups 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.

Field verification

An internal mobility app solely for the employees of Muthoot Finance for submitting FVR (Field Verification Report). FVR App will equip Muthoot Finance branch staff to submit on premises verification reports of customers real-time through mobility devices. This empowers credit management division with the requisite transparency to refine portfolio strength of the customers.

SalesNext

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

Muthoot Online

The Online payment system is an extension portal of Muthoot Core Banking System that can act independently as an online payment module as well. It is a dynamic, independent delivery channel which can be plugged into any Core Banking System.

This responsive web application for desktop, laptops, mobiles and tablets facilitates customers to make online repayments of loan. This online payment system enables easy payment of interest and principal with multiple options for payment such as debit card, direct debit through online banking, prepaid cards, mobile wallets, and other payment interfaces.

Using this portal, customers can make online repayments of their loans, make deposit booking, make fund transfers, statement print, tax payment, bill payment, etc. Unregistered customers also can transact through a quick payment option on the app. With this, user can repay loan amount directly (without logging in) by entering the gold loan number and the amount to be repaid.



Security and surveillance systems

Smart eye

We had designed and developed a security and surveillance software application named 'SmartEye' for Video Surveillance Systems and Health Monitoring Systems. This uses Artificial Intelligence (AI) and Machine Learning (ML) for movement detection, people counting, and other features, improving security across the board. In our south zone, the 'SmartEye' application is currently installed and operational, resulting in better efficiency.

loanathome.com

Muthoot Finance
Loan@Home

Your Trusted Companion
Brings Gold Loan
to Your Home!

Loan@Home application for Customers and Agents

The Loan@Home is an app-based digital service, through which any customer can apply for a gold loan through the 'Loan@Home' mobile application or web portal. As soon as the inquiry is verified and accepted, an agent gets assigned instantly. An appointment is made for the visit by Muthoot Finance agent to visit the customer's home. The customer can get a gold loan from the comfort of their home without having to visit the branch at any stage of the procedure. Using loan at home application, an agent can perform loan initiation till the disbursement of the loan by sitting at customer premises.

BRANDING

Enhancing our brand recall

We have always held the belief that the more people identify with our brand, the more it helps us deliver our services to the underserved sections of the society. We, therefore, proactively focus on marketing and branding initiatives to powerfully communicate our services and enhance brand recall.

FY 2021-22 was no different from previous years in terms of how priorities were identified and marketing-cum-branding initiatives were created for greater brand visibility and engagement.





Metro Station branding

We renewed our semi-naming rights at Nandanam Metro Station and Greater Kailash Metro Station with the Chennai Metro Rail and Delhi Rail Corporation, respectively. These partnerships enabled us to enhance our brand visibility in the key locations of these two cities, thereby, enhancing the visibility of our Group's impeccable corporate credentials, key products, and services offerings such as our widespread branch network, diversified business divisions and our loan at home facility.

Sunheri Soch Season 2

Heartened with the success of Muthoot Finance Sunheri Soch, Season 1, we created a Season 2 - a compilation of five inspiring real-life stories of common men and women, who were able to bring about a stark difference in their lives after availing a gold loan from Muthoot Finance. These individuals, who often came from humble backgrounds, were able to transform their lives, become self-reliant and run successful businesses after attaining timely interventions by our brand. Muthoot Finance Sunheri Soch Season 2 was centred around the theme of 'Aatmanirbharta' (self-reliance). The testimonial-based story-telling campaign was created to inspire millions of fellow Indians to follow the same path, while we at Muthoot Finance remain ever ready to play the role of a facilitator or catalyst in their journey.

This inspirational campaign enabled us to extend our reach deeper into mass audiences, influencing new and potential customers with our attractive and affordable schemes for our flagship Gold Loan product - disseminated through offline and online channels.

Mrs. Madhuri Dixit was featured as a storyteller or a 'Kahanikaar', for the first time on a radio platform. Season 2 of the Sunheri Soch campaign brought significant success as it resulted in 4x growth in terms of Gold Loan conversions as compared to Season 1. In addition to this, a significant increase in our digital visibility was also witnessed.



BRANDING

Haathi Pe Bharosa Karogey Toh Pakka Jeetogey

We launched a mega marketing campaign titled 'Haathi Pe Bharosa Karogey Toh Pakka Jeetogey!', which lifted the brand's trust among the populace.

Shri. Amitabh Bachchan continued to be the main protagonist delivering our brand message in all the three films, which were centred on the game of chess. He is seen as a chess player who brings out an element common to our brand and the game of chess, with the rook or the elephant (also our brand emblem), playing a symbolic and defining role in winning the game. The 'elephant' comes across as the game-changer and is a metaphor for how an individual can win in real-life by placing his trust in the Muthoot's Elephant, while availing a Gold Loan from Muthoot Finance.

In addition to this, it also highlighted the corporate strengths of the brand including unmatched pedigree and experience spanning across centuries, and establishing itself as India's 'Most Trusted Financial Services Brand' for five years in a row. This integrated campaign 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.



Loan@Home integrated marketing campaign

In order to ensure greater visibility of our Loan@Home offering, we executed an integrated marketing campaign across various mediums like TV, multiplexes, digital, outdoor and mobile applications, among others. In addition to this, we also collaborated with various aggregators to spread awareness about this offering.

As a result of a highly favourable response and positive feedback from customers, the Loan@Home service, which was initially limited to a select few cities in South India, expanded to PAN South locations and then was further expanded to cities across the country.



ESG APPROACH

Embedding ESG in everything we do

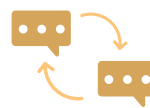
We are one of the leading financial institutions in the country and have been pioneers in many aspects over the years. ESG is also something that ranks very high on our list of priorities. As a result, we are always in process of benchmarking our environment, social and governance parameters against international standards and are taking significant strides towards improving these to ensure we are able to deliver enhanced value for all our stakeholders.

ESG approach



Employees

- We focus on employee diversity & inclusion, training and development, and employment practices
- We are a majoremployment creator in the country; for many of our employees, it is their first job



Transparency with our stakeholders

- Our Code of Conduct ensures transparent dealings with internal and external stakeholders



Financial inclusion

- Catering to the needy segment through our 4600+ branches located mostly in unbanked locations
- We serve 2 lakhs + customers every day, most of them being new to formal credit customers
- We provide credit to people who are not able to access formal credit within a reasonable time or to whom formal credit may not be available at all
- Through our products, borrowers availing loans from multiple money lenders are able to consolidate their debt with us at a reduced cost



Conduct and compliance

- As a listed company, we comply with the applicable provisions of the Listing Regulations, as amended with respect to Corporate Governance, including the appointment of the Independent Directors and constitution of the committees
- Our entire management is actively engaged and provides the Board of Directors with detailed reports on a timely basis for increased transparency and improved monitoring of functions
- Maximum thrust on compliance, minimum regulatory interventions

ENVIRONMENT

Moving towards greener pastures

Even though we are not involved in any manufacturing activities, we are always on the lookout for ways to minimise our carbon footprint.



Steel water bottle distribution

In line with our ideology of 'Say NO to Plastic, Save the Environment,' we distributed >10,000 stainless steel water bottles to the students of Government-aided Schools in South India under our Steel Water Bottle Distribution programme.



Inauguration of EV charging points

We believe that wide-scale adoption of EVs is inevitable to counter the impending climate change crisis. As part of our aim to promote clean and green energy, we are in the process of installing 100 EV charging points in Delhi at different residential and commercial locations. One such charging station was installed in Narmada Apartment RWA, Greater Kailash II, New Delhi.



Donation of solar power

We truly believe solar power must be accessible to everyone. Not only will it go a long way to reduce our collective carbon footprint, but it is also more viable economically. In line with this we donated a 24 KVA solar panel to the National Association of Blind for the Blind in Delhi, which has enabled them to save upto ₹ 35,000 per month on electricity.

Besides this, we collaborated with the Aashayen Foundation for the donation of solar lamps to ~450 underprivileged tribal students belonging to Government schools in a bid to ensure that there is no hindrance to their education.





Plantation drive

We organised plantation drives in Najafgarh area of New Delhi and Maharashtra in order to increase the overall green cover. Under these, we planted ~700 saplings in these areas. Local Women SHG's members along with Muthoot Finance members from nearby branches participated in these drives.

~700
Total saplings
planted

Clean energy

The entire world is undergoing a severe climate crisis and it is imperative for every responsible organisation to ensure that they are taking adequate measures towards generating clean energy. As a result, we at Muthoot Finance, are operating three windmills with an aggregate power generation capacity of 100 million units for the last 16 years in Tamil Nadu.

Power consumption

For the past few years, we have been placing great focus on reducing the power consumption in all our branches. We have replaced CFL bulbs with LEDs in nearly 1830 branches, which has resulted in significant savings in power consumption. We plan on implementing this across all our branches by the end of FY22. Besides this, we had already started replacing the tube lights in our glow-signs with LED lights since 2016; this, in turn, has enabled us to make savings in the tune of ₹ 700 million. We have started with installing Inverter ACs in branches under the AC Project there by decreasing the use of power compared to normal ACs.

Green funding

We always strive to ensure that we do not fund any project that will have an adverse effect on the environment. Before making any investment, we carry out a thorough background check to ensure that we play no part in increasing our carbon footprint.

Waste management

Air/Sound Pollution

We have replaced the Generator used in almost 700 Branches with inverters and batteries, thereby reducing air pollution and decreasing petrol usage. This has also substantially reduced sound pollution as well.

E Waste

We have tied up with a few vendors for collecting used printer cartridges for recycling.

Digitalisation

The company has initiated digitalisation of Documents to reduce the use of Paper.

Solid waste management

- Use of biodegradable cleaning material in all our offices.
- We are ensuring proper segregation and disposal of waste in blue, green and black disposable bags.
- Electronic wastes are disposed of through authorised personnel.
- Single use plastic water bottles are being phased out.
- Old Batteries are sold to local resellers for the reuse of batteries.

PEOPLE

Imbibing an all-inclusive work culture

At Muthoot, we have always focused on creating a work culture that every employee is proud of. 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.





Muthoot Career Development Program (MCDP)

Employee development, one of our major focus areas. We encourage our employees to take up managerial positions internally through fast-tracked promotions. Our philosophy is to provide growth opportunities to our top performers who possess the potential and behavioural competencies to take up managerial roles. In addition to their development, it also enables us to place role-fit resources which exhibit our core performance values. It enables us to create a future-ready leader pool and significantly reduces the overall training turnaround time that a new joiner for the same position would otherwise need.

1,655 hours
Total training hours
conducted in FY22

Rewards and recognition

We believe that in order to maintain a motivating environment, it is imperative to ensure that we reward our employees based on their efforts. We conduct daily, weekly, monthly and quarterly contests where qualifying employees are rewarded with cash, gifts or foreign trips. These employees are also applauded in the morning meetings.

Besides this, we also provide Long Service Awards to employees who have been associated with us for more than 5 years and felicitate them with a certificate as a token of appreciation. Coupled with this, we also hand out monetary rewards to employees who have been associated with us for 10 years as a token of appreciation. We also hand out Service Excellence Awards to our staff working in branches upon completion of two years with the organisation.

Comprehensive internship programmes

In order to equip fresh graduates with practical knowledge and job-specific skills, we initiated a strategically laid out 6-month training programme 'Pathshala', in line with the National Apprenticeship Promotion Scheme. Under this, graduates are deployed as interns for practical training purposes in the branches. Upon successful completion of the training programmes, high performing candidates are posted to branches as junior relationship executives.

Safety and well-being

At the beginning of the pandemic we undertook a slew of initiatives starting from regular sanitisation of all our branches, to ensuring social distancing measures were followed. We reimbursed a cost of ₹ 1,500 to all the eligible employees on completion of two doses of vaccination. We also provided financial assistance to the families of employees who succumbed to the virus in the form of a monthly fixed amount as per approved slabs for upto two years.

Diversity and inclusion

We place great emphasis on diversity and inclusion parameters and are always working towards creating a more inclusive work place. One of our major hiring policies is to ensure that we recruit local talents in all our branches, and ensuring there is no form of discretion or biasness. Over the years, we have also been able to significantly increase the share of women employees in our organisation and will continue to do so over the foreseeable future.

26,716
Total employees

Muthoot Finance. An organisation making a difference

Muthoot Finance has always been an extremely responsible and sensitive organisation.

Even though we aspire to create a more inclusive environment through timely loans to the underserved sections of the society, our overarching goal is much more than that: It is to work towards widening the prosperity cycle.

We believe that our main goal as a business is to bring about transformative changes in the lives of people we engage with.

We believe that our CSR initiatives must be aligned with national and regional priorities.

We believe that our initiatives must extend beyond just providing financial assistance and engage at a much deeper level that would have a lasting impact.

We believe we must collaborate with specialised agencies, who possess deeper terrain experience to deliver greater impact.

We believe that our initiatives must not stop and should be tracked periodically.



Golden Peacock' award

Muthoot Finance was awarded the Golden Peacock Award for CSR for FY22 by The Institute of Director's (I.O.D). This Golden Peacock award was given to Muthoot Finance Ltd for the best CSR practices in the category of Financial Services.

COMMUNITY

Involved with a community-driven approach

We have always been of the belief that the measure of a company’s success can never be derived from financial metrics, but rather from the impact it has on the community as a whole. At Muthoot Finance, corporate social responsibility is an important aspect of our organisation and we work tirelessly to ensure a positive impact on the communities.

₹ 811.30 million
CSR spend in
FY 2021-22

0.45 million
Total beneficiaries

Our focus areas



Education



Healthcare



Distress relief measures



Environment



Sustainable livelihood



Societal development

Education

We believe education is one of the biggest areas of national concern. In line with this, through the Muthoot M George Foundation, we provided scholarships to 40 talented girl students to pursue their professional education. This event was inaugurated by the CUSAT Vice Chancellor Professor (Dr) K.S. N Madhusudan. We provided scholarships in the range of ₹ 2,00,000 each for 10 MBBS students, ₹ 1,00,000 each for 10 BTech students, ₹ 1,00,000 each for 10 BSc Nursing students and ₹ 45,000 each for 10 B.Com students.

In addition to this, we also distributed educational kits free of cost to 152 children with special needs. We also undertook initiatives to promote education among slum children, under which we distributed 110 educational kits consisting of notebooks, geometry boxes, drawing books and 1lt steel water bottles.





We also donated the 'M. G. George Muthoot Memorial Hall' to Government High School, Thanisandra in Bangalore, Karnataka. This event was inaugurated by Shri. George. M. Alexander - Deputy Managing Director, Muthoot Finance, who handed over the keys to Smt. Rajeshwari. D - Head Mistress, Government High School, Thanisandra, Bangalore. The Memorial Hall has been built as part of our pan-India CSR activities launched to honour and pay tribute to Late Shri. M. G. George Muthoot - Former Chairman of The Muthoot Group of Companies. We made an investment of around 20 lakhs and this initiative is expected to benefit >1000 students.

Healthcare

As a result of the pandemic, we placed greater focus on healthcare. During the year under review, we provided financial assistance to set up a 16-bedded Covid hospital for Kanpur Police, which ended up benefitting >10,000 people. We also introduced the Snehasaraya Mobile Medical Van during the year, which provided Covid-testing to >8,500 individuals. In addition to this, we provided a pick-up and drop facilities to >7,200 individuals for their Covid vaccination.

We also collaborated with the Rotary Club of Cochin East to renovate the Oncology Palliative Care Ward and supplied necessary medical aids to Indira Gandhi Cooperative Hospital (IGCH) in Kadavantra, Kochi. Shri. Hibi Eden, MP, Ernakulam inaugurated the renovated Oncology Palliative ward and conducted the handing over ceremony of the medical equipment along with Chief Guest - Shri. T J Vinod, MLA, Ernakulam.

In total, we supported 15 hospitals across the country with medical equipment like beds, wheelchairs and donated other essentials like face masks, hand sanitisers, gloves and face shields to >94,000 people.



COMMUNITY



Distress relief measures

We supported the Indian Food Banking Network by providing food kits, nutrition kits and drink packs to ~37,000 people. Besides this, we provided ration to many families that were uprooted due to demolition of Yamuna Bank area in New Delhi. We also collaborated with the ANAMARTIA Foundation and distributed ~7000 ready-to-eat food packets to underprivileged people. >2.67 lakh underprivileged people were supported with cooked and dry ration during the year. Besides this, we also donated ~100 dry ration kits to the underprivileged people of the society.

A Food distribution van was also donated to India Food Banking Network, which uses the van to collect near to expiry food products from different manufacturing firms and distributes it to underprivileged communities for immediate consumption in slums and Jugi Jhordai colonies in Delhi NCR.



Supporting differently-abled people

During the year under review, we distributed wheelchairs to 104 people to support their livelihood, enhance their skill sets and promote sports among differently-abled people. We also provided fully-automated wheelchairs to 24 selected people with severe disabilities under the Muthoot Snehasancharini Project in Trivandrum.

Sustaining livelihoods

We place great emphasis on self-employment practices and sustainable livelihood. In line with this, we donated scanning machinery, raw material for papad, pickle, namkeen making & e-cart for transportation of SHG's products to five different self-help groups (SHGs). In addition to this, we also donated tricycles and manual cycle rickshaws to the marginalised sections and migrants across Punjab and Delhi.





Societal development

We conducted our Muthoot Vivaha Kanuka programme in 2021 in Hyderabad. It is a unique programme aimed at supporting widowed mothers, to meet the matrimonial needs of their daughters and overcome financial limitations to secure their daughters future. This event took place at Best Western Ashoka, Lakdikapul, Hyderabad. Under this programme, we provided financial assistance of ₹ 1 lakh each to 9 girls from Hyderabad.

Muthoot Ashiyana Project

Under Project Ashiyana, we constructed ~200 houses for flood victims in Kerala in flood-prone locations such as Paravoor, Alwaye, Chengannur, Aranmula, Thiruvalla, Kozhencherry, Kuttanad, Kumarakom, Thodupuzha, Malappuram, Chellanam, Thrissur and Idukki.



Supporting sports

To promote sports among differently abled persons, 39 wheelchairs were provided to Wheelchair Cricket Association on 2nd Nov 2021 for their participation in national & international sports events. In addition to this, we also built a sporting complex in Dubaldhan village in Haryana to promote sports.

GOVERNANCE

Leading by example

We have a strategically sorted governance framework in place, primarily comprising our Independent Board of Directors and the constitution of the committees of the Board of Directors, as required under applicable laws. We strive to ensure that we maintain the highest levels of transparency, accountability, awareness and equity in all aspects of operations.



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



Pratip Chaudhuri
Independent Director



Ravindra Pisharody
Independent Director



Usha Sunny
Independent Director



Vadakkakara Antony George
Independent Director

**George Jacob Muthoot**
Chairman & Whole Time Director**Education**

Degree in Civil Engineering from Manipal University

Experience

- 44+ years' experience in managing businesses in the field of financial services Current external appointments
- Kerala Builders Forum, Trivandrum
- Confederation of Real Estate Developers Association of India (CREDAI) (Trivandrum)
- Trivandrum Agenda Task Force Rotary Club, Trivandrum (South)
- Governing body of the Charitable and Educational Society of Trivandrum Orthodox Diocese, Ulloor, Trivandrum
- Business Excellence Award 2012 from Trivandrum Chamber of Commerce

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

- 41+ 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 Current external appointments
- 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
- 46+ 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)

George Muthoot George
Whole Time Director**Education**

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

Experience

- Currently he heads the Hospitality and Media Division of the Muthoot Group
- 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

- Currently the Whole time Director of Muthoot Finance and 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

GOVERNANCE

- 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

- >38 years of experience in the banking sector
- Held various roles in HSBC, India for >14 years
- Held the positions of Country and Regional Management Asia roles in ABN Amro bank in UAE, Sri Lanka and Singapore
- Held the position of Executive Director at The Royal Bank of Scotland, Singapore for 2 years
- Retired as the Executive Director at the Federal Bank

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 holding company of the Government of Kerala
- 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 Current external appointments
- Managing Director of M/s Green Shore Holidays & Resorts Private Limited (Rainbow Cruises) Alleppey
- CNBC AWAAZ Award for Sustainability in Responsible Tourism in 2013

**Pratip Chaudhuri**
Independent Director**Education**

- Master's degree in Science and Statistics from University of Rajasthan
- Alumnus of University Business School, Chandigarh
- Graduate of St Stephen's College, Delhi

Experience

- >42 years' experience in the banking sector
- Former Chairman of State Bank of India (SBI)
- Former Deputy Managing Director of the international division of SBI
- Former Director at Export-Import Bank of India and State Bank of Patiala
- Former Chairman of SBI Global Factors Limited, State Bank of Mysore, State Bank of Bikaner & Jaipur, State Bank of Travancore and State Bank of Hyderabad

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

- >37 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 and current external appointments

- Non-Executive Director on the Boards of five companies
- Adviser to two other companies
- Is a certified executive coach and takes up Leadership coaching engagements

Usha Sunny
Independent Director**Education**

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

Experience

- >31 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 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
- Associate of the Indian Institute of Banking and Finance
- "Advanced Certificate in Corporate Governance" from INSEAD, Paris
- "Board Director Diploma with Distinction" from International Institute of Management Development, Lausanne
- Participated in the Management Programmes of Harvard Business School and Stanford School of Business

Experience

- 41+ years' in the corporate field in both public and private sectors
- Past Chairman of Equipment Leasing Association of India
- 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

GOVERNANCE

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



Mr. 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 >26 years of experience in financial services

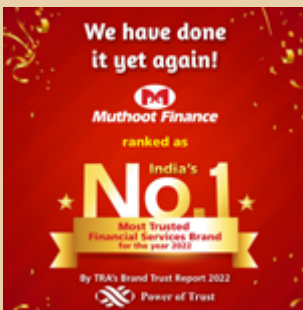


AWARDS AND ACCOLADES

Being recognised for our efforts



Gold Loan is Good campaign was awarded at the 8th edition of exchange4media's Indian Marketing Awards for Best Use of TV. On behalf of The Muthoot Group, the award was received by Mr. Abhinav Iyer, General Manager- Marketing & Strategy, The Muthoot Group.



We have been ranked as India's No. 1 Most Trusted Financial Services Brand for the year 2022, as per the TRA's Brand Trust Report. We have received this recognition for 6 years since 2016.



We were recognised as one of the 'Iconic Brands of India 2021' by #ETIconicBrands.



Mr. Abhinav Iyer, General Manager- Marketing & Strategy, The Muthoot Group, was awarded at exchange4media's Pitch Best CMO Awards 2022.



REPORT OF THE BOARD OF DIRECTORS

Dear Members,

Your Board of Directors is pleased to share with you the 25th 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, 2022.

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, 2022	Year Ended March 31, 2021	Year Ended March 31, 2022	Year Ended March 31, 2021
Total Income	1,10,983.93	1,05,743.59	1,22,374.62	1,15,701.96
Total Expenses	57,890.39	55,678.46	68,272.75	64,387.16
Profit Before Tax	53,093.54	50,065.13	54,101.87	51,314.80
Tax expense	13,550.50	12,843.35	13,788.64	13,126.10
Profit for the year	39,543.04	37,221.78	40,313.23	38,188.70
Equity	1,83,445.72	1,52,388.93	1,87,857.24	1,55,750.25
Total Liabilities	5,22,101.16	4,82,260.31	5,75,307.50	5,30,664.10
Total Assets	7,05,546.88	6,34,649.24	7,63,164.74	6,86,414.35

2. Dividend

Your Board has declared an interim dividend at ₹ 20 per equity share (200% of face value) for the financial year 2021-22 on April 18, 2022. The dividend payout amounted to ₹ 8,026.90 million representing 20.30% of profit after tax for the year. The Board has decided to plow back the remaining profit after tax for business activities during the Financial Year.

The Dividend distribution policy in terms of 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 ₹ 7,908.62 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 ₹ 85,359.55 millions in the Retained Earnings.

4. Company’s Performance

During the Financial Year, Company achieved 6.24% increase in its profitability with a net profit of ₹ 39,543.04 millions for the year ended March 31, 2022 as compared to ₹ 37,221.78 millions for the year ended March 31, 2021. Profit before tax increased by 6.05% to ₹ 53,093.54 millions. Total Income has increased from ₹ 1,05,743.59 millions for the year ended March 31, 2021 to ₹ 1,10,983.93 millions for the year ended March 31, 2022, which is mainly due to the increase in Interest Income of the Company. Interest income of the Company increased to ₹ 1,09,560.28 millions from the previous year’s interest income of ₹ 1,03,285.29 millions. Loan Assets Portfolio of the Company increased by ₹ 54,308.39 millions during the year reaching ₹ 5,80,531.76 millions as on March 31, 2022, as against



₹ 5,26,223.37 millions as on March 31, 2021. The Return on Average Loan Asset stood at 7.24% in FY 2021-22 as against 7.99% in FY 2020-21. Interest yield was 20.06% as compared to 22.17% in FY 2020-21. Net Interest Margin was 13.04 % as compared to 14.24% in FY 2020-21. The Company remitted to exchequer ₹ 15,547.23 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 1,49,410 equity shares of the face value of ₹ 10/- each under Muthoot ESOP 2013 pursuant to the exercise of 1,49,410 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.

Your Company has received the 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 and is in accordance with the resolution passed by the members of the Company. The certificate 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 2021-22.

Investor Education and Protection Fund

During the financial year 2021-22, the Company has transferred the unclaimed dividends of ₹ 6,06,782 to Investor Education and Protection Fund ("IEPF"). Further, 1,185 equity shares on which the dividends were unclaimed for seven consecutive years were transferred to IEPF during the financial year 2021-22 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 25th Issue of Non-Convertible Debentures through Public Issue during FY 2021-22 raising ₹ 17,000 million. The company has raised ₹ 15,318 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, 2022 stood at ₹ 1,430.79 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, 2022, borrowings from banks stood at ₹ 2,73,870.92 millions as against ₹ 1,95,567.63 millions in the previous year.

(c) External Commercial Borrowings

Your Company has outstanding Senior Secured Notes of 6.125% USD 450 millions issued in October 2019 for a period of 3 years and 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. These Notes are listed in the International Securities Market of the London Stock Exchange.

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(Negative)
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 on March 31, 2022, the Company had 26,716 employees on its rolls at various levels of organizational structure. Our employees remain one of the company's greatest assets. We at Muthoot, believe in recognizing and appreciating employees for their valuable contribution and loyalty. We offer equal opportunities to all our employees irrespective of gender to learn and grow in the organization. For the convenience of our employees and bringing new ways of working, we are promoting digitalization for our employees as well as our customers.

We at Muthoot, focus on creating a performance-Focus and future-ready workplace which offers our people various opportunities to learn, grow and win together. We ensure the productivity of our people and their operational compliance through our best-in-Class learning & Development Function. The Program delivers training primarily through two channels i.e a) in-person (Classroom) & b) E-learning (Online). We use the E-learning channel to transfer microlearning units directly to people at regular intervals.



To equip the young and dynamic fresh graduates with practical knowledge and skills required in their field of work, your Company has initiated a thoughtfully designed 6 month training program called “Pathshala” in line with the National Apprenticeship Promotion Scheme. These Graduates were deployed as “Interns “ for practical training purposes in the branches. Upon successful completion of the training program, Letters of proficiency are issued to them by the Company and they are posted to branches as Jr. Relationship Executive after proper assessment in each case.

At Muthoot, we encourage our employees to take up managerial positions internally through fast-track promotion. Our philosophy is to give growth opportunities to our top performers, who exhibit potential and possess the behavioral competencies to take up new challenges. This helps employees progress in their careers and take on higher roles in the organization. It enables us to place role-fit resources who exhibit our core performance values. This is a very high point to motivate employees and provide them with opportunities to aim higher and move up the ladder faster. This also ensures that we get internally trained, quality candidates who are experts in our internal processes and performance requirements and fit for promotion to the next level.

We have been going through some of the toughest challenges ever faced by humanity owing to the outbreak of Covid 19. Your Company continues to support all its employees in all possible ways and means in these tough times. To encourage vaccination among all the employees, a one-time payment of ₹ 1500/- was given to all the eligible employees on completion of 2 doses of vaccination. Awareness Campaign on COVID-19 Hygiene and Precautions was also carried out during the year. As assistance to families of employees who passed away due to Covid-19, your Company provided financial support through a monthly fixed amount to the affected families for up to 2 years.

10. Marketing & Promotion Initiatives

In partnership with such leading celebrities the Brand has launched many tailor-made marketing communications with the primary objectives of growing the Gold Loan Category as a whole and creating significant business impact to the brand in terms of new customer acquisition; besides creating substantial brand awareness and brand recall.

Few of the notable marketing initiatives undertaken by the Company during the financial year 2021-22 include:

a. Haathi Pe Bharosa Karogey Toh Pakka Jeetogey Campaign

The marketing campaign titled “Haathi Pe Bharosa Karogey Toh Pakka Jeetogey!” is all about having belief and trust in the brand, which has two elephants in its logo which was anchored by the brand’s ambassador, Shri. Amitabh Bachchan;

b. “Muthoot Finance Sunheri Soch Season-2”

“Muthoot Finance Sunheri Soch Season-2” (golden thoughts) is a compilation of 5 truly inspiring real-life stories of common men & women, who realized their dreams by availing a gold loan from Muthoot Finance. These are people from humble backgrounds who transformed their lives & became self-reliant & successful business persons with timely help from us.

c. “Loan At Home” Integrated Marketing Campaign

The “Loan at Home” service launched in 2020, was actively supported by campaigns across media in FY 2021-22 also. After a strong “need” was established in the commercial films of Loan at Home, our brand ambassador Shri Amitabh Bachchan presented the brand message. The campaign showed the convenience and ease offered by our “Loan at Home” service, which allows our customers to avail of Gold Loan from Muthoot Finance, now from the comfort and safety of their homes

d. Chennai Nandanam Metro Station Branding

The semi-naming rights branding at Nandanam Metro Station in Chennai was renewed, extending the partnership with Chennai Metro Rail Limited. The partnership has aided us by establishing our brand presence in a key location in Chennai

Awards & Recognitions:

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

- Exchange4media Indian Marketing Awards – Gold loan is good
- Most Trusted Financial Services Brand for the year 2022 By TRA’s Brand Trust Report 2022
- Best use of TV – FSI “Gold Unlocker” TV campaign
- Best use of Integrated Marketing – BFSI “Loan at Home “ Campaign
- Recognised as one of the ‘Iconic Brands of India 2021’ by #ETIconicBrands

11. Capital Adequacy

Your Company's Capital Adequacy Ratio as of March 31, 2022, stood at 29.97% 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 29.10% and the Tier II capital adequacy ratio stood at 0.87%.

12. Public Deposits

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

13. RBI Guidelines

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, 2022, 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 2021-22.

There has been no material change in the nature of business of subsidiary companies during the financial year 2021-22.

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, 2022, 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 59 branches as on March 31, 2022, AAF has made considerable progress in its business.

Its major financial parameters for Financial Year 2021-22 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 31.03.2022 - 0.2570685 ; Average Exchange Rate of Financial Year 2021-22 - 0.365634	1,163.35	73.96	43.14	708.35	4,972.16	4,263.81
Amounts in LKR (in millions)	3,181.73	202.28	118.00	2,755.51	19,341.79	16,586.28

AAF increased its loan portfolio during the year by 23.87% at LKR 17,345.01 millions. Total Income for FY 22 stood at LKR 3,181.73 millions as against previous year total income of LKR 2,952.34 millions. It generated a profit after tax of LKR 118.00 millions during FY22 as against previous year profit after tax of LKR 45.20 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 2021-22 are as follows:

Parameters	Total Income	Profit Before Tax	Profit After Tax	Equity	Total Assets	Total Outside Liabilities
Amount in INR (in millions)	2,136.84	100.97	84.04	4,470.76	12,825.97	8,355.21

MHIL's loan portfolio stood at ₹ 14,698.72 millions, a decrease of 14% during the year mainly on account of the cautious approach taken by the management on fresh disbursement due to uncertainties arising out of pandemic.. Total income for Financial Year 2021-22 stood at ₹ 2,136.84 millions as against previous year total income of ₹ 2,446.42 millions. It achieved a profit after tax of ₹84.04 millions in Financial Year 2021-22 as against previous year profit of ₹ 125.51 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 2021-22 are as follows:

Parameters	Total Income	Profit Before Tax	Profit After Tax	Equity	Total Assets	Total Outside Liabilities
Amount in INR (in millions)	450.12	371.62	276.44	1,123.21	1,145.30	22.09

MIBPL generated a First year premium collection amounting to ₹3,268.99 millions during Financial Year 2021-22 as against ₹ 2,641.70 in the previous year. It generated a Profit after Tax of ₹ 276.44 millions during Financial Year 2021-22 as against ₹ 316.37 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 2021-22, your Company holds 60.69% of the equity capital of BML. Its major financial parameters for Financial Year 2021-22 are as follows:

Parameters	Total Income	Profit Before Tax	Profit After Tax	Equity	Total Assets	Total Outside Liabilities
Amount in INR (in millions)	7,284.31	561.46	451.29	8,559.33	45,602.86	37,043.53

BML grew its loan portfolio during Financial Year 2021-22 by 32.30% reaching ₹ 43,657.79 millions. It achieved a profit after tax of ₹ 451.29 millions during Financial Year 2021-22 as against previous year profit after tax of ₹ 466.51 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 2021-22 are as follows:

Parameters	Total Income	Profit Before Tax	Profit After Tax	Equity	Total Assets	Total Outside Liabilities
Amount in INR (in millions)	455.58	(88.46)	(65.72)	1,035.21	2,268.08	1,232.87

MML's loan portfolio stood at ₹ 2,070.54 millions, a decrease of 44% during the year mainly on account of the cautious approach taken by the management on fresh disbursement due to uncertainties arising out of pandemic. Total

income for Financial Year 2021-22 stood at ₹ 455.58 millions as against previous year total income of ₹ 697.31 millions. It had loss of ₹ 65.72 millions in Financial Year 2021-22 as against previous year profit of ₹ 37.47 millions mainly on account of decrease in interest income consequent to post covid impact.

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 2021-22 are as follows:

Parameters	Total Income	Profit Before Tax	Profit After Tax	Equity	Total Assets	Total Outside Liabilities
Amount in INR (in millions)	41.48	30.28	22.55	1,094.81	1,095.10	0.29

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 2021-22 are as follows:

Parameters	Total Income	Profit Before Tax	Profit After Tax	Equity	Total Assets	Total Outside Liabilities
Amount in INR (in thousands)	324.35	225.90	169.05	9,946.54	9,973.54	27.00

15. Particulars of Loans, Guarantees, or Investments Under Section 186 of the 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 Non- Banking Financial Company (NBFC) registered with Reserve Bank of India are exempt from the applicability of provisions of Section 186 of the Act. As such the particulars of loans and guarantees have not been disclosed in this Report. The details of the Investments of the Company are furnished under Note 9 of Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022.

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://www.muthootfinance.com/themes/bartik/pdf/Annual-Return-2022.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

The Board of Directors of the Company has formed a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The Committee is responsible for monitoring and reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The development and implementation of risk management policy has been covered in the Management Discussion and Analysis, which forms part of this report. The Company has adopted and implemented a Risk Management Policy framework within the organization.

19. Corporate Social Responsibility

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**.

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



20. Business Responsibility Report

Regulation 34 of the SEBI Listing Regulations mandates the inclusion of the Business Responsibility Report ("BRR") as part of the Annual Report for top 1000 listed entities based on their market capitalization. The BRR is attached to this report as **Annexure 3**.

21. Particulars of Contracts or Arrangements made with Related Parties

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. The disclosure of related party transactions as required under Section 134(3) (h) of the Act in Form AOC 2 is attached to this report as **Annexure 4**.

The details of related party transactions with the related parties entered into during the financial

year are disclosed in Notes to Standalone Financial Statements of the Company.

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 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 2021-22.

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 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. 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

Mr. Abraham Chacko was appointed as Independent Director of the Board effective September 18, 2021 pursuant to the resolution passed by the shareholders of the Company at the 24th Annual General Meeting. Further, Mr. George Muthoot George, Mr. George Muthoot Jacob, and Mr. George Alexander were appointed as Whole Time Directors on the Board with effect from December 15, 2021.

In order to comply with the Corporate Governance requirements of SEBI Listing Regulations and the Act, your Board proposes to appoint Mr. Chamacheril Abraham Mohan as Independent Director of the Company subject to approval of the shareholders in the upcoming Annual General Meeting. Mr. Chamacheril Abraham Mohan is a senior finance professional and a Chartered Accountant who has diversified experience for many years in the fields of finance and chartered accountancy. Detailed profile of Mr. Chamacheril Abraham Mohan is provided in the Notice of the AGM.

Cessation

The term of office of Mr. Pratip Chaudhuri 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 Mr. Pratip Chaudhuri for the guidance and support extended during the two consecutive term of directorship in the Company.

Directors Liable to retire by rotation

Mr. Alexander George and Mr. George Thomas 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.

26. Meetings of the Board

During the Financial Year 2021-22, your Board of Directors met six times on April 12, 2021, June 02, 2021, August 06, 2021; November 04, 2021, November 19, 2021 and February 12, 2022. Details of various meetings of the Board are given in the Report on Corporate Governance 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 for the purpose of attending the meetings of the Board or Committees of the Company.

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 Report on Corporate Governance 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 on 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 March 30, 2022 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.

29. Report on Corporate Governance

Your Company has complied with the Corporate Governance norms as stipulated in Chapter IV of SEBI Listing Regulations. As per Regulation 34 of SEBI Listing Regulations, 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:

Digital Channels and Digital Footprints

As the pioneer and leader in gold loan business, we at Muthoot Finance believe in extending the digital interface to our customers through various channels for better reach and convenience. Zero touch and transact hassle free is the vision for spreading our digital channels. Customers can perform the KYC creation process now using Video KYC, pledge the ornaments from the comfort of their homes using the Loan @Home option, top-up or repay using different digital channels and through Loan@Home option to close the active loans. We have added BBPS (Bharath Bill Payment System) interface for allowing the customer to transact with us using any platform integrated with BBPS or even allowing cash transactions through various Agents of BBPS.

AI-powered Chat engine integrated with our core system to enhance the chat experience for the customers and allow them to do real time transactions through the WhatsApp interface. This intuitive option allows customers with just basic digital experience also be part of our digital journey. We have enabled our communication of reminders using Whatsapp/E-mail/SMS. Initiatives like “Deep Link” allow customers to make repayment with a single click from our reminder SMS links.

Gold Unlocker

This new intuitive product facilitate our customers to use the power of plastic card for all e-commerce transactions or even for ATM cash withdrawals. Partnered with Yes bank and e-Wire, we have launched this product for better customer convenience.

KYC Data refinement and customer data protection

At Muthoot Finance, the privacy and security of our customer data is of utmost importance and we constantly strengthen our applications to enhance the veracity of customer data attributes. For ensuring the accuracy of customer bank accounts, we have added multiple bank account verification channels, Digital KYC verification interfaces, Customer biometric Authentication used to ensure the customer data updates are genuine and authentic. Through our agent mobile application, we continually enhance the customer address updates.

iMuthoot application

The revamped version of iMuthoot mobile App Version 3.0 a 'One App for All Loan Application & Repayment' offers the facility to customers to request for Gold loan, Personal Loan, from the comfort of their own homes. This enhanced version of the mobile application is a stepping stone to provide an enriched Omni channel experience to our customers. The users of the iMuthoot mobile App are offered a significant convenience of interoperability of all their digital transactions without having to visit the branch.

Loan@Home application

The loan at home is an app-based digital service, with which a customer can apply for a gold loan through the 'Loan@Home' mobile app and web portal. As soon as the inquiry is verified and accepted, an agent gets assigned instantly. An appointment is made by the Muthoot Finance agent to visit the customer's home. The customer can avail of a gold loan from the comfort of their home without having to visit the branch at any stage of the procedure. Using loan at home application, an agent can perform loan initiation till the disbursement of the loan by sitting at customer premises.

Muthoot online

The Online payment system is an extension portal of Muthoot Core Banking System that can act independently as an online payment system as well. It is a dynamic, independent delivery channel which can be plugged in to any Core Banking System.

c) Foreign exchange earnings and outgo

Particulars	₹ in Million
Total Foreign Exchange earned	Nil
Total Foreign Exchange expended	4,705.65

33. Audits

a) Statutory Audit under Section 139 of the Act

Reserve Bank of India issued guidelines on appointment of statutory auditor(s) by Non-Banking Financial Company ("NBFC") vide Circular RBI/2021-22 /25 Ref. No. DoS. CD.ARG/SEC.01/ 08.91.001/2021-22 dated April 27, 2021 ("RBI Auditor Guidelines"). Pursuant to RBI Auditor Guidelines, the Audit Firms completing a tenure of three financial years in the NBFC were not eligible to continue to hold office as Statutory Auditors of the NBFC. Since the RBI Guidelines were being implemented for the first time for NBFCs from Financial Year 2021-22 and in order to ensure that there is no disruption, the RBI had given flexibility to NBFCs to appoint new Statutory Auditors in the second half of the financial year ending March 31, 2022.

Pursuant to the RBI Auditor Guidelines, M/s Varma & Varma, Chartered Accountants, statutory auditors of the Company resigned with effect from November 10, 2021, owing to their ineligibility to continue as auditors of the Company as they have already exceeded the maximum tenure of three financial years stipulated therein for the statutory auditors of the Company.

M/s Elias George & Co (FRN: 000801S) and M/s Babu A. Kallivayalil & Co. (FRN: 05374S), Chartered Accountants, were appointed as Joint Statutory Auditors of the Company effective November 19, 2021, in compliance with the Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) (the "Guidelines"/ "Circular"). As per the Provisions of Section 139 (8) (i) of the Companies Act, 2013, the Shareholders of the Company had also approved the Appointment of Joint Statutory Auditors vide their Ordinary resolution passed through postal ballot dated December 27, 2021.

The Joint Statutory Auditors were appointed to hold their first term of office from November 19, 2021, till the conclusion of the 25th Annual General Meeting of the Company. The Board has recommended for the approval of the Members for the re-appointment of M/s Elias George & Co (FRN: 000801S) and M/s Babu A. Kallivayalil & Co. (FRN: 05374S), Chartered Accountants as the Joint Statutory Auditors for a further period of 2 years commencing from the conclusion of the 25th Annual General Meeting till the conclusion of the 27th Annual General Meeting of the Company to be held in the year 2024. The Audit Committee of the Company has evaluated the eligibility criteria of the Joint Statutory Auditors and has also recommended their re-appointment for conducting the statutory audits for the financial year 2022-23 and financial year 2023-24.



The Statutory Audit Report issued by M/s Elias George & Co (FRN: 000801S) and M/s Babu A. Kallivayalil & Co. (FRN: 05374S), Joint Statutory Auditors of the Company, on the financial statements of the Company for the year 2021-22 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 2021-22 pursuant to Section 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 2021-22 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 2021-22 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 2021-22

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 2021-22.

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 2021-22 are as under:

Number of complaints pending at the beginning of the financial year 2021-22	0
Number of complaints filed during the financial year 2021-22	3
Number of complaints disposed of during the financial year 2021-22	3
Number of complaints pending as on end of the financial year 2021-22	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 Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 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 2021-22 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

Sd/-
George Alexander Muthoot
Managing Director

Place: Kochi
Date: August 06, 2022

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



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, 2022

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 1		ESOP 2013 - Tranche 2		ESOP 2013 - Tranche 3	
	Grant A	Grant B	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	27.09.2013	27.09.2013
2 Number of options granted	3,711,200	1,706,700	456,000	380,900	325,000	325,000
3 Exercise price (₹)	50/-	50/-	50/-	50/-	50/-	50/-
4 Maximum term of options granted	8 years	8 years	8 years	8 years	8 years	8 years
5 Source of shares	Primary	Primary	Primary	Primary	Primary	Primary
6 Vesting period	1-5 years	2-6 years	1-5 years	2-6 years	1-5 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	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 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	10,295	5,725	2,680	3,340	27,500	27,500
9 Options granted during the year	-	-	-	-	-	-
10 Options forfeited/lapsed during the year	7,800	3,655	510	-	-	-
11 Options vested during the year	-	-	-	-	-	-
12 Options exercised during the year	2,495	2,070	310	340	12,500	12,500
13 Number of shares arising as a result of exercise of option	2,495	2,070	310	340	12,500	12,500
14 Money realised by exercise of options (₹)	124,750	103,500	15,500	17,000	625,000	625,000
15 Loan repaid by the Trust during the year from exercise price received	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
16 Options outstanding at the end of the year	-	-	1,860	3,000	15,000	15,000
17 Options exercisable at the end of the year	-	-	1,860	3,000	15,000	15,000

Particulars	ESOP 2013 - Tranche 4			ESOP 2013 - Tranche 5		
	Loyalty	Grant A	Grant B	Grant A	Grant B	Grant B
1 Date of shareholder's approval	27.09.2013	27.09.2013	27.09.2013	27.09.2013	27.09.2013	27.09.2013
2 Number of options granted	8,150	390,400	728,300	248,200	342,900	342,900
3 Exercise price (₹)	10/-	50/-	50/-	50/-	50/-	50/-
4 Maximum term of options granted	5 years	8 years	8 years	8 years	8 years	8 years
5 Source of shares	Primary	Primary	Primary	Primary	Primary	Primary
6 Vesting period	1-2 years	1-5 years	2-6 years	1-5 years	2-6 years	2-6 years
7 Vesting requirements	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	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 12 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	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
8 Options outstanding at the beginning of the year	875	77,920	81,425	115,350	90,705	90,705
9 Options granted during the year	-	-	-	-	-	-
10 Options forfeited/lapsed during the year	875	3,095	12,835	8,145	22,625	22,625
11 Options vested during the year	-	60,120	31,475	49,450	21,280	21,280
12 Options exercised during the year	-	52,305	24,945	42,280	12,165	12,165
13 Number of shares arising as a result of exercise of option	-	52,305	24,945	42,280	12,165	12,165
14 Money realised by exercise of options (₹)	-	2,615,250	1,247,250	2,114,000	608,250	608,250
15 Loan repaid by the Trust during the year from exercise price received	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
16 Options outstanding at the end of the year	-	22,520	43,645	64,925	55,915	55,915
17 Options exercisable at the end of the year	-	22,520	13,015	10,955	12,410	12,410



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	₹ 98.50/- 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:-		
i)	Exercise price either equals market price (₹) or	Loyalty	Grant A
ii)	Exercise price greater than market price (₹) or	Grant B	
iii)	Exercise price less than market price (₹)		
23	Weighted Average fair price of options whose:-		
i)	Exercise price either equals market price (₹) or	Loyalty	Grant A
ii)	Exercise price greater than market price (₹) or	Grant B	
iii)	Exercise price less than market price (₹)		
	Tranche 1	100.33/-	70.95/-
	Tranche 2	164.23/-	128.48/-
	Tranche 3	NA	159.37/-
	Tranche 4	259.93/-	220.05/-
	Tranche 5	449.68/-	409.38/-

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

Particulars	As at 31.03.2022
Net Profit as reported (₹ In lacs)	395,430.53
Proforma Net Profit based on fair value approach (₹ In lacs)	395,430.53
Basic EPS as reported (₹)	98.55/- per Share
Basic EPS (Proforma) (₹)	98.55/- per Share
Diluted EPS as reported (₹)	98.50/- per Share
Diluted EPS (Proforma) (₹)	98.50/- 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 31-03-2022				
	ESOP 2013 - Tranche 1		ESOP 2013 - Tranche 2		ESOP 2013 - Tranche 3
	Grant A	Grant B	Grant A	Grant B	Grant A
i) Exercise Price per share (₹)	50/-	50/-	50/-	50/-	50/-
ii) Vesting Period (Years)	1-5	2-6	1-5	2-6	1-5
iii) Price of Share in market at the time of Grant of options (₹)	117.30/-	117.30/-	184.30/-	184.30/-	219.05
iv) Weighted Average fair price of options (₹)	70.95/-	71.20/-	128.48/-	126.92/-	159.37/-
v) Expected Volatility (%)	57.68	57.68	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	2.5-6.5	1.5 -5.5
vii) Weighted Average Contractual Life of the options granted (years)	4	5	4	5	4
viii) Risk Free Interest rate (% p.a)	8.4-8.8	8.4-8.95	8.26-8.35	8.24-8.32	7.45-7.60
ix) Expected Dividend Yield (%)	3.84	3.84	3.26	3.26	2.74

Particulars	Year ended 31-03-2022				
	ESOP 2013 - Tranche 4			ESOP 2013 - Tranche 5	
	Loyalty option	Grant A	Grant B	Grant A	Grant B
i) Exercise Price per share (₹)	10/-	50/-	50/-	50/-	50/-
ii) Vesting Period (Years)	1-2	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/-	280.35/-	473.00/-	473.00/-
iv) Weighted Average fair price of options (₹)	259.93/-	220.05/-	217.46/-	409.38/-	406.32/-
v) Expected Volatility (%)	36.98	36.98	36.98	40.24	40.24
vi) Expected Life of the options granted (years)	1.5-2.5	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)	2	4	5	5	6
viii) Risk Free Interest rate (% p.a)	6.91-7.08	6.91-7.41	7.08-7.47	6.16-6.59	6.27-6.67
ix) Expected Dividend Yield (%)	2.14	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 on 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 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 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:

Sl. No.	Name of Directors	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the FY	Number of meetings of CSR Committee attended during the FY
1	Jacob Benjamin Koshy	Chairman	4	4
2	Jose Mathew	Member	4	4
3	George Alexander Muthoot	Member	4	4

3 Weblink where composition of CSR Committee, CSR Policy and CSR Projects are disclosed on the website of the company

- 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 of CSR Projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable

CSR Impact assessment report is available on the website of the Company at <https://www.muthootfinance.com/other-disclosure>

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

Sl. No	Financial Year	Amount Available for set-off from the preceeding financial years (₹ In Crores)	Amount required to be set off for the financial year, if any (₹ In Crores)
	Nil	Nil	Nil

6 Average net profit of the Company as per Section 135 (5) (₹ in crores): 4,043.41

7 (a) Two percent of the average net profit of the Company as per Section 135 (5) (₹ in crores): 80.87

(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): 80.87

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
81.14	NA	NA	NA	Nil	NA



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

-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
Total										

State	District	Name	CSR Registration Number
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
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	Amount spent for the project (₹ in crores)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency
			State	District	Name	CSR Registration Number	Name
1	Muthoot Aashiyana Project	Disaster Management	Yes	Kerala, Haryana, Uttarakhand	0.21	Yes	NA
				Alleppey, Idukki, Wayanad, Ernakulam, Kottayam, Calicut, Pathanamthitta, Trichur, Malappuram, Haridwar, Riwari			
2	Disaster Management Programme - Covid 19	Disaster Management	Yes	All India	4.62	Yes	NA
3	Cyclone and others	Disaster Management	Yes	Chennai	0.05	Yes	NA
4	Solar lamps/solar panel/canal cleaning/Waste Management/harithheeram, etc	Environmental protection	Yes	All India	0.20	Yes	NA
5	Supporting other organisations to improve the infrastructure facilities of the organisation	Improving quality of life	Yes	All India	6.59	Yes	NA
6	Supporting other organisations to improve the infrastructure facilities of the organisation	Improving quality of life	Yes	All India	0.5	No	Muthoot M.George Charitable Trust (Charitable Trust having 80G Regn)
7	Food Distribution, one time support etc	Poverty Alleviation	Yes	All India	1.58	Yes	NA

-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)	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 Name CSR Registration Number
8	Innovative startup program	Promoting and supporting technology and innovations	Yes	Kerala Ernakulam	0.45	Yes	NA NA
9	Starting Schools for students from low income family, Adoption of Schools/Colleges	Promotion of Education	Yes	Kerala Ernakulam	0.99	Yes	NA NA
10	Starting Schools for students from low income family, Adoption of Schools/Colleges	Promotion of Education	Yes	Kerala Ernakulam	20.00	No	Muthoot M George Institute of Technology (Section 8 Company having 80G Regn) CSR00020100
11	Starting Schools for students from low income family, Adoption of Schools/Colleges	Promotion of Education	Yes	Tamil Nadu Kanchipuram	1.38	No	Muthoot Finance Educational Trust (Tamil Nadu) (Charitable Trust having 80G Regn) CSR00020775
12	Construction of seminar halls, infrastructure development, educational support, etc	Promotion of Education	Yes	Karnataka Bangalore	1.49	Yes	NA NA
13	Construction of seminar halls, infrastructure development, educational support, etc	Promotion of Education	Yes	Kerala Ernakulam	2.47	No	Muthoot M George Institute of Technology (Section 8 Company having 80G Regn) CSR00020100
14	Construction of seminar halls, infrastructure development, educational support, etc	Promotion of Education	Yes	Delhi Delhi	16.63	No	St. George's Education Society (Charitable Society having 80G Regn) CSR00007408
15	Sports Promotion Activity	Promotion of sports	Yes	Kerala, Delhi Ernakulam, Delhi	0.34	Yes	
16	Sports Promotion Activity	Promotion of sports	Yes	Kerala Ernakulam	0.03	No	Muthoot M George Institute of Technology (Section 8 Company having 80G Regn) CSR00020100
17	Sports Promotion Activity	Promotion of sports	Yes	Kerala Ernakulam	2.00	No	Muthoot Educational Trust (Charitable Trust having 80G Regn) CSR00018564



-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)	Location of the project	Amount spent for the project (₹ in crores)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State District			Name CSR Registration Number	
18	Snehashraya Project	Improving quality of life	Yes	Kerala, Andhra Pradesh, Karnataka, Tamil Nadu, Maharashtra	All Kerala, Bangalore, Coimbatore, Chennai, Hyderabad, Sangli	0.47	Yes NA	NA NA
19	Poor Patients' Medical Assistance	Improving quality of life	Yes	All India	All India	5.57	Yes	NA NA
20	Poor Patients' Medical Assistance	Improving quality of life	Yes	South India	South India	0.25	No	Muthoot M George Foundation (Charitable Trust having 80G Regn) CSR00008030
21	Poor Patients' Medical Assistance	Improving quality of life	Yes	All India	All India	0.68	No	Muthoot M.George Charitable Trust (Charitable Trust having 80G Regn) CSR00007405
22	Skill Development Programme	Employment enhancing vocational skills, social business projects	Yes	Tamil Nadu	Chennai	0.54	No	Hand in Hand India (Charitable Trust having 80G Regn) CSR00001853
23	Muthoot Vivahasammanam Project	Promoting gender equality and empowering women	Yes	Karnataka, Telangana, Tamilnadu	Bangalore, Chennai, Telengana	0.54	Yes	NA NA
24	Scholarships to Students	Promotion of Education	Yes	Kerala	All kerala	4.09	Yes	NA NA
25	Scholarships to Students	Promotion of Education	Yes	Kerala	All kerala	0.74	No	Muthoot M.George Charitable Trust (Charitable Trust having 80G Regn) CSR00007405
26	Scholarships to Students	Promotion of Education	Yes	Delhi	Delhi	6.25	No	St. George's Education Society (Charitable Society having 80G Regn) CSR00007408
27	Muthoot Snehasammanam, Muthoot Snehasancharini Project, livelihood projects, nutrition kits, etc	Improving quality of life	Yes	South India	South India	0.48	Yes	NA NA
Total						79.16		

- (d) Amount spent in Administrative Overheads (₹ in crores): 1.98
 (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): 81.14
 (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)	80.87
(ii)	Total amount spent for the Financial Year	81.14
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.27
(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 the Fund	Amount (₹ in Crores)	Date of Transfer	
1	2018-19	NA	NA	NA	NA	NA	NA
2	2019-20	NA	NA	NA	NA	NA	NA
3	2020-21	12.05	5.37	NA	NA	NA	6.68
	Total	12.05	5.37	NA	NA	NA	6.68

(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		Muthoot Aashiyana Project	3 years	5.48	0.70	0.70	Ongoing
2		Disaster Management Programme - Covid 19	2 years	1.46	1.24	1.24	Ongoing
3		Muthoot M George Excellence Award	3 years	0.31	0.00	0.00	Ongoing
4		Sports Promotion Activity	3 years	4.81	2.72	2.72	Ongoing
5		Sports Promotion Activity	3 years		0.71	0.71	
	Total			12.05	5.37	5.37	

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):
Not Applicable

Sd/-
George Alexander Muthoot
 Managing Director
 DIN: 00016787

Sd/-
Jacob Benjamin Koshy
 Chairman of CSR & Business Responsibility Committee
 DIN: 07901232

Place: Kochi
 Date: August 06, 2022

**ANNEXURE- 3****BUSINESS RESPONSIBILITY REPORT**

Business Responsibility Report For the year ended on March 31, 2022

Muthoot Finance Ltd has embraced The Muthoot Group's core value of building ethical, inclusive, sustainable business by creating wealth for its stakeholders especially our customers and investors; improving lives of communities especially by way of extending loan to less privileged or not covered by formal banking system and by caring for society. Company has offered better line of financial products and services, practiced and established effective risk management capabilities, created improved system to check and control bad debts and non performing assets with better understanding of its customer segments especially segments neglected by banks, most importantly by accessible and affordable financial services which is not only complimenting the banking sector but many times substituting it. The Company has created a value based system and a responsible business with respect to all of its stakeholders and most important among them are customers and investors which placed their faith in responsible and financially inclusive business. Company has continued its sustainable business model by sticking to its core values even in tough times and we endeavor to continue our business in same spirit.

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN) of the Company	L65910KL1997PLC011300
2	Name of the Company	Muthoot Finance Limited
3	Registered address	Muthoot Chambers, Opposite Saritha Theatre Complex, 2 nd Floor, Banerji Road, Kochi 682 018, India
4	Website	www.muthootfinance.com
5	E-mail id	mails@muthootgroup.com
6	Financial Year reported	2021-22
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	NIC Code : 64-649
8	List three key products/services that the Company manufactures/provides (as on March 31, 2022)	Please refer section titled "Over Product Offerings" in the Annual Report
9	Total number of locations where business activity is undertaken by the Company (as on March 31, 2022)	
(a)	Number of International Locations (Provide details of major 5)	Nil
(b)	Number of National Locations (as on March 31, 2021)	4617 branches in 23 States and 6 Union Territories
10	Markets served by the Company - Local/State/National/International	National

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	Paid up Capital (INR in millions)	4013.45
2	Total Turnover (INR in millions)	110983.93(Total Revenue)
3	Total profit after taxes (INR in millions)	39543.04
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%) (Standalone)	₹ 811.30 millions representing 2.05% of standalone Profit After Tax.
5	List of activities in which expenditure in 4 above has been incurred:-	Promoting Education, Medical Aid and others. (For more detail please refer to Annual Report on CSR Activities attached as part of Report of Board of Directors)

SECTION C: OTHER DETAILS

1	Does the Company have any Subsidiary Company/ Companies?	Yes
2	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	No
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	No

SECTION D: BR INFORMATION

1 Details of Director/Directors responsible for BR

(a) Details of the Director/Directors responsible for implementation of the BR policy/policies	DIN - 00016787 George Alexander Muthoot Managing Director Telephone number: 0484-2394712 md@muthootgroup.com
(b) Details of the BR head	

2 Principle-wise (as per NVGs) BR Policy/policies

(a) Details of compliance (Reply in Y/N)

Sl	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for...	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words) *	N	N	N	N	N	N	N	N	N
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	https://www.muthootfinance.com/policy-investor**								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

P1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability	P6	Business should respect, protect, and make efforts to restore the environment
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle	P7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
P3	Businesses should promote the wellbeing of all employees	P8	Businesses should support inclusive growth and equitable development
P4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.	P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner
P5	Businesses should respect and promote human rights		

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Not Applicable

* Some of the policies and principles have been put into practice by the Founder Late Shri. M. George Muthoot decades back. The Company has not tested the policies for adherence to any National or International Standards. However, these policies are now framed based on applicable regulations and general practices.

** <http://www.muthootfinance.com/policy/policy-investor>



3 Governance related to BR

- (a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.
Annually
- (b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?
Yes. BR is available at <https://www.muthootfinance.com/annual-reports>. The report is published annually.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1

- 1 Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?
Yes. The policy covers only the company. It does not extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others.
- 2 How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.
17 Complaints were received by the Company pertaining to Equity shares and NCDs issued by the Company. All the investor complaints were resolved satisfactorily within the timeliness. Moreover, 1033 customer complaints were received during the financial year of which 1023 complaints have been resolved on time.

Principle 2

- 1 List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.
Gold Loan - The flagship product of the Company ie., loan against security of gold jewellery provides access to credit within a reasonable time to a person who otherwise do not have access to credit or access to credit within a reasonable time. We service about 2 lakh customers per day. This supports social well being as well as business activities.
e-KYC - To facilitate easier compliance to KYC norms by customers, we launched 'e-KYC facility'. It is a customer-friendly and convenient digital KYC process based on Aadhaar with direct UIDAI link. The verification procedure is conducted by using customers' fingerprints. This paperless and highly secure system enables faster loan processing and ensures 100% integrity in KYC verification. We are the first 'Gold Loan NBFC' to introduce this facility, with over 50% adoption rate in the first roll out.
iMuthoot- Mobile App - We developed a new mobile application called iMuthoot that allows customers to transact through their smartphones. This is our major initiative towards building a branch-less banking ecosystem for our customers. The app is available on Google Play and Apple Store. iMuthoot allows existing customers to view their loan statements and balance as well as Online Gold Loan facility. New customers can see our latest loan schemes, calculate loan eligibility, locate branches and fix appointments with their nearest branch officials and apply for gold loans. It is available in six languages. This app along with online payment facility has helped us a lot to move towards more and more digital transaction.
- 2 For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):
(a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?
(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?
Not Applicable
- 3 Does the company have procedures in place for sustainable sourcing (including transportation)?
(a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.
Not Applicable
- 4 Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?
(a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?
Not Applicable
- 5 Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.
Not Applicable

Principle 3

1	Please indicate the Total number of employees as on March 31, 2022	26716	
2	Please indicate the Total number of employees hired on temporary/contractual/casual basis.	Nil	
3	Please indicate the Number of permanent women employees.	4863	
4	Please indicate the Number of permanent employees with disabilities	The company does not specifically track the information of employees with disability or make any discrimination on disability. Hence such an information is not available with the Company.	
5	Do you have an employee association that is recognized by management.	No	
6	What percentage of your permanent employees is members of this recognized employee association?	Not Applicable	
7	Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.		
Sl	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/forced labour/involuntary labour	Nil	Nil
2	Sexual harassment	3	0
3	Discriminatory employment	Nil	Nil
8	What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?		
(a)	Permanent Employees	All employees with the Company are covered by skill upgradation training programmes conducted through our "Regional Learning Centers" and "Muthoot Management Academies"	
(b)	Permanent Women Employees	All employees with the Company are covered by skill upgradation training programmes conducted through our "Regional Learning Centers" and "Muthoot Management Academies"	
(c)	Casual/Temporary/Contractual Employees	Not Applicable	
(d)	Employees with Disabilities	Please refer Sl.No.4 under Principle 3	

Principle 4

1	Has the company mapped its internal and external stakeholders? Yes
2	Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders. Yes
3	<p>Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.</p> <p>Though we have identified the above stakeholders, we have not created any product or services specifically for them. Since loan against security of gold jewellery provides access to credit within a reasonable time to a person who otherwise do not have access to credit or access to credit within a reasonable time, we believe that our services will address the needs of the above stakeholders. Our presence through 4617 branches in 23 States and 6 Union Territories again will address the needs of the above stakeholders. However, we have taken special initiatives to address the needs of the above stakeholders through our CSR activities details of which are available in the Annual Report on CSR activities in the Annual Report</p>



Principle 4

- 1 **Has the company mapped its internal and external stakeholders?**
Yes
- 2 **Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.**
Yes
- 3 **Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.**
Though we have identified the above stakeholders, we have not created any product or services specifically for them. Since loan against security of gold jewellery provides access to credit within a reasonable time to a person who otherwise do not have access to credit or access to credit within a reasonable time, we believe that our services will address the needs of the above stakeholders. Our presence through **4617 branches in 23 States and 6 Union Territories** again will address the needs of the above stakeholders. However, we have taken special initiatives to address the needs of the above stakeholders through our CSR activities details of which are available in the Annual Report on CSR activities in the Annual Report

Principle 5

- 1 **Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?**
The policy covers only the company
- 3 **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**
Nil

Principle 6

- 1 **Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.**
The policy covers only the company
- 2 **Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.**
No
- 3 **Does the company identify and assess potential environmental risks? Y/N**
No
- 4 **Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**
No
- 5 **Has the company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**
We have three windmills installed in Tamilnadu with a combined power generation capacity of 3.75Megawatt
- 6 **Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**
Not Applicable
- 7 **Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**
Not Applicable

Principle 7

- 1 **Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**
 - (a) Federation of Indian Chamber of Commerce & Industries
 - (b) Association of Gold Loan Companies
 - (c) Confederation Of Indian Industry
 - (d) Kerala Non-Banking Finance Companies Association
- 2 **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**
No

Principle 8

-
- 1 Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**
The flagship product of the Company ie., loan against security of gold jewellery provides access to credit within a reasonable time to a person who otherwise do not have access to credit or access to credit within a reasonable time.Hence this will support inclusive growth and equitable development. Our presence through 4617branches in 23 States and 6 Union Territories again will address the needs of larger section Indian population.Please refer to Annual Report on CSR Activities attached in the Annual Report."
-
- 2 Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?**
Majority of programmes/projects are undertaken directly by the Company. Please refer to Annual Report on CSR Activities attached in the Annual Report.
-
- 3 Have you done any impact assessment of your initiative?**
Programmes are reviewed periodically for its effectiveness and whether its desired objectives are met.
-
- 4 What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.**
Amount Spent on CSR activities is ₹ 811.30 millions. Please refer to Annual Report on CSR Activities attached in the Annual Report
-
- 5 Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**
CSR activities are constantly monitored for implementation and fresh support is given only where adoptions are at a better level. Please refer to Annual Report on CSR Activities attached in the Annual Report.
-

Principle 9

-
- 1 What percentage of customer complaints/consumer cases are pending as on the end of financial year.**
Less than one percent
-
- 2 Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/ No/N.A. /Remarks(additional information)**
Yes
-
- 3 Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.**
No
-
- 4 Did your company carry out any consumer survey/ consumer satisfaction trends?**
Yes. Done periodically at select geographies
-

For and On Behalf of the Board of Directors

Sd/-

George Jacob Muthoot

Chairman & Whole Time Director

Sd/-

George Alexander Muthoot

Managing Director

Place: Kochi,

Date: August 06, 2022

**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

Sd/-

George Alexander Muthoot

Managing Director

Place: Kochi,

Date: August 06, 2022

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. Pratip Chaudhuri, 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 06, 2022



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 a 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 has aligned and has 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, 2022, 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 the Management of your Company which includes Managing Director, Whole-Time Directors and functional heads, 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, 2022 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

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 Thomas Muthoot Whole Time Director (DIN: 00018281)	Executive, Non-Independent (Promoter)	01 Apr 2020	0	3	0	0	1. Muthoot Homefin (India) Limited	Non-Independent, Non-Executive
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	3	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	28 Sep 2019	0	2	1	2	Savita Oil Technologies Limited	Independent, Non-Executive
Vadakkakara Antony George (DIN: 01493737)	Non-Executive, Independent	28 Sep 2019	0	2	0	1	Thejo Engineering Limited	Whole-time Director
Pratip Chaudhuri (DIN: 00915201)	Non-Executive, Independent	28 Sep 2019	0	5	2	9	1. CESC Limited 2. Firstsource Solutions Limited 3. Spencer's Retail Limited 4. Cosmo Films Limited	Independent, Non-Executive Independent, Non-Executive Independent, Non-Executive Non-Independent, Non-Executive
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. George Muthoot George, Mr. George Alexander and Mr. George Muthoot Jacob were appointed as Whole-Time Directors on the Board of Muthoot Finance Limited with effect from December 15, 2021.

**Mr. Abraham Chacko was appointed as a Director on the Board of Muthoot Finance Limited with effect from September 18, 2021.

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, 2022 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.

All Executive Directors (Whole Time Directors and Managing Director) as on March 31, 2022 are related to each other. Mr. George Alexander Muthoot, Mr. George Thomas Muthoot, and Mr. George Jacob Muthoot are brothers.

Meetings, Attendance of each of Directors and other Details

During the Financial Year 2021-22, your Board of Directors met 6 times on 12-04-2021, 02-06-2021, 06-08-2021, 04-11-2021, 19-11-2021 and 12-02-2022. 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 2021-22 and the Annual General Meeting (AGM) held on the 18th of September 2021 are as follows:

Name of Directors	AGM 18 Sep 2021	Board Meeting Dates						Held during the FY	Attended during the FY
		1	2	3	4	5	6		
		12-04- 2021	02-06- 2021	06-08- 2021	04-11- 2021	19-11- 2021	12-02- 2022		
George Jacob Muthoot	P	P	P	P	P	P	P	6	6
George Alexander Muthoot	P	P	P	P	P	P	P	6	6
George Thomas Muthoot	P	P	P	P	P	P	P	6	6
Alexander George	P	P	P	P	P	P	P	6	6
George Muthoot George*	NA	NA	NA	NA	NA	NA	P	1	1
George Alexander*	NA	NA	NA	NA	NA	NA	P	1	1
George Muthoot Jacob*	NA	NA	NA	NA	NA	NA	P	1	1
Jose Mathew	P	P	P	P	P	P	P	6	6
Jacob Benjamin Koshy	P	P	P	P	P	P	P	6	6
Ravindra Pisharody	P	P	P	P	P	P	P	6	6
Vadakkakara Antony George	P	P	P	P	P	P	P	6	6
Pratip Chaudhuri	P	P	P	P	A	P	P	6	5
Usha Sunny	P	P	P	P	P	P	P	6	6
Abraham Chacko**	NA	NA	NA	NA	P	P	P	3	3

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

*Mr. George Muthoot George, Mr. George Alexander and Mr. George Muthoot Jacob were appointed as Whole-Time Directors on the Board of Muthoot Finance Limited with effect from December 15, 2021.

**Mr. Abraham Chacko was appointed as a Director on the Board of Muthoot Finance Limited with effect from September 18, 2021.

During FY 2021-22, information as mentioned in Part A of Schedule II of the SEBI Listing Regulations, was placed before the Board for its consideration.

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 30.03.2022. 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 for the effective functioning of the Company. The profiles of Directors are available in 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	√	√	√	√
Pratip Chaudhuri	√	√	√	√
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 University, 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. He 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.

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>



Sl. No.	Name of the Director & Designation	Profile
12.	Pratip Chaudhuri Independent Director	Pratip Chaudhuri was the former chairman of State Bank of India and has over four decades of rich experience in the banking sector. He also served as the Chairman of SBI Global Factors Limited, State Bank of Mysore, State Bank of Bikaner & Jaipur, State Bank of Travancore, State Bank of Hyderabad and State Bank of Patiala. He was also the Chairman of SBI Mutual Fund and SBI Life. He was also a Director at Export Import Bank of India (EXIM Bank of India).
13.	Usha Sunny Independent Director	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.
14.	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 a period of 4 years. Post retirement from a full-time career, he is currently the independent director of few companies.

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 is available on the website of the company at www.muthootfinance.com

3. 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 are available on the Company's website https://www.muthootfinance.com/investors/board_committees and are also stated herein.

Details of various committees of the Board, as required to be constituted under various acts and regulations, as at March 31, 2022 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, 2022, 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 2021-22 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		
			01.06.2021	05.08.2021	03.11.2021	19.11.2021	11.02.2022		
Jose Mathew	Chairman	Independent Director	P	P	P	P	P	5	5
Vadakkakara Antony George	Member	Independent Director	P	P	P	P	P	5	5
George Alexander Muthoot	Member	Managing Director	P	P	P	P	P	5	5
Usha Sunny	Member	Independent Director	P	P	P	P	P	5	5

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 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 Senior Management including 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, 2022, 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 2021-22 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	3	4	5		
			01.06.2021	05.08.2021	01.01.2022	11.02.2022	30.03.2022		
Jacob Benjamin Koshy	Chairman	Independent Director	P	P	P	P	P	5	5
Jose Mathew	Member	Independent Director	P	P	P	P	P	5	5
Vadakkakara Antony George	Member	Independent Director	P	P	P	P	P	5	5

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

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 or in Senior Management in accordance with criteria as laid down and recommend to the 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 of 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 for Board in 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;

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 has 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

Details of remuneration paid to Directors including sitting fees paid during the FY 2021-22 are given below:

Sl. No.	Name of Directors	Category	Rupees in Millions			Total	No. of equity shares held as on March 31, 2022
			Sitting fees	Salary Allowances & Perquisites	Commission Paid		
1	George Jacob Muthoot	Chairman & Whole Time Director	-	199.97	-	199.97	4,36,30,900
2	George Alexander Muthoot	Managing Director	-	199.97	-	199.97	2,36,30,900
3	George Thomas Muthoot	Whole Time Director	-	199.97	-	199.97	4,36,30,900
4	Alexander George	Whole Time Director	-	199.97	-	199.97	2,22,89,710
5	George Muthoot George*	Whole Time Director	-	14.22	-	14.22	2,22,89,710
6	George Alexander*	Whole Time Director	-	14.24	-	14.24	1,75,25,000
7	George Muthoot Jacob*	Whole Time Director	-	14.24	-	14.24	1,50,50,000
8	Jose Mathew	Independent Director	0.90	-	1.35	2.25	-
9	Jacob Benjamin Koshy	Independent Director	0.72	-	1.35	2.07	-
10	Ravindra Pisharody	Independent Director	0.54	-	1.35	1.89	-
11	Vadakkakara Antony George	Independent Director	0.82	-	1.35	2.17	-
12	Pratip Chaudhuri	Independent Director	0.39	-	1.35	1.74	-
13	Usha Sunny	Independent Director	0.56	-	1.35	1.91	-
14	Abraham Chacko**	Independent Director	0.26	-	0.72	0.98	-

*Mr. George Muthoot George, Mr. George Alexander and Mr. George Muthoot Jacob were appointed as Whole-Time Directors on the Board of Muthoot Finance Limited with effect from December 15, 2021.

**Mr. Abraham Chacko was appointed as a Director on the Board of Muthoot Finance Limited with effect from September 18, 2021.



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 2021-22 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		
			01.06.2021	05.08.2021	03.11.2021	11.02.2022		
Jacob Benjamin Koshy	Chairman	Independent Director	P	P	P	P	4	4
George Thomas Muthoot	Member	Whole-Time Director	P	P	P	P	4	4
Ravindra Pisharody	Member	Independent Director	P	P	P	P	4	4

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

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 2021-22 are as follows:

Sl. No.	Particulars	Equity	NCD's
1.	Number of investor complaints pending at the beginning of the year (i.e. 01.04.2021)	00	00
2.	Number of investor complaints received during the year (i.e. 01.04.2021 to 31.03.2022)	02	15
3.	Number of investor complaints redressed during year (i.e. 01.04.2021 to 31.03.2022)	02	15
4.	Number of investor complaints remaining unresolved at the end of the year (i.e. 31.03.2022)	00	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 consisting of the majority of directors. 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.

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 2021-22 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	4		
			01.06.2021	05.08.2021	03.11.2021	11.02.2022		
Jose Mathew	Chairman	Independent Director	P	P	P	P	4	4
Vadakkakara Antony George	Member	Independent Director	P	P	P	P	4	4
George Alexander Muthoot	Member	Managing Director	P	P	P	P	4	4

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 suggestions 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 2021-22 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		
			01.06.2021	05.08.2021	03.11.2021	11.02.2022		
Jose Mathew	Chairman	Independent Director	P	P	P	P	4	4
Vadakkakara Antony George	Member	Independent Director	P	P	P	P	4	4
George Alexander Muthoot	Member	Managing Director	P	P	P	P	4	4

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

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 the 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. Alexander George	Chairperson
Mr. V A 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;

4. 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	2020-21	2019-20	2018-19
Date and Time	September 18, 2021 03.30 PM	September 30, 2020 10.30 AM	September 28, 2019 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.	IMA House, Behind Jawaharlal Nehru International Stadium, Kathrikadavu, Palarivattom, Kochi, Kerala - 682 025

- ii. Special Resolutions Passed during the previous 3 Annual General Meetings:

Date of AGM	Details of Special Resolution Passed
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. (vi) 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.

September 28, 2019	(i)	Re-Appointment of Mr. George Alexander Muthoot as Managing Director with effect from April 01, 2020 for a term of 5 years.
	(ii)	Re-Appointment of Mr. M G George Muthoot as Whole Time Director with effect from April 01, 2020 for a term of 5 years.
	(iii)	Re-Appointment of Mr. George Jacob Muthoot as Whole Time Director with effect from April 01, 2020 for a term of 5 years.
	(iv)	Re-Appointment of Mr. George Thomas Muthoot as Whole Time Director with effect from April 01, 2020 for a term of 5 years.
	(v)	Re-appointment of Mr. Pratip Chaudhuri as Independent Director for a term of 3 years.
	(iv)	Payment of remuneration to Non-Executive Directors.

iii. No Extraordinary General meeting was held during the FY 2021-22.

iv. Postal Ballot

During the year, the shareholders of the Company approved the following matters through postal ballot, by way of ordinary resolutions, the E-voting for which concluded on the 27th of December 2021. A snapshot of the voting results of the postal ballot is as follows:

S.No.	Particulars	% of votes polled on outstanding shares	% of votes in favour of votes polled	% of votes against on votes polled
1.	To approve the appointment of M/s. Elias George and Co., Chartered Accountants (FRN:000810S) as one of the Joint Statutory Auditors and fix their remuneration.	88.88	99.99	.0001
2.	To approve the appointment of M/s. Babu Kallivayalil & Co., Chartered Accountants (FRN:05374S) as one of the Joint Statutory Auditors and fix their remuneration.	88.88	99.99	.0002

KSR & Co., Company Secretaries LLP, Practising Company Secretaries was appointed as the scrutinizer for the postal ballot process. The detailed voting procedure mentioned in the postal ballot notice, the scrutiniser's report and the voting results are available on the Company's website.

No special resolutions were proposed to be conducted through postal ballot during the FY 2021-22.

5. 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 2021-22 for all the services rendered by them is given below:

Particulars	Amount (₹ in millions)
Statutory audit fees (Including Limited Review)	6.50
Other services	0.56
Reimbursement of expenses	0.02
Total	7.08

6. 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, 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 2021-22, the Company had transferred 1185 equity shares to the IEPF.

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.



7. 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. 25th Annual General Meeting

Date	Time	Venue
August 31, 2022	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 25th AGM to be held on August 31, 2022.

- c. Financial Year** : April 01, 2021 to March 31, 2022
- d. Date of Book Closure** : As mentioned in the Notice of AGM
- e. Dividend Pay-out Date** : Interim dividend for the FY 2021-22 was declared on April 18, 2022 and paid on May 12, 2022.

f. Listing Details

ISIN of Equity Shares : INE414G01012

Name and address of the Stock Exchange	Scrip Code	Status of Listing Fee for the FY 2021-22
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 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 2021-22 have been paid to CDSL and NSDL.

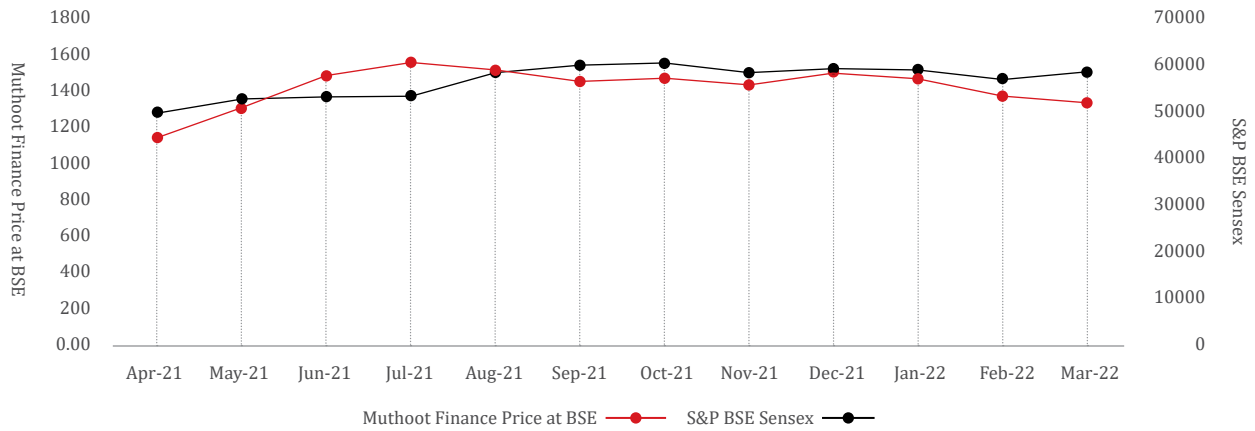
h. Stock market price data (in ₹ Per share)

The high and low market price data and the volume of shares traded during each month of the FY 2021-22:

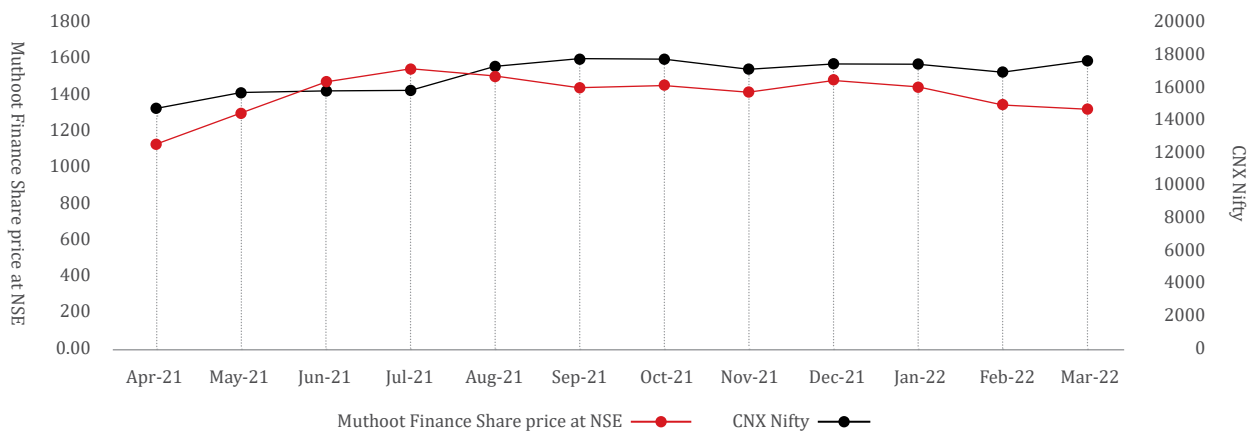
Month	National Stock Exchange of India Limited (NSE)			BSE Limited (BSE)		
	High Price	Low Price	No. of shares traded	High Price	Low Price	No. of shares traded
April 2021	1237.00	1141.95	2,03,84,596	1265.00	1,120.45	8,95,909
May 2021	1311.60	1149.20	2,05,70,325	1320.00	1,135.05	8,73,250
June 2021	1516.75	1308.90	5,09,93,540	1550.75	1,285.95	20,46,028
July 2021	1604.65	1470.35	2,13,22,179	1617.50	1,457.00	10,31,055
August 2021	1592.30	1443.30	2,13,92,384	1638.50	1,402.25	9,91,109
September 2021	1553.50	1450.30	1,31,49,625	1563.70	1,438.70	9,87,532
October 2021	1567.05	1467.75	1,90,48,651	1612.15	1,450.00	11,72,120
November 2021	1712.80	1426.20	2,76,36,711	1722.55	1,391.15	11,35,080
December 2021	1509.50	1405.30	1,31,44,258	1516.00	1,381.70	6,14,727
January 2022	1540.40	1432.75	1,19,96,119	1559.00	1,405.55	4,65,594
February 2022	1469.90	1309.90	2,10,39,631	1501.05	1,281.85	6,18,824
March 2022	1425.50	1291.70	1,98,81,478	1445.95	1,277.00	28,83,057

i. Performance of the share price in comparison (based on closing prices) to broad based indices - BSE Sensex and NSE Nifty 50 during the FY 2021-22

Muthoot Finance Share Price at BSE and BSE Sensex



Muthoot Finance Share price at NSE and CNX 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

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 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.

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.



i. Category-wise summary of Shareholding as on March 31, 2022

Category	No. of Shares	% of Holding
Promoter and Promoter Group	29,44,63,872	73.37
Mutual Fund	3,33,96,621	8.32
Alternate Investment Funds	15,87,803	0.40
Foreign Portfolio Investor	4,86,99,100	12.13
Financial Institutions / Banks	7,42,655	0.19
Insurance Companies	30,75,389	0.77
Others including Public	1,93,79,826	4.82
Total	40,13,45,266	100.00

m. Distribution of Shareholding as on March 31, 2022

Category (Shares)	No. of Holders	% of Holders	No. of Shares	% of Shares
1 - 500	2,44,417	98.46	78,74,947	1.96
501 - 1000	1754	0.71	12,68,793	0.32
1001 - 2000	890	0.36	12,72,862	0.32
2001 - 3000	257	0.10	6,33,680	0.16
3001 - 4000	123	0.05	4,32,970	0.11
4001 - 5000	99	0.04	4,56,572	0.11
5001 - 10000	182	0.07	13,23,665	0.33
10001 and above	530	0.21	38,80,81,777	96.70
Total	2,48,252*	100.00	40,13,45,266	100.00

* As on the end of March 31, 2022, the number of shareholders based on demat accounts are 2,48,252 and based on PAN are 2,42,216. 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, 2022

Sl. No.	Name of the Shareholders	No. of Shares	% of Holding
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.	George Alexander Muthoot	2,36,30,900	5.89
6.	Alexander George	2,22,89,710	5.55
7.	George Muthoot George	2,22,89,710	5.55
8.	Eapen Alexander	1,75,25,000	4.37
9.	George Alexander	1,75,25,000	4.37
10.	George Muthoot Jacob	1,50,50,000	3.75

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, 2022, 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, 2022.

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 4617 branches as on March 31, 2022. 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 2021-22. 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, 2022 by entering into cross currency swaps and forward contracts with the intention of covering the entire term of foreign currency exposure.

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, 2022 are as under.

Credit Rating Agency	Instrument	Rating as on March 31, 2022
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 Commercial Borrowings	BB (Stable)
ii) S&P Global		BB (Negative)
iii) Moody's Investors Service		Ba2/(Stable)

8. 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, 2022. 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, 2022. 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, 2022, 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 Annexure A to this report.	https://www.muthootfinance.com/policy-investor

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, 2022 was reviewed by the Board of Directors. The same is annexed as Annexure B 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, 2022.</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 Annexure C 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 2021-22 are shown in the Board's Report of the Company.</p>	
General Disclosures		<p>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 the 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 with 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 has 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.</p>	

9. 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.



10. 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 2021-22 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 06, 2022

Sd/-

George Alexander Muthoot

Managing Director

DIN: 00016787

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, 2022.

Place: Kochi,

Date: August 06, 2022

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, 2022 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: August 06, 2022

ANNEXURE C

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members

Muthoot Finance Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated December 30, 2021.
2. We have examined the compliance of conditions of Corporate Governance by Muthoot Finance Limited ("the Company") for the year ended March 31, 2022, 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, 2022. 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, 2022.
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

Sd/-

Thomson Thomas

Partner

Membership No: 025567

UDIN: 22025567ANFBPN4252

For **Babu A.Kallivayalil & Co.,**

Chartered Accountants

Firm Regn. No. 005374S

Sd/-

Babu Abraham Kallivayalil

Partner

Membership No: 026973

Place: July 19, 2022

Date: Kochi

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 (hereinafter 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, 2022 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 #	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	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	Vadakkera Antony George	Independent Director	01493737	Indian	28-09-2019
12	Pratip Chaudhuri	Independent Director	00915201	Indian	28-09-2019
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 2022;

**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**
Practicing Company Secretaries

Sd/-

Sunil Sankar Puthalath

ACS No: 20171 CP No: 10613

UDIN: A020171D000511607

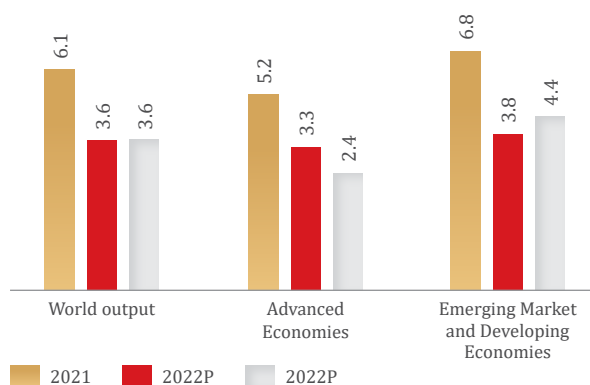
Place: Ernakulam,
Date: June 20, 2022



ANNEXURE 7

MANAGEMENT DISCUSSION AND ANALYSIS**1. Economic review****1.1 Global economic Review**

After the challenging 2020, the global economy started with a note of optimism as vaccination drive started rolling out across the globe and resumption of economic activities. However, the onset of newer variants and the related challenges like disruptions in global supply chain kept the economy in tenterhooks. According to the April 2022 WEO report by IMF, the global economy achieved a growth of 6.1% compared to de-growth of 3.5% in CY 2020. The strength of the recovery was observed to vary significantly across countries, depending on access to medical interventions, the effectiveness of policy support, exposure to cross-country spillovers, and structural characteristics of the economy. For example, Advanced economies grew at an annual rate of 5.8% which was slower than Emerging and Developing economies, which grew at 6.8% in CY 2021. Among the important economic hubs of the world, India and China experienced the strongest recovery growing at an annual rate of 8.9% and 8.1% respectively. Another notable development during the year in the global economy was the rebound of international trade. According to the April WEO report by IMF, global trade volume recovery was sharper than output growth and it grew at an annual rate of 10.1% in CY 2021.

World Economic Outlook Projections (%)**Outlook**

The outbreak of a conflict between Ukraine and Russia is expected to trigger a significant slowdown in global economic growth in CY 2022. Apart from output slowdown, the conflict is expected to ramp up

inflationary pressures on key commodities such as oil, natural gas, and wheat among others, which will hit vulnerable populations in low-income countries the hardest. According to a new study done by the National Institute of Economic and Social Research, the war has led to a 30% increase in oil prices, a 90% increase in European gas prices, and a 17% increase in food prices. On the other hand, policy rate hikes by key central banks across the world to tame inflation is expected to lower the economic growth. Global growth is projected to slow from an estimated 6.1 percent in 2021 to 3.6 percent in 2022 and 2023.

1.2 Indian economic Review

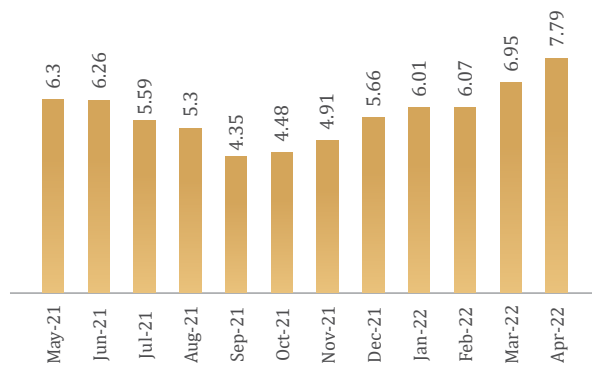
The Indian economy started FY2021-22 with a sombre note owing to the spread of the delta variant which had a much sharper impact on the health of the population. The resultant restrictions, albeit localised, lowered the recovery pace during the first quarter of the financial year under review. After a de-growth of 6.6% in FY2020-21, the Indian economy reported a growth of 8.7%. The easing of COVID-related restrictions, accelerated vaccination campaign, and a strong policy response from the Government of India and the reserve bank were critical in ensuring this recovery. The RBI continued to maintain an accommodative stance throughout the year, aiding the recovery process. However, the growth stunted towards the second half of the year, largely driven by the global supply chain disruptions and an inflationary environment, driven by the steep increase in crude and other commodity prices.

Outlook

As per the latest estimates by CRISIL, India's Gross Domestic Product ('GDP') is expected to report a growth of 7.3% in FY 2022-23, in line with the RBI's expectation of 7.2% Real Growth. This growth is despite private consumption and investment being impacted by higher oil and commodity prices, elevated freight prices, and drag on exports with lower global growth projections. The growth projections face downsides risks emanating from the increased duration of the war as well as growing inflation.

7.3%
**India's Projected GDP
growth in FY 2023**

Monthly CPI Inflation rate (%)



Source: RBI

2. Industry review

2.1 Financial services industry

India has a diversified financial sector consisting of commercial banks, insurance companies, non-banking financial companies, housing finance companies, co-operatives, pension funds, mutual funds, and other smaller financial entities. The financial services industry plays an important role in ensuring the efficiency of capital allocation and driving high-return investments. In addition, the industry plays an important role in enabling more people to have access to capital. Financial inclusion driven by RBI has expanded the target market to semi-urban and rural areas. NBFCs especially those catering to the urban and rural poor namely NBFC-MFIs and Asset Finance Companies have a complementary role in the financial inclusion agenda of the country. The financial services sector is expected to rapidly grow this decade driven by rising incomes and heightened government focus on financial inclusion and digital adoption – India’s digital payments could pass \$1 trillion by 2030.

Growth Drivers:

- Shift to better financial asset class by investors
Important drivers of growth in the financial sector can be attributed to the rise in the personal wealth of the average Indian. According to new world wealth, the total private wealth of India stood at ₹8,893 billion and there were 357,000 HNIs in 2022¹. Given India’s status as the fastest growing major economy in the world, the creation of new wealth is expected to rise the demand for more and better financial services.
- Rise of technology
The integration of technology with the operations of finance has been an important driver in increasing

the reach of financial services. In addition, the Indian government’s policy initiatives such as Jan Dhan Yojna and the integration of PAN and Aadhar are expected to further increase the share of savings in financial assets.

Union Budget 2021-22 highlights

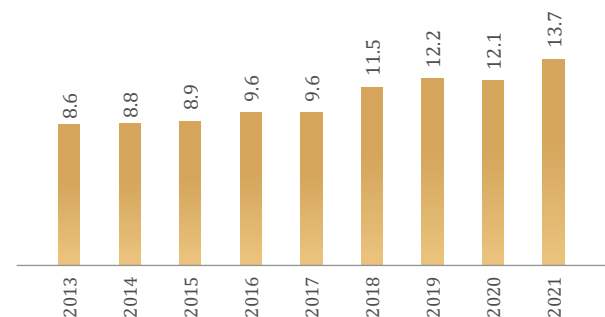
The recent Union budget 2021-22 gave a boost to the financial services industry by:

- Privatisation of PSBs and government insurance companies and allowing greater FDI in insurance.
- Bolstering of Asset Reconstruction Company (ARC) set-up to reduce NPAs in India.
- Increased Capex at a y-o-y rate of 35.4% to crowd in private capital.

2.2 NBFC Sector

Non-banking financial companies (NBFCs) are a crucial component of the Indian finance industry and serve the financial needs of less-banked population such as the unorganised section such as the micro, small and medium enterprises (MSMEs). NBFCs enjoy a competitive edge in their superior understanding of regional dynamics, well-developed collection systems, and personalised services in the drive to expand financial inclusion in India. Lower transaction costs, quick decision-making, customer orientation, and prompt provision of services have typically differentiated NBFCs from banks. As a result, over the last decade, the NBFCs have become an increasingly important part of the Indian financial services sector. According to the RBI, NBFCs have slowly, but steadily increased their credit to GDP ratio from 8.6% in 2013 to reach 13.7% in 2021.

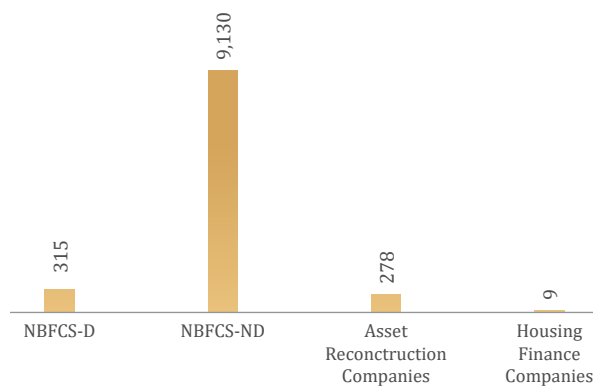
NBFCs Credit to GDP Ratio, 2013-2021



¹ https://www.business-standard.com/article/economy-policy/india-to-be-fastest-growing-wealth-market-in-producing-high-net-worth-individuals-over-next-decade-henley-forecast-122061300513_1.html

The NBFCs are tightly regulated by the RBI, with regulatory guidelines mandating that operating NBFCs have minimum net owned funds of ₹2 crore. In terms of ownership, the dominant form of NBFCs in terms of liability structure was NBFCs-ND in comparison to other forms of ownership. Out of a total 9733 NBFCs in 2021, 9.7% had an asset size of ~₹100 crore .

Types of NBFCs registered with RBI, as on 31st January, 2022

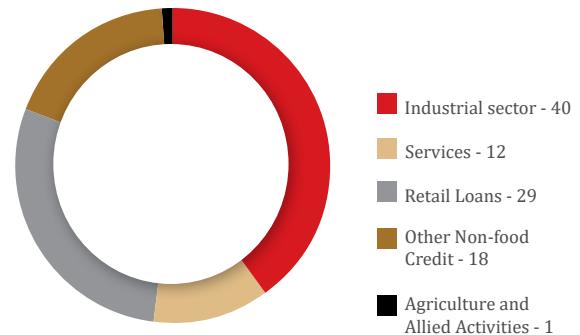


Source: RBI. NBFCs-ND stands for non-deposit taking NBFCs and NBFCs-D stands for deposit taking NBFCs.

The industrial sector is the largest recipient of credit extended by the NBFC sector, followed by retail loans and services. Within the industrial sector, large enterprises constitute the largest category where NBFCs have distributed credit, followed by micro and small enterprises and medium enterprises. Vehicle

loans constitute the dominant form of retail loans given by NBFCs and commercial loans constitute the dominant form of credit given to services.

Distribution of NBFC Credit, September 2021



Source: RBI

During the year, profitability indicators such as return on equity (RoE) and Net interest margin (NIM) reflect challenges in the NBFC sector. RoE and NIM, both, declined to 5.3% and 5.7%, respectively, during 2020-21 because of pandemic-induced slowdown, which impacted the informal economy more than the formal economy. However, the NBFC sector registered an improvement in asset quality during the year. This shows the resilience of the sector to headwinds in the operating environment. Based on the duration for which an asset remains non-performing, NPAs can be categorised into sub-standard, doubtful, and loss assets.

SWOT analysis of NBFC sector

Strength	Weaknesses
<p>Diversification</p> <p>NBFCs offer a wide range of financial products and services including personal loans, commercial vehicle finance, housing loans, infrastructure finance, gold loans, microfinance, money transfer, insurance, education funding, and many more customised finance solutions. The diversity of products and services offered enables them to focus on under-served populations of the economy, and create a niche market for themselves.</p> <p>Technology Adoption</p> <p>The recent few years have seen the emergence of integration of the NBFCs business operations with technology, to bring in productivity and efficiency. This enables companies operating in this space to offer simple, efficient, and cost-effective services such as credit score calculation, customer onboarding, loan disbursement, and collection among others.</p>	<p>Regulatory restrictions</p> <p>The informal nature of the NBFC sector increases its regulatory risk. One of the ways this increased regulatory risk can be observed is the frequency of regulatory changes brought in by the RBI. For example, on April 19 2022, RBI issued guidelines for loans and advances by NBFCs and the disclosures they are required to make under a scale-based regulatory framework. A consequence of frequent regulatory changes are compliance costs that are borne by individual NBFCs, which reduces their ability to be competitive and protect their margins.</p>

Opportunity

- Increased penetration in the MSME segment with better integration of technology into business models
- Synergistic alliance with FinTech to increase market penetration.
- Development of more sophisticated financial products and services to serve the needs of the customer.
- Tapping into the fast-growing e-commerce segment
- Diversify assets by targeting new profitable segments and developing the capabilities required to serve the segments.
- A new wave of entrepreneurship creating a new demand for capital and financial services from NBFCs

Threats

- High cost of funds
- Inferior credit profile of borrowers
- Restrictions on deposit-taking NBFCs

2.3 Gold market

According to the World Gold Council, Indian households have US\$1.5tn of gold, of which only 10% is used for financing. During the year, the gold market saw significant volatility in spot prices of gold, because of the persistent business shocks in the global economy, which made investors deal with an uncertain business environment. While the start of the year was relatively stable after COVID-related business risks had been sufficiently dealt with by Governments across the world with a global push for vaccination. The second half of the year saw one of the highest rallies of the year, with fresh concerns about inflation, rising interest rates, and geopolitical conflicts. The onset of the Ukraine-Russia conflict set off new waves of uncertainty and fears of a global economic slowdown, which triggered a bull run on the spot prices of gold.

Gold Spot Prices, April 21-March 22 (₹)

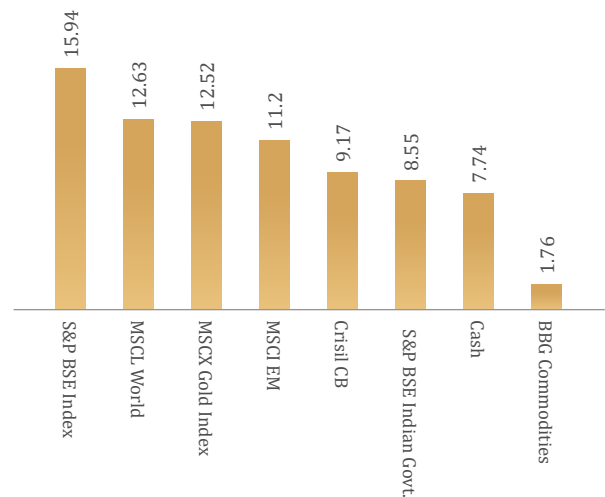


Source: World Gold Council

Why invest in Gold? – Gold as an investment

- Gold has outperformed most broad-based portfolio components over the past two decades

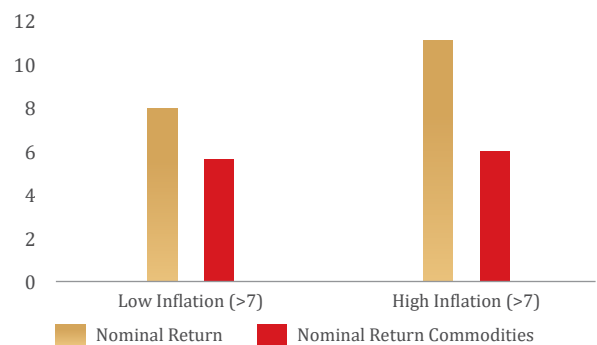
Average Annual Return of various indexes over the last two decades (%)



Source: ICE Benchmark Administration, World Gold Council

- Gold historically rallies in periods of high inflation, and outperforms broad-based commodities

Average Annual Return – Comparison between Gold and commodities (%)



Sources: Bloomberg, ICE Benchmark Administration, World Gold Council

Returns Diversification Liquidity Portfolio Performance



Culture significance of Gold in India

Gold has a unique place in the social fabric of India. It is regarded as an item of value with a life of its own. Beyond being a symbol of wealth and status, gold is part of worship and culture -- a tradition that goes back thousands of years.'

Religious connotations: Gold is an integral part of religious ceremonies in India, regardless of religion and is considered a prominent asset across all major religions in the country.

Family heirloom: Gold jewellery and ornaments are passed on from generation to generation, in a bid to keep family legacy alive. It is common for most households to pass on jewellery from a mother to a bride in weddings, irrespective of facts like change in design trends or value. Gold is an extremely sentimental part of certain traditions and continues to remain a cherished heirloom. Passing gold from one generation to another also helps people save money on gold.

Golden gifts: Gifting gold is considered auspicious in India, with gold gifts forming an integral part of all ceremonies. It is common to gift gold during weddings. In addition, gifts of gold are common for birthdays and child births even in smaller towns.

Status symbol: Ownership of gold is considered a status symbol, because of its historical importance across all strata's of Indian society

2.3.1 India's gold jewellery market

According to ICRA, India's gold jewellery demand reported strong growth of 25% during FY2022, despite a steep increase in gold prices. Gold consumption in FY2022 was spurred by pent-up demand in the second quarter and robust demand reported during the festive and wedding seasons. Further, the demand for gold jewellery in the fourth quarter also remained buoyant driven by limited impact of the third wave on store operations.

The report further expects a steady 11% growth in gold jewellery demand on FY2023 despite a higher base, driven by a robust wedding season, and festive purchases, given Indian consumer's strong cultural affinity towards gold.

Annual jewellery consumption

	CY 2021	CY 2020	Growth
World	2123.6	1401.1	52%
India	610.9	315.9	93%

(Source: Gold Org)

2.2.1 Organised gold loan market

The Indian gold loan market is divided into two segments – organised and unorganised. The organised gold loan market includes banks, NBFCs, and Nidhi companies, while the unorganised gold loan segment comprises individuals who provide secured loans to borrowers by keeping gold as collateral.

According to the national household survey of gold consumption by India Gold Policy Centre (IGPC), more than 75% of Indian households own gold in one form or another. In addition, the majority of the gold consumption is concentrated among middle-income households, with 56% of total market demand²

Prominent features of gold loans³

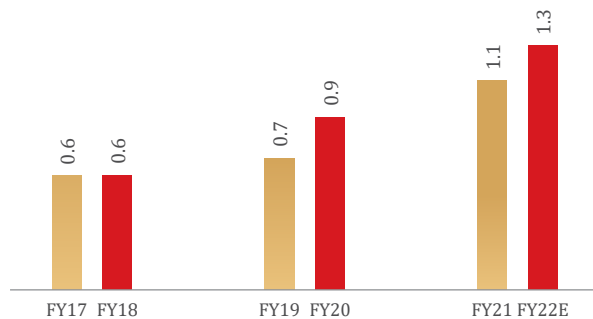
- **Secured:** Loans are borrowed against the gold deposited by the applicant.
- **Low disbursement times:** NBFCs and the unorganised sector disburse loans at a much faster pace as compared with other sources which may take more time.
- **Loan-to-value (LTV) ratios:** According to RBI guidelines, loans against gold ornaments have a maximum LTV ratio of 75%.
- **Tenure:** There is no minimum period for the loan and, if need be, one can return the loan amount the very next day. The average tenure of the loan is about 90 to 100 days. The tenure would normally do not exceed 1 year
- **Varied interest rates:** The interest rate depends on the tenure and amount of loan. It varies from 12% to 18% in the case of banks, while for NBFCs, it could reach 24%. The interest rates charged in the unorganised sector are much higher and can range from 30% to 50%. Reasonable rates of interest are especially applied if the loan to value (LTV) does not exceed 50-60%.
- **Multiple repayment options:** Repayment can be structured with the interest amount and principal being repaid at the end of the period in one lump sum. Repayment through EMI, covering interest as well as principal, is also another frequently used option.

²<https://economictimes.indiatimes.com/industry/cons-products/fashion/-/cosmetics/-/jewellery/middle-income-households-buy-56-of-indias-gold/articleshow/90807417.cms?from=mdr>

³https://www.researchgate.net/publication/361304101_Gold_Loan_Buzz_A_Critical_Analysis_of_Gold_Loan_Business_in_the_Current_Scenario

The gold loan industry is increasingly becoming significant in India, with a steady rise in AUM of gold loan NBFCs⁴. The flexibility of NBFCs coupled with the average Indian's preferences for gold is an important driver in the gold loan market. According to the RBI, the value of outstanding gold loans by banks jumped 33% between January 2021 and January 2022 to ₹69,521 crore⁵. The jump in gold loans is being seen across specialised NBFCs as well as banks. The competitive advantages of NBFCs, inflationary pressures, and consumer preferences are some of the factors which are expected to be drivers of growth for specialised NBFCs operating in the gold loan market in FY23 and FY24, and as a result, the gold loan market is expected to become even more important in the future.

AUM of gold-loan NBFCs (₹ Lakh Crore)



Source: CRISIL

Key advantages of specialised NBFCs in the gold loan market

- Enhanced capabilities across faster loan processing, accurate gold valuation, safekeeping, and auctioning
- Relatively small ticket size, secure nature of business, and wide variety of products, leading to minimal credit cost and stable growth
- As a trusted pan-India brand in the gold loan space, Muthoot Finance is revolutionising India's gold banking sector and empowering people across the social pyramid. Inspired by a rich legacy that goes back several generations and strategised by our committed team

- Deeper penetration into semi-urban and rural areas, bringing more of the underserved into the formal banking fold of 26,000+ employees to serve 200,000+ customers every day, through 4,600+ branches.
- Flexible repayment options that suit different borrower requirements
- Proactive marketing, branding, and geographic expansion that help capture new-to-market customers

Technology disrupting the Indian gold loan sector

Digitisation and innovative technologies are leading to unprecedented disruption in the entire banking and finance sector including the gold loan sector. The gold loan business in the country has undergone a massive transformation with enhanced use of technology for faster loan processing, accurate gold valuation, safekeeping, auctions, and cost-cutting. Customers are required to visit only to deposit the physical gold.

3. Company review

Muthoot Finance Limited (MFL) is the flagship company of the Kerala-based business house, The Muthoot Group, which has diversified operations in financial services, healthcare, education, and hospitality. MFL was incorporated in 1997 and is India's largest gold loan focussed NBFC with total loan assets (standalone) of ₹ 580,532 million and 4,617 branches as on 31st March 2022.

Muthoot Finance is revolutionising India's gold banking sector and empowering people across the social pyramid. Inspired by a rich legacy that goes back several generations, our team of 26,000+ employees serve 200,000+ customers every day.

SCOT analysis

Strengths

- **Strong Core Loan Portfolio:** Our gold loan portfolio is optimised by having a varied borrowed profile. The diversification of our gold loan portfolio allows the possibility of loss in the event of a loan default by customers, the gold collateral can be liquidated with relative ease and minimum loss. This allows us to consistently generate strong cash flows which strengthens our balance sheet.

⁴https://www.researchgate.net/publication/361304101_Gold_Loan_Buzz_A_Critical_Analysis_of_Gold_Loan_Business_in_the_Current_Scenario

⁵<https://www.financialexpress.com/industry/banking-finance/safer-avenues-of-credit-growth-banks-turn-big-players-in-gold-loan/2449336/>



- **Long-standing leadership:** Our position as an industry leader in the retail financial services business owing to our large geographic footprint, committed workforce, and customer-centricity.
- **Smart financial management:** Our prudent financial management teams allow us to have a competitive advantage over our competitors, which allows us flexibility in offering different services on attractive terms.
- **Smart solution:** Our commitment to offering a seamless and better customer experience allows us to maintain long-term relationships with them.
- **Excellent product mix:** Our unmatched combination of products based on customer needs to help us to maintain our leadership position. We offer attractive rates which allow us to attract new customers and retain our existing customers.
- **Brand legacy:** Our distinctive product offerings and the strategic market has allowed us to build a strong brand with high recall value among customers.

Challenges

- **Storage:** Gold must be always handled with caution during the loan's life cycle due to its low quantity vs high value. Employees must be trained on how to recognise the possibility of theft and other fraudulent behaviours, as well as the procedures to be complied with to prevent them.
- **Operating expenses:** Providing secure storage hubs at each branch costs and reduces operating revenues at the branch level. There are also costs associated with strong electronic monitoring and cybersecurity protocols to protect client data.

Opportunity

- **Digital services:** The shift in consumer preferences to a more experience-based mode of consumption opens up the possibility of value creation for our customers through creating a seamless experience
- **Technology adoption:** The emergence of the possibility of integration of technology into our business operations to provide innovative solutions.

Threats

- **Increased competition and alternative products:** Our competition lies with other gold loan lenders as well as with other financial services providers in unsecured loans segment– providing the customers the option of availing funds without providing any collateral.

4. Operational review

Please see Page 50 of the Annual report for details on operational highlights.

5. Financial review

Gross Loans under management

We achieved a gross loan assets under management of ₹580,532 million in FY22 at a y-o-y rate of 10% compared to ₹526,223 million in the previous year.

Gold Loan Assets under management

We achieved a gold loan assets under management of ₹575 billions at a y-o-y rate of 11% in FY22 compared to ₹519 billion in the previous year.

Revenue

Our total income grew by 5% y-o-y to reach ₹110,984 million in FY22 compared to ₹105,744 million in the previous year.

Profit before tax

We achieved PBT of ₹53,094 million in FY22 compared to ₹50,065 million in the previous year at a y-o-y rate of 6%.

Profit after tax

We achieved PAT of ₹39,543 million in FY22 compared to ₹37,222 million in the previous year at a y-o-y rate of 6%.

Capital Adequacy Ratio (CAR)

We were able to maintain our capital adequacy ratio well above the statutory requirement and achieved a CRAR of 29.97% in FY22 compared to 27.39% in the previous year. Our CRAR for tier I assets stood at 29.10% in FY22 compared to 26.31% in the previous year. Our CRAR for tier II assets fell from 1.08% to 0.87% in FY22.

Earnings per Share (EPS)

We recorded an increase in our EPS at a y-o-y rate of 6.21% and it stood at ₹98.55 in FY22 compared to ₹92.79 in the previous year.

6. 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.

7. Human Resources

Please see Page 52 of the Annual report for details on people practices.

8. 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.

9. 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.



KSR/CBE/M154/590/2022-23

The Members,
Muthoot Finance Limited
Muthoot Chambers, Opposite Saritha Theatre Complex,
2nd Floor, Banerji Road,
Kochi – 682 018

Our **Secretarial Audit Report** of even date is to be read along with this letter.

1. Maintenance of secretarial records 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. Due threat of infection arising out of COVID-19 pandemic, we had to conduct 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 all 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 on the statutory compliances on laws / regulations / guidelines listed in our report and the same pertain to the financial year ended on 31st March, 2022. Our reporting does not include any statutory compliances whose dates are extended by Ministry of Corporate Affairs / SEBI / RBI, as the case may be, from time to time and accordingly such extended time limits remain beyond the date of our audit report.
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. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events or transactions.
6. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
7. 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. Further, compliance of the Act, Regulations, Directions listed under Para (vi) of the report is limited to issue of securities, corporate governance aspects and filing of forms and returns there under.
8. 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.

Place: Coimbatore
Date: August 02, 2022

For KSR & Co Company Secretaries LLP

Dr. K. S. Ravichandran

Managing Partner

(FCS: 11684; CP: 11367)

UDIN: F003675D000728586

ANNEXURE- 8

SECRETARIAL AUDIT REPORT

(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

For the Financial Year ended 31st March, 2022

To,
The Members,
Muthoot Finance Limited
Muthoot Chambers, Opposite Saritha Theatre Complex,
2nd Floor, Banerji Road,
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, 2022 in a manner that provided us reasonable basis for evaluating the corporate conduct / statutory compliances and expressing our opinion thereon.

On the basis of the above and on 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, 2022 according to the provisions of:

- (i) The Companies Act, 2013 and the Rules made there under.
- (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. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
 - 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 following laws, regulations, directions, orders applicable specifically to the Company:
 - 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.
 - 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.



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

- (i) Secretarial Standards 1 & 2 issued by The Institute of Company Secretaries of India.
- (ii) 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.

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 exist 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 did not find any dissenting directors' views recorded 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 ₹ 15,318 million from private placement of Non-Convertible Debentures during the financial year.
- (b) The Company had raised a sum of ₹ 17,000 million from from public issue of Non-Convertible Debentures during the financial year.

For KSR & Co Company Secretaries LLP

Sd/-

Dr. K. S. Ravichandran

Managing Partner

(FCS:11684; CP:11367)

Place: Coimbatore

Date: August 02, 2022

UDIN: F003675D000728586

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 2021-22 ; the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2021-22;

Sl. No.	Name of Director and KMP	Designation	% increase in remuneration during year 2021-22	Ratio of Remuneration of each Director to median remuneration of employees of the company
1	George Jacob Muthoot	Chairman & Whole Time Director	12%	819:1
2	George Thomas Muthoot	Whole Time Director	12%	819:1
3	George Alexander Muthoot	Managing Director	12%	819:1
4	Alexander George	Whole Time Director	157%	819:1
5	George Muthoot George ⁽¹⁾	Whole Time Director	Not comparable	22:1
6	George Muthoot Jacob ⁽¹⁾	Whole Time Director	Not comparable	22:1
7	George Alexander ⁽¹⁾	Whole Time Director	Not comparable	22:1
8	Jose Mathew	Independent Director	1%	9:1
9	Jacob Benjamin Koshy	Independent Director	6%	8:1
10	Ravindra Pisharody	Independent Director	11%	8:1
11	Pratip Chaudhuri	Independent Director	9%	7:1
12	V A George	Independent Director	6%	9:1
13	Usha Sunny	Independent Director	259%	8:1
14	Abraham Chacko ⁽²⁾	Independent Director	Not comparable	4:1
15	Oommen K Mammen	Chief Financial Officer	(1%)	Not applicable
16	Rajesh A	Company Secretary	32%	Not applicable

⁽¹⁾ Appointed as Whole-time Directors with effect from December 15, 2021

⁽²⁾ Appointed as Independent Director with effect from September 18, 2021

- b) the percentage increase in the median remuneration of employees in the financial year 2021-22: (3.06%)
- c) The number of permanent employees on the rolls of company as on March 31, 2022: 26,716
- 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 decreased by 4.06%. The total managerial remuneration for the Financial Year 2021-22 was ₹ 828.85 millions as against ₹ 805.23 millions during the previous year, an increase of 2.93%. The increase in managerial remuneration is on account of 2.74% 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 10% reaching an all-time high of ₹ 580,532 millions. Profit after tax increased by 6% at a record level of ₹ 39,543 millions. Hence the Board considered increasing variable Annual Performance Incentive of Managing Director and three Whole-Time Directors cumulatively from ₹ 546.76 millions (including commission on net profit) to ₹ 551.91 millions due to exceptional performance of the Company during the year. Commission to Non-Executive Directors were also increased by 13% 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.

Sd/-

George Jacob Muthoot

Chairman & Whole Time Director

Place: Kochi,

Date: August 06, 2022

Sd/-

George Alexander Muthoot

Managing Director

**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 31.03.2022	Maximum Amount Outstanding during the year
(A)	To Subsidiaries	480	2,230
(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:**

₹ in millions, except for share data and unless otherwise stated

Particulars	George Thomas Muthoot	George Jacob Muthoot
	Year Ended March 31, 2022	Year Ended March 31, 2022
Interest paid on Borrowings	194.80	190.11
Directors Remuneration	199.93	199.93
Loans accepted	1,627.60	1,631.29
Loans repaid	2,039.67	1,997.77
Purchase of Listed NCDs of the Company	542.00	542.00
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, 2022	As at March 31, 2022
NCDs - Listed	(742.00)	(742.00)
Borrowings	(1,239.41)	(1,207.02)
Directors Remuneration Payable	(64.66)	(64.66)

Sd/-

George Jacob Muthoot

Chairman & Whole Time Director

Place: Kochi,

Date: August 06, 2022

Sd/-

George Alexander Muthoot

Managing Director

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, 2022, 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, 2022, 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. 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 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 Indian Accounting Standards, 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, Board's Report, Management Discussion and Analysis Report, Business Responsibility Report and Report on Corporate Governance in the Annual Report of the Company for the financial year 2021-22, 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 compiled 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, 2022 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/MIS, 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, 2022, taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2022, from being appointed as a director in terms of section 164(2) of the Act;
- 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) Amendment Rules, 2021;
 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.

For Elias George & Co.,

Chartered Accountants
Firm Regn. No. 000801S

Thomson Thomas

Partner
Membership No: 025567
UDIN: 22025567AJQJZI7055

May 26, 2022
Kochi

For Babu A. Kallivayalil & Co.,

Chartered Accountants
Firm Regn. No. 005374S

Babu Abraham Kallivayalil

Partner
Membership No: 026973
UDIN: 22026973AJQKNM7178

May 26, 2022
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, 2022

- 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-
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-

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.	6,94,456.00	Late. M G George	Promoter	From 01/04/2004	-do-
7	Office space No: 106/107 in "Navaketha Secunderabad", 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-
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, 2022, 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(I) 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 section 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, 2022, 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, 2022, 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, 2022:

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
-do-	-do-	106.93	AY 2012-13	Application for rectification pending before assessing officer
-do-	-do	2.58	AY 2014-15	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 ₹ 13.30 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. As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- 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

For Elias George & Co.,
Chartered Accountants
Firm Regn. No. 000801S

Thomson Thomas
Partner
Membership No: 025567
UDIN: 22025567AJQJZ17055

May 26, 2022
Kochi

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. The previous statutory auditors of the Company have resigned with effect from November 10, 2021, pursuant to the requirements of RBI circular on Guidelines for Appointment of Statutory Central Auditors (SCAs)/ Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) dated April 27, 2021 and hence there are no issues, objections or concerns raised by the outgoing auditors.
- 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 explanations given to us and based on our examination of the records of the Company, the Company has transferred unspent amount under sub section 5 of section 135 of the Companies Act, pursuant to ongoing projects to a special account in compliance with the provision of section 135(6) of the Companies Act.

For Babu A. Kallivayalil & Co.,
Chartered Accountants
Firm Regn. No. 005374S

Babu Abraham Kallivayalil
Partner
Membership No: 026973
UDIN: 22026973AJQKNM7178

May 26, 2022
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, 2022

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, 2022, 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, 2022, 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



- 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

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 Elias George & Co.,

Chartered Accountants
Firm Regn. No. 000801S

Thomson Thomas

Partner
Membership No: 025567
UDIN: 22025567AJQJZI7055

May 26, 2022
Kochi

For Babu A. Kallivayalil & Co.,

Chartered Accountants
Firm Regn. No. 005374S

Babu Abraham Kallivayalil

Partner
Membership No: 026973
UDIN: 22026973AJQKNM7178

May 26, 2022
Kochi

BALANCE SHEET

as at March 31, 2022

(₹ in millions, except for share data and unless otherwise stated)

Particulars	Notes	As at	
		March 31, 2022	March 31, 2021
I. ASSETS			
1 Financial assets			
a) Cash and cash equivalents	5	91,785.15	71,166.99
b) Bank Balance other than (a) above	5	643.98	731.22
c) Derivative financial instruments	6	605.01	153.64
d) Receivables	7		
(I) Trade receivables		21.44	34.73
(II) Other receivables		-	-
e) Loans	8	5,93,842.34	5,40,633.91
f) Investments	9	13,204.83	15,902.83
g) Other financial assets	10	1,224.98	2,099.08
2 Non-financial Assets			
a) Deferred tax assets (net)	32	485.45	286.47
b) Property, Plant and Equipment	11	2,636.92	2,415.84
c) Capital work-in-progress	11	456.48	384.77
d) Other intangible assets	12	37.36	53.58
e) Other non-financial assets	13	602.94	786.18
Total Assets		7,05,546.88	6,34,649.24
II. LIABILITIES AND EQUITY			
LIABILITIES			
1 Financial Liabilities			
a) Derivative financial instruments	6	4,797.97	3,305.19
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		1,511.58	2,017.11
(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		-	-
c) Debt securities	15	1,24,978.88	1,37,960.58
d) Borrowings (other than debt securities)	16	3,71,709.88	3,19,405.81
e) Subordinated liabilities	17	1,423.74	2,096.37
f) Other financial liabilities	18	11,782.01	12,135.14
2 Non-financial Liabilities			
a) Current tax liabilities (net)		1,353.28	1,282.41
b) Provisions	19	3,598.35	3,626.02
c) Deferred tax liabilities (net)	32	-	-
d) Other non-financial liabilities	20	945.47	431.68
EQUITY			
a) Equity share capital	21	4,013.45	4,011.96
b) Other equity	22	1,79,432.27	1,48,376.97
Total Liabilities and Equity		7,05,546.88	6,34,649.24

Notes on accounts form part of standalone financial statements
As per our report of even date attached

For Elias George & Co.
(FRN : 000801S)

Sd/-
Thomson Thomas
Partner
Chartered Accountants
Membership No. 025567

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 26, 2022

Place: Kochi
Date: May 26, 2022



STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2022

(₹ in millions, except for share data and unless otherwise stated)

Particulars	Notes	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from operations			
(i) Interest income	23	1,09,560.28	1,03,285.29
(ii) Dividend income		7.88	15.76
(iii) Net gain on fair value changes	24	473.93	1,595.22
(iv) Sales of services	25	139.69	121.23
(v) Service charges		641.46	554.62
(I) Total Revenue from operations		1,10,823.24	1,05,572.12
(II) Other Income	26	160.69	171.47
(III) Total Income (I + II)		1,10,983.93	1,05,743.59
Expenses			
(i) Finance costs	27	38,357.62	36,924.41
(ii) Impairment on financial instruments	28	1,270.47	949.77
(iii) Employee benefits expenses	29	10,302.16	10,062.50
(iv) Depreciation, amortization and impairment	30	539.14	507.12
(v) Other expenses	31	7,421.00	7,234.66
(IV) Total Expenses (IV)		57,890.39	55,678.46
(V) Profit before tax (III- IV)		53,093.54	50,065.13
(VI) Tax Expense:	32		
(1) Current tax		13,586.13	12,959.39
(2) Deferred tax		(35.63)	(116.04)
(3) Taxes relating to prior years		-	-
(VII) Profit for the year (V- VI)		39,543.04	37,221.78
(VIII) Other Comprehensive Income			
A) (i) Items that will not be reclassified to profit or loss			
- Remeasurement of defined benefit plans		23.86	70.52
- Fair value changes on equity instruments through other comprehensive income		61.51	375.81
- Changes in value of forward element of forward contract		(670.21)	(553.14)
(ii) Income tax relating to items that will not be reclassified to profit or loss		147.19	26.88
Subtotal (A)		(437.65)	(79.93)
B) (i) Items that will be reclassified to profit or loss			
- Effective portion of gain/(loss) on hedging instruments in cash flow hedges		(40.34)	(658.81)
(ii) Income tax relating to items that will be reclassified to profit or loss		10.15	165.81
Subtotal (B)		(30.19)	(493.00)
Other Comprehensive Income (A + B) (VIII)		(467.84)	(572.93)
(IX) Total comprehensive income for the year (VII+VIII)		39,075.20	36,648.85
(X) Earnings per equity share	33		
(Face value of ₹10/- each)			
Basic (₹)		98.55	92.79
Diluted (₹)		98.50	92.71

Notes on accounts form part of standalone financial statements
As per our report of even date attached

For Elias George & Co.
(FRN : 000801S)

Sd/-
Thomson Thomas
Partner
Chartered Accountants
Membership No. 025567

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 26, 2022

Place: Kochi
Date: May 26, 2022

STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2022

(₹ 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, 2020	40,10,37,326	4,010.37
Shares issued in exercise of Employee Stock Options during the year	1,58,530	1.59
As at March 31, 2021	40,11,95,856	4,011.96
Shares issued in exercise of Employee Stock Options during the year	1,49,410	1.49
As at March 31, 2022	40,13,45,266	4,013.45

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	Equity instruments through Comprehensive Income	Effective portion of Cash Flow Hedges	Cost of Hedging Reserve	Other Items of Comprehensive Income (Remeasurement of defined benefit plans)	
Balance as at April 01, 2020	26,075.93	14,968.79	35,123.97	2,676.33	132.29	31,971.63	191.81	319.05	257.18	(9.22)	1,11,707.76
Interim Dividend for 2018-19	-	-	-	-	-	-	-	-	-	-	-
Interim Dividend for 2019-20	-	-	-	-	-	-	-	-	-	-	-
Tax on dividend	-	-	-	-	-	-	-	-	-	-	-
Transfer to/from retained earnings	7,444.36	-	-	-	-	(7,444.36)	-	-	-	-	-
Profit for the year after income tax	-	-	-	-	-	37,221.78	-	-	-	-	37,221.78
Share based payment expenses	-	-	-	-	14.04	-	-	-	-	-	14.04
Share option exercised during the year	-	47.65	-	-	(41.33)	-	-	-	-	-	6.32
Other Comprehensive Income (OCI) for the year before income tax	-	-	-	-	-	-	375.81	(658.81)	(553.14)	70.52	(765.62)
Income Tax on OCI	-	-	-	-	-	-	(94.58)	165.81	139.21	(17.75)	192.70
Balance as at March 31, 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	1,48,376.97
Interim Dividend for 2020-21	-	-	-	-	-	(8,023.92)	-	-	-	-	(8,023.92)
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)

STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2022

(₹ 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		Other Items of Other Comprehensive Income (Remeasurement of defined benefit plans)
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	(204.14)	(658.28)	61.40	1,79,432.27	

Notes on accounts form part of standalone financial statements
As per our report of even date attached

For Elias George & Co.
(FRN : 000801S)

Sd/-
Thomson Thomas
Partner
Chartered Accountants
Membership No. 025567

For Babu A. Kallivayalil & Co.
(FRN : 005374S)

Sd/-
Babu Abraham Kallivayalil
Partner
Chartered Accountants
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For and on behalf of the Board of Directors

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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 26, 2022

Place: Kochi
Date: May 26, 2022

CASH FLOW STATEMENT

for the year ended March 31, 2022

(₹ in millions, except for share data and unless otherwise stated)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
A. Cash flow from Operating activities		
Profit before tax	53,093.54	50,065.13
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation, amortisation and impairment	539.14	507.12
Impairment on financial instruments	1,270.47	949.77
Finance cost	38,357.62	36,924.41
(Profit)/Loss on sale of mutual funds	(445.03)	(1,595.21)
(Profit)/Loss on sale of investments at amortised cost	(28.90)	-
(Profit)/Loss on sale of Property, plant and equipment	(14.70)	(8.70)
Provision for Gratuity	152.12	145.64
Provision for Compensated absences	(32.34)	17.12
Provision for unspent expenditure on Corporate Social Responsibility	66.83	120.49
Provision for Employee benefit expense - Share based payments for employees	(1.98)	14.04
Provision for refund of interest on interest	4.55	19.00
Interest income on investments	(1,495.96)	(868.56)
Dividend income	(7.88)	(15.76)
Unrealised gain on investment	-	-
Operating Profit Before Working Capital Changes	91,457.48	86,274.49
Adjustments for:		
(Increase)/Decrease in Trade receivables	13.28	12.58
(Increase)/Decrease in Bank balances other than cash and cash equivalents	87.24	628.53
(Increase)/Decrease in Loans	(53,854.40)	(1,16,183.93)
(Increase)/Decrease in Other financial assets	37.74	(232.08)
(Increase)/Decrease in Other non-financial assets	95.14	(91.42)
Increase/(Decrease) in Other financial liabilities	(88.22)	2.89
Increase/(Decrease) in Other non-financial liabilities	513.78	110.36
Increase/(Decrease) in Trade payables	(505.53)	(167.87)
Increase/(Decrease) in Provisions	(214.59)	(201.60)
Cash generated from/ (used in) operations	37,541.92	(29,848.05)
Finance cost paid	(35,436.02)	(32,440.85)
Income tax paid	(13,521.26)	(12,476.27)
Net cash from / (used in) operating activities	(11,415.36)	(74,765.17)
B. Cash flow from Investing activities		
Purchase of Property, plant and equipment and intangible assets (Including Capital work in progress)	(735.73)	(849.13)
Proceeds from sale of Property, plant and equipment	22.81	14.71
(Increase)/Decrease in Investment in mutual funds (Net)	445.03	5,662.20
(Increase)/Decrease in Investments at amortised cost	3,400.63	(5,172.59)
Investments in unquoted equity shares	-	-
Investment in Equity shares of subsidiary	(480.00)	-
Investment in Preference shares of subsidiary	(145.96)	-
Acquisition of shares in subsidiaries	-	-
Investments in quoted equity shares	-	-
Interest received on investments	1,561.66	804.75
Dividend income	7.88	15.76
Net cash from / (used in) investing activities	4,076.32	475.70



CASH FLOW STATEMENT

for the year ended March 31, 2022

(₹ in millions, except for share data and unless otherwise stated)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
C. Cash flow from Financing activities		
Proceeds from issue of equity share capital	7.47	7.92
Increase / (Decrease) in Debt securities	(13,062.49)	38,291.15
Increase / (Decrease) in Borrowings (other than Debt securities)	49,711.83	52,995.03
Increase / (Decrease) in Subordinated liabilities	(675.69)	(883.31)
Dividend paid	(8,023.92)	-
Net cash from / (used in) financing activities	27,957.20	90,410.79
D. Net increase/(decrease) in cash and cash equivalents (A+B+C)	20,618.16	16,121.32
Cash and cash equivalents at April 01, 2021/ April 01, 2020	71,166.99	55,045.67
Cash and cash equivalents at March 31, 2022/ March 31, 2021 (Refer note 5.1)	91,785.15	71,166.99

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/-
Thomson Thomas
Partner
Chartered Accountants
Membership No. 025567

Sd/-
Babu Abraham Kallivayalil
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Oommen K. Mammen
Chief Financial Officer

Sd/-
Rajesh A
Company Secretary

Place: Kochi
Date: May 26, 2022

Place: Kochi
Date: May 26, 2022

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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 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 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, 2022.

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.

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



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forming part of Financial Statements

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 parties 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 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

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forming part of Financial Statements

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 and, in the case of borrowings and payables, net of directly attributable transaction costs. 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 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 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 interest in transferred financial assets that is created or retained 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 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.



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forming part of Financial Statements

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 (SICR) 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.

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 in. 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,

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forming part of Financial Statements

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 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.

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



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forming part of Financial Statements

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 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 an original 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 an integral part of the Company'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 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.

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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.

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 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 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



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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, 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, 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



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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.

3.15. 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. 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 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.

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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 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 SPPI 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



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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.

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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(₹ in millions, except for share data and unless otherwise stated)

Note 5.1: Cash and cash equivalents

Particulars	As at March 31, 2022	As at March 31, 2021
Cash on hand	1,907.74	2,188.57
Balances with Banks		
- in current accounts	35,228.96	48,352.98
- in fixed deposit (maturing within a period of three months)	26,660.24	15,128.00
Investment in TREPS	27,988.21	5,497.44
Total	91,785.15	71,166.99

Note 5.2: Bank balance other than cash and cash equivalents

Particulars	As at March 31, 2022	As at March 31, 2021
Fixed deposits with bank (maturing after period of three months)	141.20	141.20
Fixed deposits with bank under lien (Refer Note 5.2.1)		
- Maturing within a period of three months	286.01	387.86
- Maturing after period of three months	65.27	69.32
Balance in other escrow accounts		
- Unpaid (Unclaimed) Dividend Account	8.60	7.76
- Unspent CSR expenditure account	66.83	-
- Unpaid (Unclaimed) interest and redemption proceeds of Non-Convertible debentures	76.07	125.08
Total	643.98	731.22

Note 5.2.1: Fixed deposits with banks under lien

Fixed Deposits with bank include fixed deposits given as security for borrowings ₹8.44 millions (March 31, 2021: ₹8.39 millions), fixed deposits given as security for guarantees ₹62.03 millions (March 31, 2021: ₹67.04 millions) and fixed deposits on which lien is marked for other purposes ₹280.81 millions (March 31, 2021: ₹381.75 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 ₹19.30 millions (March 31, 2021: ₹78.08 millions) disclosed separately under Other financial assets in Note 10. Details of such interest accrued is as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Fixed deposit and Investment in TREPS (maturing within a period of three months)	12.09	61.00
Fixed deposits with bank (maturing after period of three months)	2.49	2.61
Fixed deposits with bank under lien (maturing within a period of three months):		
- given as security for borrowings	0.13	0.22
- given as security for guarantees	0.22	0.24
- other purposes	0.35	12.24
Fixed deposits with bank under lien (maturing after period of three months):		
- given as security for borrowings	0.18	0.14
- given as security for guarantees	3.81	1.50
- other purposes	0.03	0.13
Total	19.30	78.08



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Note 6: Derivative Financial Instruments

Particulars	As at March 31, 2022				As at March 31, 2021			
	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	851.61	64,545.84	-	4,797.97	891.13	65,150.15	-	3,305.19
- Cross currency swaps	212.25	15,796.72	605.01	-	224.50	17,423.43	153.64	-
Total	1,063.86	80,342.56	605.01	4,797.97	1,115.63	82,573.58	153.64	3,305.19
Included in above are derivatives held for hedging and risk management purposes as follows:								
(i) Fair value hedging	-	-	-	-	-	-	-	-
(ii) Cash flow hedging:								
- Currency derivatives	1,063.86	80,342.56	605.01	4,797.97	1,115.63	82,573.58	153.64	3,305.19
(iii) Net investment hedging	-	-	-	-	-	-	-	-
(iv) Undesignated Derivatives	-	-	-	-	-	-	-	-
Total (i)+(ii)+(iii)+(iv)	1,063.86	80,342.56	605.01	4,797.97	1,115.63	82,573.58	153.64	3,305.19

The Company undertakes derivative transactions for hedging exposures relating to foreign currency borrowings. The management of foreign currency risk is detailed in Note 42.

Note 7: Receivables

Particulars	As at March 31, 2022	As at March 31, 2021
(I) Trade receivables		
a) Receivables considered good - Secured	-	-
b) Receivables considered good - Unsecured		
Receivables from Money Transfer business	19.00	33.65
Receivables from Power Generation - Wind Mill	2.44	1.08
c) Receivables which have significant increase in Credit Risk	-	-
d) Receivables - credit impaired	-	-
Total	21.44	34.73
(II) Other receivables	-	-
Less: Allowance for impairment loss	-	-
Total Net Receivable	21.44	34.73

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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7.1 Trade Receivables Ageing Schedule

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	-	-	-	-	-	-

Particulars	As at March 31,2021					
	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	34.73	-	-	-	-	34.73
(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

Particulars	As at March 31, 2022				As at March 31, 2021			
	At fair value		Designated at fair value through profit or loss		At fair value		Designated at fair value through profit or loss	
	Amortised cost	Through Other Comprehensive Income	Through profit or loss	Total	Amortised cost	Through Other Comprehensive Income	Through profit or loss	Total
(A)								
i) Gold Loan	5,95,873.38	-	-	5,95,873.38	5,39,972.55	-	-	5,39,972.55
ii) Personal Loan	3,206.26	-	-	3,206.26	3,443.52	-	-	3,443.52
iii) Corporate Loan	206.81	-	-	206.81	165.39	-	-	165.39
iv) Business Loan	1,058.57	-	-	1,058.57	804.84	-	-	804.84
v) Staff Loan	17.64	-	-	17.64	19.00	-	-	19.00
vi) Loans to subsidiaries	480.00	-	-	480.00	2,280.00	-	-	2,280.00
vii) Other Loans	218.59	-	-	218.59	206.10	-	-	206.10
Total (A) - Gross	6,01,061.25	-	-	6,01,061.25	5,46,891.40	-	-	5,46,891.40
Less: Impairment loss allowance	7,218.91	-	-	7,218.91	6,257.49	-	-	6,257.49
Total (A) - Net	5,93,842.34	-	-	5,93,842.34	5,40,633.91	-	-	5,40,633.91
(B)								
I) Secured by tangible assets (including book debts)								
i) Gold Loan	5,95,873.38	-	-	5,95,873.38	5,39,972.55	-	-	5,39,972.55
ii) Corporate Loan	206.81	-	-	206.81	165.39	-	-	165.39
iii) Business Loan	31.75	-	-	31.75	43.92	-	-	43.92
iv) Other Loans	0.15	-	-	0.15	0.18	-	-	0.18
Total (I) - Gross	5,96,112.09	-	-	5,96,112.09	5,40,182.04	-	-	5,40,182.04
Less: Impairment loss allowance	7,104.42	-	-	7,104.42	6102.47	-	-	6,102.47
Total (I) - Net	5,89,007.67	-	-	5,89,007.67	5,34,079.57	-	-	5,34,079.57

(₹ in millions, except for share data and unless otherwise stated)

Particulars	As at March 31, 2022				As at March 31, 2021				
	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	Amortised cost	Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss	
			Sub-total	Total			Sub-total	Total	
II) Covered by Bank / Government Guarantees	-	-	-	-	-	-	-	-	-
i) Personal Loan	3,206.26	-	-	3,206.26	3,443.52	-	-	3,443.52	
ii) Business Loan	1,026.82	-	-	1,026.82	760.92	-	-	760.92	
iii) Staff Loan	17.64	-	-	17.64	19.00	-	-	19.00	
iv) Loans to subsidiaries	480.00	-	-	480.00	2,280.00	-	-	2,280.00	
v) Other Loans	218.44	-	-	218.44	205.92	-	-	205.92	
Total (III) - Gross	4,949.16	-	-	4,949.16	6,709.36	-	-	6,709.36	
Less: Impairment loss allowance	114.49	-	-	114.49	155.02	-	-	155.02	
Total (III) - Net	4,834.67	-	-	4,834.67	6,554.34	-	-	6,554.34	
Total (B) (I+II+III) - Net	5,93,842.34	-	-	5,93,842.34	5,40,633.91	-	-	5,40,633.91	
(C) (I) Loans in India									
i) Public Sector	-	-	-	-	-	-	-	-	
ii) Others	6,01,061.25	-	-	6,01,061.25	5,46,891.40	-	-	5,46,891.40	
(C) (II) Loans outside India									
Total (C) - Gross	6,01,061.25	-	-	6,01,061.25	5,46,891.40	-	-	5,46,891.40	
Less: Impairment loss allowance	7,218.91	-	-	7,218.91	6,257.49	-	-	6,257.49	
Total (C) - Net	5,93,842.34	-	-	5,93,842.34	5,40,633.91	-	-	5,40,633.91	



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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, 2022				As at March 31, 2021			
	Stage 1 Collective	Stage 2 Collective	Stage 3	Total	Stage 1 Collective	Stage 2 Collective	Stage 3	Total
Internal rating grade								
Performing								
High grade	5,52,090.89	-	-	5,52,090.89	5,37,253.49	-	-	5,37,253.49
Standard grade	10,718.16	-	-	10,718.16	1,669.36	-	-	1,669.36
Sub-standard grade	-	11,036.92	-	11,036.92	-	2,243.45	-	2,243.45
Past due but not impaired	-	10,026.41	-	10,026.41	-	1,311.96	-	1,311.96
Non-performing								
Individually impaired	-	-	17,372.24	17,372.24	-	-	4,641.39	4,641.39
Total	5,62,809.04	21,063.32	17,372.24	6,01,244.61	5,38,922.85	3,555.41	4,641.39	5,47,119.65
EIR impact of Service charges received				(183.36)				(228.25)
Gross carrying amount closing balance net of EIR impact of service charge received				6,01,061.25				5,46,891.40

8.2 An analysis of changes in the gross carrying amount and the corresponding ECL allowances is as follows:

Particulars	2021-22				2020-21			
	Stage 1 Collective	Stage 2 Collective	Stage 3	Total	Stage 1 Collective	Stage 2 Collective	Stage 3	Total
Gross carrying amount opening balance	5,38,922.85	3,555.41	4,641.39	5,47,119.65	4,16,148.10	6,542.47	8,991.54	4,31,682.11
New assets originated or purchased	6,63,090.58	-	-	6,63,090.58	6,28,173.02	-	-	6,28,173.02
Assets derecognised or repaid (excluding write offs)	(6,02,036.61)	(3,282.34)	(3,357.25)	(6,08,676.19)	(5,00,406.82)	(5,615.69)	(6,594.51)	(5,12,617.02)
Transfers to Stage 1	7.18	(6.01)	(1.17)	-	20.40	(18.36)	(2.04)	-
Transfers to Stage 2	(21,000.02)	21,000.05	(0.03)	-	(2,992.64)	2,995.15	(2.51)	-
Transfers to Stage 3	(16,174.94)	(203.79)	16,378.73	-	(2,019.21)	(348.16)	2,367.37	-
Amounts written off	-	-	(289.43)	(289.43)	-	-	(118.46)	(118.46)
Gross carrying amount closing balance	5,62,809.04	21,063.32	17,372.24	6,01,244.61	5,38,922.85	3,555.41	4,641.39	5,47,119.65
EIR impact of Service charges received				(183.36)				(228.25)
Gross carrying amount closing balance net of EIR impact of service charge received				6,01,061.25				5,46,891.40

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(₹ in millions, except for share data and unless otherwise stated)

8.3 Reconciliation of ECL balance is given below:

Particulars	2021-22				2020-21			
	Stage 1 Collective	Stage 2 Collective	Stage 3	Total	Stage 1 Collective	Stage 2 Collective	Stage 3	Total
ECL allowance - opening balance	5,591.56	60.42	605.51	6,257.49	4,390.99	80.60	955.60	5,427.19
New assets originated or purchased	6,037.17	-	-	6,037.17	6,487.70	-	-	6,487.70
Assets derecognised or repaid (excluding write offs)	(6,155.80)	(52.35)	(459.78)	(6,667.93)	(5,267.93)	(63.62)	(616.64)	(5,948.19)
Transfers to Stage 1	2.29	(1.12)	(1.17)	-	5.47	(3.35)	(2.12)	-
Transfers to Stage 2	(218.67)	218.70	(0.03)	-	(31.03)	33.54	(2.51)	-
Transfers to Stage 3	(170.15)	(4.39)	174.54	-	32.24	(9.01)	(23.23)	-
Impact on year end ECL of exposures transferred between stages during the year	83.29	(11.46)	1,809.78	1,881.61	(25.88)	22.26	412.86	409.24
Amounts written off	-	-	(289.43)	(289.43)	-	-	(118.45)	(118.45)
ECL allowance - closing balance	5,169.69	209.80	1,839.42	7,218.91	5,591.56	60.42	605.51	6,257.49

Note 9: Investments

Particulars	As at March 31, 2022						
	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	1,876.06	-	-	-	-	-	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



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Particulars	As at March 31, 2021						
	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	5,261.52	-	-	-	-	-	5,261.52
ii) Equity instruments							
Subsidiaries	-	-	-	-	-	8,742.33	8,742.33
Others	-	1,898.96	0.02	-	1,898.98	-	1,898.98
iii) Preference Shares							
Subsidiaries	-	-	-	-	-	-	-
Total Gross (A)	5,261.52	1,898.96	0.02	-	1,898.98	8,742.33	15,902.83
i) Investments outside India	-	518.77	-	-	518.77	554.14	1,072.91
ii) Investments in India	5,261.52	1,380.19	0.02	-	1,380.21	8,188.19	14,829.92
Total Gross (B)	5,261.52	1,898.96	0.02	-	1,898.98	8,742.33	15,902.83
Less: Allowance for impairment loss (C)	-	-	-	-	-	-	-
Total - Net D = (A) - (C)	5,261.52	1,898.96	0.02	-	1,898.98	8,742.33	15,902.83

9.1 Details of investments are as follows :-

Government securities

Particulars	As at March 31, 2022		As at March 31, 2021	
	Units	Amount	Units	Amount
Gujarat State Development Loan	50,000	5.12	1,50,000	15.18
Kerala State Development Loan	1,00,000	10.08	2,00,000	20.36
Karnataka State Development Loan	15,40,300	156.66	50,000	5.12
Tamilnadu State Development Loan	1,00,000	10.27	1,00,000	10.26
Punjab State Development Loan	20,00,000	203.89	-	-
Maharashtra State Development Loan	40,00,000	392.18	-	-
Central Government Securities	1,15,00,000	1,097.86	-	-
Treasury bills*	-	-	N.A	5,210.60
Total		1,876.06		5,261.52

* Lien has been marked on Treasury bills of face value ₹190 millions as additional margin given to the Clearing Corporation of India Limited.

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Equity instruments

Particulars	As at March 31, 2022		As at March 31, 2021	
	Units	Amount	Units	Amount
Subsidiaries				
Quoted				
Asia Asset Finance PLC, Sri Lanka	9,05,58,778	554.14	9,05,58,778	554.14
Unquoted				
Muthoot Homefin (India) Limited	11,91,55,843	3,639.89	11,91,55,843	3,639.89
Muthoot Insurance Brokers Private Limited	7,50,000	200.00	7,50,000	200.00
Belstar Microfinance Limited (formerly known as Belstar Microfinance Private Limited)	2,76,78,345	2,718.81	2,62,66,580	2,238.82
Muthoot Trustee Private Limited	10,00,000	10.00	10,00,000	10.00
Muthoot Asset Management Private Limited	10,00,00,000	1,000.00	10,00,00,000	1,000.00
Muthoot Money Limited	62,170	1,099.48	62,170	1,099.48
Subtotal		9,222.32		8,742.33
Others				
Quoted				
Union Bank of India	454	0.02	454	0.02
Nabil Bank Limited, Nepal (Refer Note 9.2)	10,11,418	630.50	21,63,000	518.77
Unquoted				
Muthoot Forex Limited	19,70,000	139.00	19,70,000	124.46
Muthoot Securities Limited	27,00,000	192.92	27,00,000	163.11
CRIF High Mark Credit Information Services Private Limited	19,26,531	247.68	19,26,531	248.29
ESAF Small Finance Bank Limited	1,87,17,244	750.37	1,87,17,244	844.33
Subtotal		1,960.49		1,898.98
Total		11,182.81		10,641.31

9.2 : 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 1,011,418 equity shares of Nepalese Rupee 100/- each (i.e. 0.5468% shareholding) as at March 31, 2022.

Preference Shares

Particulars	As at March 31, 2022		As at March 31, 2021	
	Units	Amount	Units	Amount
Asia Asset Finance PLC, Sri Lanka	3,96,87,516	145.96	-	-
Total		145.96		-



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Note 10: Other financial assets

Particulars	As at March 31, 2022	As at March 31, 2021
Security deposits	924.80	920.60
Interest accrued on fixed deposits with banks and investment in TREPS (Refer Note 5.3)	19.30	78.08
Interest accrued on CG Securities on purchase	5.92	-
Interest accrued on State Securities on purchase	0.91	-
Receivable as per Ex gratia Scheme	-	784.41
Other financial assets	274.05	315.99
Total	1,224.98	2,099.08

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, 2020	692.55	655.27	487.96	1,165.33	286.73	106.69	23.35	3,417.88	287.36
Additions	-	-	340.43	252.49	70.43	7.22	-	670.57	97.41
Disposals	-	-	0.68	10.17	0.50	2.51	-	13.86	-
As at March 31, 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
Accumulated depreciation									
As at April 01, 2020	-	155.09	248.88	550.08	192.52	38.64	5.33	1,190.54	-
Charge for the year	-	49.29	119.62	212.59	71.48	21.59	1.49	476.06	-
Disposals	-	-	0.20	5.83	0.13	1.69	-	7.85	-
As at March 31, 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	-
Net Block									
As at March 31, 2021	692.55	450.89	459.41	650.81	92.79	52.86	16.53	2,415.84	384.77
As at March 31, 2022	843.29	439.83	488.81	712.85	99.96	37.02	15.16	2,636.92	456.48

* 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	0.40	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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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
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.
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.

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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
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.
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.



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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
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.



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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
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.
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.

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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
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 2,109 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.

11.1 Capital work-in-progress (CWIP) aging schedule

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	71.70	97.41	59.07	228.30	456.48
Projects temporarily suspended	-	-	-	-	-

Particulars	As at March 31,2021				
	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	97.41	59.07	170.93	57.36	384.77
Projects temporarily suspended	-	-	-	-	-



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(₹ in millions, except for share data and unless otherwise stated)

Note 12: Other Intangible Assets

Particulars	Computer Software
Gross block- at cost	
As at April 01, 2020	145.02
Additions	34.14
Disposals	-
As at March 31, 2021	179.16
Additions	9.39
Disposals	-
As at March 31, 2022	188.55
Accumulated amortisation	
As at April 01, 2020	94.52
Charge for the year	31.06
Disposals	-
As at March 31, 2021	125.58
Charge for the year	25.61
Disposals	-
As at March 31, 2022	151.19
Net book value	
As at March 31, 2021	53.58
As at March 31, 2022	37.36

The Company has not revalued its Intangible assets during the year.

Note 13: Other Non-financial assets

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with government authorities	104.96	104.96
Prepaid expenses	74.38	81.91
Capital advances	12.58	100.67
Stock of gold	6.71	6.71
Balances receivable from government authorities	267.76	327.28
Other Receivables	136.55	164.65
Total	602.94	786.18

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Note 14: Payables

Particulars	As at March 31, 2022	As at March 31, 2021
(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	1,511.58	2,017.11
(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	-	-
Total	1,511.58	2,017.11

14.1 Trade Payables Ageing Schedule

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	1,318.11	95.14	30.42	67.91	1,511.58	1,511.58
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

Particulars	As at March 31, 2021					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	1,903.59	35.28	18.23	60.01	2,017.11	2,017.11
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

Note 15: Debt Securities

Particulars	As at March 31, 2022				As at March 31, 2021			
	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*								
(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)	2,194.56	-	-	2,194.56	2,635.23	-	-	2,635.23
Secured Non-Convertible Debentures -Listed**	1,13,912.67	-	-	1,13,912.67	1,28,625.64	-	-	1,28,625.64



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(₹ in millions, except for share data and unless otherwise stated)

Particulars	As at March 31, 2022				As at March 31, 2021			
	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 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)								
Principal Protected Market Linked Secured Non-Convertible Debentures**	8,871.65	-	-	8,871.65	6,699.71	-	-	6,699.71
(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)								
Total (A)	1,24,978.88	-	-	1,24,978.88	1,37,960.58	-	-	1,37,960.58
Debt securities in India	1,24,978.88	-	-	1,24,978.88	1,37,960.58	-	-	1,37,960.58
Debt securities outside India	-	-	-	-	-	-	-	-
Total (B)	1,24,978.88	-	-	1,24,978.88	1,37,960.58	-	-	1,37,960.58

*Excludes unpaid (unclaimed) matured debentures of ₹48.82 millions (March 31, 2021: ₹60.74 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 ₹69.00 millions (March 31, 2021: ₹82.62 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 ₹8,915.33 millions (March 31, 2021: ₹8,538.44 millions) disclosed separately under Other financial liabilities in Note 18.

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 ₹2,243.38 millions (March 31, 2021: ₹2,695.97 millions)

Series	Date of allotment	Amount	Amount	Redemption Period from the date of allotment	Interest Rate %
		As at March 31, 2022	As at March 31, 2021		
CT	14.03.2014-31.03.2014	2.50	5.00	120 months	10.50-12.50
CS	27.02.2014-14.03.2014	10.00	12.50	120 months	10.50-12.50
CR	07.02.2014-27.02.2014	10.00	10.00	120 months	10.50-12.50
CQ	04.02.2014-07.02.2014	10.50	10.50	120 months	10.50-12.50
CP	20.01.2014-04.02.2014	45.50	45.50	120 months	10.50-12.50
CO	10.01.2014-20.01.2014	105.00	105.00	120 months	10.50-12.50
CN	03.01.2014-10.01.2014	63.50	63.50	120 months	10.50-12.50
CM	24.12.2013-03.01.2014	32.50	32.50	120 months	10.50-12.50
CL	05.12.2013-24.12.2013	5.50	8.00	120 months	10.50-12.50
CK	18.11.2013-05.12.2013	5.00	5.00	120 months	10.50-12.50

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Series	Date of allotment	Amount	Amount	Redemption Period from the date of allotment	Interest Rate %
		As at March 31, 2022	As at March 31, 2021		
CJ	29.10.2013-18.11.2013	7.50	7.50	120 months	10.50-12.50
CI	09.10.2013-29.10.2013	12.50	12.50	120 months	10.50-12.50
CH	27.09.2013 - 09.10.2013	7.50	10.00	120 months	10.50-12.50
CG	06.09.2013 - 27.09.2013	7.50	10.00	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	15.50	18.00	120 months	10.50-12.50
CD	31.07.2013 - 10.08.2013	2.50	2.50	120 months	10.50-12.50
CC	08.07.2013 - 31.07.2013	12.50	12.50	120 months	10.50-12.50
CB	24.06.2013 - 07.07.2013	337.06	407.25	120 months	10.50-12.50
CA	18.04.2013 - 23.06.2013	634.08	774.37	120 months	10.50-12.50
BZ	01.03.2013 - 17.04.2013	471.17	576.80	120 months	10.50-12.50
BY	18.01.2013 - 28.02.2013	394.26	503.82	120 months	10.50-12.50
BX	26.11.2012 - 17.01.2013	4.72	6.08	60 months	10.50-12.50
BW	01.10.2012 - 25.11.2012	7.37	8.77	60 months	11.50-12.50
BV	17.08.2012 - 30.09.2012	3.89	4.30	60 months	11.50-12.50
BU	01.07.2012 - 16.08.2012	2.24	2.73	60 months	11.50-12.50
BT	21.05.2012 - 30.06.2012	1.16	2.60	60 months	11.50-12.50
BS	01.05.2012 - 20.05.2012	2.14	2.32	60 months	11.50-12.50
BR	01.03.2012 - 30.04.2012	6.82	7.93	60 months	11.50-12.50
BQ	23.01.2012 - 29.02.2012	2.16	2.89	60 months	11.50-12.50
BP	01.12.2011 - 22.01.2012	2.75	2.95	60 months	11.50-12.50
BO	19.09.2011 - 30.11.2011	3.09	3.25	60 months	11.00-12.00
BN	01.07.2011 - 18.09.2011	2.88	3.15	60 months	11.00-12.00
BM	01.04.2011 - 30.06.2011	2.13	2.22	60 months	11.00-12.00
BL	01.01.2011 - 31.03.2011	2.83	3.00	60 months	10.00-11.50
BK	01.10.2010 - 31.12.2010	1.51	1.53	60 months	9.50-11.50
BJ	01.07.2010 - 30.09.2010	2.56	2.72	60 months	9.50-11.00
BI	01.04.2010 - 30.06.2010	0.57	0.74	60 months	9.00-10.50
BH	01.01.2010 - 31.03.2010	0.01	1.75	60 months	9.00-10.50
BG	01.10.2009 - 31.12.2009	-	0.77	60 months	9.50-10.50
BF	01.07.2009 - 30.09.2009	-	1.00	60 months	10.50
BE	01.04.2009 - 30.06.2009	-	0.03	60 months	10.50-11.50
Sub Total		2,243.38	2,695.97		
Less: Unpaid/ (Unclaimed) matured debentures shown as a part of Other financial liabilities		48.82	60.74		
Total		2,194.56	2,635.23		



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(₹ in millions, except for share data and unless otherwise stated)

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 ₹71,761.40 millions (March 31, 2021: ₹81,901.22 millions).

Series	Date of allotment	Amount		Redemption Period from the date of allotment	Interest rate %
		As at March 31, 2022	As at March 31, 2021		
PL 25	20.04.2021	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 25	20.04.2021	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	2,517.38	60 Months	8.75-9.00
PL 25	20.04.2021	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	2,125.49	38 Months	9.50-9.75
PL 21	01.11.2019	1,327.46	1,327.46	38 Months	9.50-9.75
PL 20	14.06.2019	3,157.25	3,157.25	38 Months	9.50-9.75
PL 19	20.03.2019	3,049.07	3,049.07	38 Months	9.50-9.75
PL 25	20.04.2021	3,848.91	-	26 Months	6.60-6.85
PL 16	30.01.2017	-	936.30	60 Months	8.75-9.25
PL 22	27.12.2019	-	3,839.87	24 Months	9.25-9.50
PL 21	01.11.2019	-	1,264.37	24 Months	9.25-9.50
PL 18	19.04.2018	-	19,092.87	38 Months	8.50-8.75
PL 20	14.06.2019	-	1,976.31	24 Months	9.25-9.50
PL 15	12.05.2016	-	30.09	60 Months	8.25-9.25
Sub Total		71,761.40	81,901.22		
Less: EIR impact of transaction cost		244.87	320.22		
Total		71,516.53	81,581.00		

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(₹ in millions, except for share data and unless otherwise stated)

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 ₹42,400.00 millions (March 31,2021: ₹47,050.00 millions)

Series	Date of allotment	Amount		Redemption Period from the date of allotment	Interest Rate %
		As at March 31, 2022	As at March 31, 2021		
21	24.02.2022	2,000.00	-	1 year & 364 days	6.17
20	17.02.2022	5,000.00	-	3 year & 10 days	6.87
19	26.08.2021	4,000.00	-	3 year	5.35
18	31.05.2021	2,150.00	-	9 year & 364 days	7.90
9	18.06.2020	1,250.00	1,250.00	5 year	9.50
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
7	14.05.2020	1,000.00	1,000.00	2 year & 363 days	8.90
17	09.03.2021	1,750.00	1,750.00	2 year & 49 days	6.65
14	25.09.2020	4,500.00	4,500.00	2 year & 61 days	7.15
11	07.07.2020	6,500.00	6,500.00	2 year & 32 days	8.30
10	25.06.2020	3,650.00	3,650.00	2 year & 9 days	8.50
15	30.09.2020	-	500.00	18 months	7.00
6	24.02.2020	-	1,750.00	2 year & 15 days	9.50
3	22.11.2018	-	1,300.00	3 year & 71 days	9.50-9.75
5	30.12.2019	-	2,500.00	2 year & 32 days	9.50
5	30.12.2019	-	2,500.00	2 year & 7 days	9.50
4	06.09.2019	-	7,500.00	2 year	10.00
1	26.07.2018	-	1,750.00	3 year	9.75
Sub Total		42,400.00	47,050.00		
Less: EIR impact of transaction cost		3.86	5.36		
Total		42,396.14	47,044.64		

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 ₹8,873.00 millions (March 31,2021: 6,705.00 millions)

2,000.00	Date of allotment	Amount		Redemption Period from the date of allotment	Interest Rate %
		As at March 31, 2022	As at March 31, 2021		
5	24.03.2022	2,168.00	-	3 year and 60 days	7.00
4	07.09.2020	2,000.00	2,000.00	760 days	7.15
3	24.07.2020	1,000.00	1,000.00	761 days	7.75
2	09.07.2020	2,350.00	2,350.00	729 days	8.25
1	12.06.2020	1,355.00	1,355.00	728 days	8.75
Sub Total		8,873.00	6,705.00		
Less: EIR impact of transaction cost		1.35	5.29		
Total		8,871.65	6,699.71		



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Note 16: Borrowings (other than debt securities)

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)	1,41,308.04	-	-	1,41,308.04
(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 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.)				
(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) 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)	1,32,357.64	-	-	1,32,357.64
(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

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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	
(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)	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))				
(e) Commercial paper - Listed	9,892.06	-	-	9,892.06
(Unsecured and repayable within 1 year)				
Total (A)	3,71,709.88	-	-	3,71,709.88
Borrowings in India	2,96,046.67	-	-	2,96,046.67
Borrowings outside India	75,663.21	-	-	75,663.21
Total (B)	3,71,709.88	-	-	3,71,709.88

*Includes EIR impact of transaction cost

The amortised cost of Borrowings (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.

Particulars	As at March 31, 2021			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)	64,350.20	-	-	64,350.20
(Terms of Repayment: ₹34,850.39 millions in 1-2-3-4 quarterly installments and ₹666 millions in 12 monthly installments during FY 2021-22, ₹19,450.37 millions in 1-2-3-4 quarterly installments and ₹167.50 millions in 3 monthly installments during FY 2022-23, ₹8,841.79 millions during FY 2023-24 in 1-2-3-4 quarterly installments, ₹222.22 millions during FY 2024-25 in 4 quarterly installments, ₹222.22 millions during FY 2025-26 in 4 quarterly installments. Rate of Interest: 7.10-9.65 % p.a.)				
Term Loan (Secured by specific charge on vehicles)	8.71	-	-	8.71
(Terms of Repayment: ₹5.08 millions during FY 2021-22 in 12 monthly installments, ₹3.63 millions during FY 2022-23 in 8 monthly installments. Rate of interest: 8.70% p.a.)				



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Particulars	As at March 31, 2021			Total
	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	
(ii) from financial institutions				
Term Loan (Secured by specific charge on vehicles)	13.80	-	-	13.80
(Terms of Repayment: ₹4.02 millions during FY 2021-22 in 12 monthly installments, ₹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.).				
(b) Loans from related party				
Loan from Directors and Relatives (Unsecured)	9,817.38	-	-	9,817.38
(Terms of Repayment: ₹6,867.38 millions repayable on demand- Rate of Interest: 9.00% p.a, ₹2,950.00 millions repayable on 31 March 2022 - Rate of Interest: 8.75% p.a.)				
(c) Loans repayable on demand				
(i) from banks*				
Overdraft against Deposit with Banks (Secured by a lien on Fixed Deposit with Banks)	0.02	-	-	0.02
Cash Credit/Short Term Loan (Secured by pari passu floating charge on current assets, book debts, Loans & advances and receivables including gold loan receivables)	1,31,089.16	-	-	1,31,089.16
(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)	2,749.76	-	-	2,749.76
(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)	72,836.72	-	-	72,836.72
(Terms of Repayment: ₹32,899.50 millions (USD 450 million repayable on 31 October 2022-Rate of Interest: 6.125% p.a), ₹40,210.50 millions (USD 550 million repayable on 02 September 2023-Rate of Interest: 4.40% p.a))				
(e) Commercial paper - Listed	38,540.06	-	-	38,540.06
(Unsecured and repayable within 1 year)				
Total (A)	3,19,405.81	-	-	3,19,405.81
Borrowings in India	2,46,569.09	-	-	2,46,569.09
Borrowings outside India	72,836.72	-	-	72,836.72
Total (B)	3,19,405.81	-	-	3,19,405.81

*Includes EIR impact of transaction cost

The amortised cost of Borrowings (other than debt securities) as at March 31, 2021 in Note 16 above does not include interest accrued but not due amounting to ₹1,659.63 millions disclosed separately under Other financial liabilities in Note 18.

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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.

Note 17: Subordinated Liabilities

Particulars	As at March 31, 2022				As at March 31, 2021			
	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)	1,423.74	-	-	1,423.74	2,096.37	-	-	2,096.37
Total (A)	1,423.74	-	-	1,423.74	2,096.37	-	-	2,096.37
Subordinated Liabilities in India	1,423.74	-	-	1,423.74	2,096.37	-	-	2,096.37
Subordinated Liabilities outside India	-	-	-	-	-	-	-	-
Total (B)	1,423.74	-	-	1,423.74	2,096.37	-	-	2,096.37

*Excludes unpaid (unclaimed) matured debentures of ₹18.62 millions (March 31, 2021: ₹26.99 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 ₹7.07 millions (March 31, 2021: ₹42.46 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 ₹960.06 millions (March 31, 2021: ₹1,365.86 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 ₹18.62 millions (March 31, 2021: ₹26.99 millions)

Series	Date of allotment	Amount		Redemption Period from the date of allotment	Interest Rate %
		As at March 31, 2022	As at March 31, 2021		
XVII	09.05.2014	-	-	72 months	11.61
XII	01.04.2013 - 07.07.2013	3.77	5.35	66 months	12.67
XI	01.10.2012 - 31.03.2013	5.47	7.53	66 months	12.67-13.39
X	01.04.2012 - 30.09.2012	2.67	3.44	66 months	12.67-13.39
IX	01.11.2011 - 31.03.2012	1.69	2.92	66 months	12.67-13.39
VIII	01.07.2011 - 31.10.2011	1.22	1.77	66 months	12.67
VII	01.04.2011 - 30.06.2011	0.66	0.96	66 months	12.67
VII	08.02.2011 - 31.03.2011	0.08	1.20	66 months	12.67
VII	01.01.2011 - 07.02.2011	0.48	0.48	72 months	11.61
VI	01.07.2010 - 31.12.2010	0.48	0.68	72 months	11.61
V	01.01.2010 - 30.06.2010	0.76	0.76	72 months	11.61
IV	17.08.2009 - 31.12.2009	0.89	0.92	72 months	11.61
IV	01.07.2009 - 16.08.2009	0.05	0.05	72 months	12.50



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Series	Date of allotment	Amount		Redemption Period from the date of allotment	Interest Rate %
		As at March 31, 2022	As at March 31, 2021		
IV	01.07.2009 - 16.08.2009	0.40	0.40	69 months	12.12
III	15.12.2008 - 30.06.2009	-	0.23	72 months	12.50
III	15.12.2008 - 30.06.2009	-	0.30	69 months	12.12
Sub Total		18.62	26.99		
	Less: Unpaid/ (Unclaimed) matured debentures shown as a part of Other financial liabilities	18.62	26.99		
Total		-	-		

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 ₹1,330.79 millions (March 31, 2021: ₹2,006.48 millions).

Series	Date of allotment	Amount		Redemption Period from the date of allotment	Interest Rate %
		As at March 31, 2022	As at March 31, 2021		
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	359.47	84 Months	10.41
PL 12	23.04.2015	-	289.15	81 Months	10.80
PL 11	29.12.2014	-	386.54	78 Months	11.23
Sub Total		1,330.79	2,006.48		
	Less: EIR impact of transaction cost	7.05	10.11		
Total		1,323.74	1,996.37		

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 ₹100.00 millions (March 31, 2021: ₹100.00 millions)

Series	Date of allotment	Amount		Redemption Period from the date of allotment	Interest Rate %
		As at March 31, 2022	As at March 31, 2021		
IA	26.03.2013	100.00	100.00	120 Months	12.35
Total		100.00	100.00		

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Note 18: Other Financial liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Interest accrued but not due on borrowings	11,478.57	11,563.93
Unpaid (Unclaimed) dividend	8.60	7.76
Unpaid (Unclaimed) matured Non Convertible Debentures and interest accrued thereon	94.42	124.79
Unpaid (Unclaimed) matured Listed Non convertible Debentures and interest accrued thereon	76.07	125.08
Security deposits received	15.74	15.23
Auction surplus refundable	42.75	85.37
Payable as per Ex gratia Scheme	-	179.54
Other financial liabilities	65.86	-
Others	-	33.44
Total	11,782.01	12,135.14

Note 19: Provisions

Particulars	As at March 31, 2022	As at March 31, 2021
Provision in excess of ECL (Refer Note 19.1)	2,953.76	2,953.76
Provision for undrawn commitments	19.59	1.91
Provision for employee benefits		
- Gratuity	128.20	75.04
- Compensated absences	351.12	383.46
Provision for unspent expenditure on Corporate Social Responsibility (Refer Note 19.2 and Note 48)	66.83	120.49
Provisions for other losses (Refer Note 19.2)	78.85	91.36
Total	3,598.35	3,626.02

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 2021-22 and 2020-21 are as follows:

Particulars	Provision for unspent expenditure on Corporate Social Responsibility	Provisions for other losses
As at April 01, 2020	-	108.59
Additions	120.49	19.00
Reversed	-	36.23
Utilised	-	-
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



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Note 20: Other Non-financial liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory dues payable	936.22	418.93
Advance interest received on loans	9.25	12.75
Total	945.47	431.68

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, 2022	As at March 31, 2021
Authorised		
450,000,000 (March 31, 2021: 450,000,000) Equity shares of ₹10/- each	4,500.00	4,500.00
5,000,000 (March 31, 2021: 5,000,000) Preference shares of ₹1000/- each	5,000.00	5,000.00
Issued, subscribed and fully paid up		
401,345,266 (March 31, 2021: 401,195,856) Equity shares of ₹10/- each fully paid up	4,013.45	4,011.96
Total Equity	4,013.45	4,011.96

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, 2020	40,10,37,326	4,010.37
Shares issued in exercise of Employee Stock Options during the year	1,58,530	1.59
As at March 31, 2021	40,11,95,856	4,011.96
Shares issued in exercise of Employee Stock Options during the year	1,49,410	1.49
As at March 31, 2022	40,13,45,266	4,013.45

21.4 Details of Equity shareholders holding more than 5% shares in the company

Particulars	As at March 31, 2022			As at March 31, 2021		
	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
M G George Muthoot (Promoter, Deceased)	-	-	Not Applicable	-	-	-100.00%
Sara George	2,90,36,548	7.23%	Not Applicable	6,00,70,968	14.97%	Not Applicable
George Alexander Muthoot (Promoter)	2,36,30,900	5.89%	-45.84%	4,36,30,900	10.88%	Nil
George Jacob Muthoot (Promoter)	4,36,30,900	10.87%	Nil	4,36,30,900	10.88%	Nil

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Particulars	As at March 31, 2022			As at March 31, 2021		
	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
George Thomas Muthoot (Promoter)	4,36,30,900	10.87%	Nil	4,36,30,900	10.88%	Nil
Susan Thomas	2,99,85,068	7.47%	Not Applicable	2,99,85,068	7.47%	Not Applicable
Alexander George	2,22,89,710	5.55%	Not Applicable	-	-	Not Applicable
George M George	2,22,89,710	5.55%	Not Applicable	-	-	Not Applicable

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 :			
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
2016-2017	Nil	Nil	Nil

21.6 Shares reserved for issue under Employee Stock Option Scheme

The Company has reserved 206,865 equity shares (March 31, 2021: 415,815) for issue under the Employee Stock Option Scheme 2013.

Note 22: Other equity

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory Reserve		
Balance at the beginning of the year	33,520.29	26,075.93
Add: Transfer from Retained earnings	7,908.62	7,444.36
Balance at the end of the year	41,428.90	33,520.29
Securities Premium		
Balance at the beginning of the year	15,016.44	14,968.79
Add: Securities premium on share options exercised during the year	47.26	47.65
Balance at the end of the year	15,063.70	15,016.44
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		



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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	105.00	132.29
Add : Share based payment expenses	(1.98)	14.04
Less: Transfer to Securities premium on account of options exercised	41.28	41.33
Balance at the end of the year	61.74	105.00
Retained Earnings		
Balance at the beginning of the year	61,749.05	31,971.63
Add: Profit for the year	39,543.04	37,221.78
Less: Appropriation :-		
Interim Dividend on equity shares	8,023.92	-
Tax on dividend on equity shares	-	-
Transfer to Statutory Reserve	7,908.62	7,444.36
Total appropriations	15,932.54	7,444.36
Balance at the end of the year	85,359.55	61,749.05
Other Comprehensive Income		
Balance at the beginning of the year	185.89	758.82
Add: Addition during the year	(467.84)	(572.93)
Balance at the end of the year	(281.95)	185.89
Total	1,79,432.27	1,48,376.97

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.

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(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.

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

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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.

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 2021-22: ₹20/- 8,026.91 per share

Date of declaration of interim dividend for the period April 18, 2022

Note 23: Interest income

Particulars	Year ended March 31, 2022			Year ended March 31, 2021		
	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	-	1,07,288.57	-	-	1,01,383.25	-
Personal Loan	-	532.84	-	-	556.78	-
Corporate Loan	-	25.38	-	-	30.78	-
Business Loan	-	122.38	-	-	133.78	-
Staff Loan	-	2.78	-	-	3.25	-
Loans to subsidiaries	-	56.58	-	-	274.53	-
Other Loans	-	28.26	-	-	26.19	-
Interest income from investments	-	1,228.09	-	-	208.42	-
Interest on deposits with bank	-	267.87	-	-	660.14	-
Other interest income	-	7.53	-	-	8.17	-
Total	-	1,09,560.28	-	-	1,03,285.29	-



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Note 24: Net gain on fair value changes

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(A) Net gain on financial instruments at fair value through profit or loss		
(i) On trading portfolio		
- Investments	445.03	1595.22
- Others	28.90	-
(B) Loss on fair valuation of equity shares	-	-
Total Net gain on fair value changes (C)	473.93	1,595.22
Fair Value changes:		
- Realised	473.93	1,595.22
- Unrealised	-	-
Total Net gain on fair value changes	473.93	1,595.22

Note 25: Sale of services

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Income from Money Transfer business	121.44	121.23
Income from Power Generation - Windmill	18.25	-
Total	139.69	121.23

Note 26: Other Income

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Bad debt recovered	72.11	128.96
Rental income	3.73	3.23
Others	84.85	39.28
Total	160.69	171.47

Note 27: Finance Costs

Particulars	Year ended March 31, 2022		Year ended March 31, 2021	
	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)	-	26,522.63	-	25,619.99
Interest on debt securities	-	11,541.30	-	10,859.76
Interest on subordinated liabilities	-	293.69	-	444.66
Total	-	38,357.62	-	36,924.41

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(₹ in millions, except for share data and unless otherwise stated)

Note 28: Impairment on financial instruments

Particulars	Year ended March 31, 2022		Year ended March 31, 2021	
	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	-	979.10	-	829.43
Bad Debts Written Off	-	289.43	-	118.46
Other Assets	-	1.94	-	1.88
Total	-	1,270.47	-	949.77

Note 29: Employee Benefits Expenses

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Salaries and Wages	9538.51	9,350.22
Contributions to Provident and Other Funds	661.08	582.57
Share based payments to employees	(1.98)	14.04
Staff Welfare Expenses	104.55	115.67
Total	10,302.16	10,062.50

Note 30: Depreciation, amortization and impairment

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation of tangible assets	513.53	476.06
Amortization of intangible assets	25.61	31.06
Total	539.14	507.12

Note 31: Other Expenses

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Rent	2,349.54	2,188.50
Rates & Taxes	610.16	547.90
Energy Costs	316.60	289.10
Repairs and Maintenance	568.06	276.45
Communication Costs	497.55	387.36
Printing and Stationery	149.85	150.82
Advertisement & Publicity	1,196.62	1,190.18
Directors' Sitting Fee	4.17	4.09
Commission to Non-Executive Directors	8.82	7.00
Auditors' fees and expenses (Refer Note 31.1)	7.08	7.08
Legal & Professional Charges	282.92	387.38
Insurance	101.40	165.39
Internal Audit and Inspection Expenses	113.55	90.57
Vehicle Hire & Maintenance	9.01	8.95
Travelling and Conveyance	271.12	210.08
Business Promotion Expenses	7.24	369.24



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Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Bank Charges	88.42	68.22
Contribution to Political parties	0.50	24.71
Business Support Charges	20.61	-
Miscellaneous expense	6.38	197.11
Expenditure on Corporate Social Responsibility (Refer Note 48)	811.40	664.53
Total	7,421.00	7,234.66

Note 31.1 Auditors' fees and expenses:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
As Auditor's (including limited review)	6.50	5.40
For Other Services	0.56	1.63
For Reimbursement of Expenses	0.02	0.05
Total	7.08	7.08

Note 31.2 Expenditure on Corporate Social Responsibility (Refer Note 48):

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
a) Gross amount required to be spent by the Company during the year	808.68	664.53
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	811.40	544.04
- Yet to be paid in cash	-	120.49
Total	811.40	664.53

Note 32: Income Tax

The components of income tax expense for the year ended March 31, 2022 and year ended March 31, 2021 are:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Current tax	13,586.13	12,959.39
Adjustment in respect of current income tax of prior years	-	-
Deferred tax relating to origination and reversal of temporary differences	(35.63)	(116.04)
Income tax expense reported in statement of profit and loss	13,550.50	12,843.35
Income tax recognised in other comprehensive income (OCI)		
Deferred tax related to items recognised in OCI during the period:		
- Fair value changes on equity instruments through other comprehensive income	15.48	94.58
- Remeasurement of defined benefit plans	6.01	17.75
- Changes in value of forward element of forward contract	(168.68)	(139.21)
- Effective portion of gain on hedging instruments in cash flow hedges	(10.15)	(165.81)
Income tax charged to OCI	(157.35)	(192.69)

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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%).

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, 2022 and year ended March 31, 2021 is, as follows:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Accounting profit before tax	53,093.54	50,065.13
At India's statutory income tax rate of 25.168% (2021: 25.168%)	13,362.58	12,600.39
Adjustments in respect of current income tax of previous year	-	-
Expenses disallowed in Income Tax Act	190.83	175.21
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	43.09	52.80
Others	(46.00)	14.95
Income tax expense reported in the Statement of Profit and Loss	13,550.50	12,843.35

The following table shows deferred tax recorded in the balance sheet and changes recorded in the Income tax expense:

Particulars	As at March 31, 2022	As at March 31, 2021
Fixed asset: Timing difference on account of Depreciation and Amortisation	256.77	238.96
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	66.00	80.44
On Fair Value Changes of derivative asset not adjusted under Income Tax Act, 1961	381.05	198.48
On Amortisation of expenses under Effective Interest Rate method for financial liabilities not permitted under Income Tax Act, 1961	(148.08)	(184.74)
Net gain on fair valuation of Investments not adjusted under Income Tax Act, 1961	(169.27)	(153.79)
On Other Provisions/Disallowances	98.98	107.12
Deferred Tax Assets/(Liabilities) (Net)	485.45	286.47

Reconciliation of deferred tax assets/(liabilities)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	286.47	(40.01)
Tax income/(expense) during the period recognised in Statement of Profit and Loss	35.63	116.04
Tax income/(expense) during the period recognised in OCI	163.36	210.44
Closing balance	485.45	286.47



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Note 33: Earnings per Equity share

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Net profit attributable to ordinary equity holders	39,543.04	37,221.78
Weighted average number of equity shares for basic earnings per share	40,12,68,121	40,11,18,365
Effect of dilution	1,96,527	3,79,729
Weighted average number of equity shares for diluted earnings per share	40,14,64,648	40,14,98,094
Earnings per equity share:		
Basic earnings per share (₹)	98.55	92.79
Diluted earnings per share (₹)	98.50	92.71

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	As at March 31, 2022	As at March 31, 2021
Financial assets		
Cash and cash equivalents	91,785.15	71,166.99
Bank Balance other than Cash and cash equivalents	141.20	141.20
Trade Receivables	21.45	34.73
Loans (excluding impact of EIR/ECL)	6,01,244.61	5,47,119.65
Investments (maturing within one year)	35.18	5,046.27
Other Financial assets	300.18	394.07
Non-financial Assets		
Other non financial assets	217.65	253.28
Total	6,93,745.42	6,24,156.19

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	As at March 31, 2022	As at March 31, 2021
Property, Plant and Equipment		
Buildings	7.44	7.83
Vehicles	15.43	22.43
Total	22.87	30.26

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.

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 ₹404.44 millions (March 31, 2021: ₹347.59 millions) for Provident Fund contributions in the Statement of Profit and Loss.

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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 March 31, 2022	As at March 31, 2021
Present value of funded obligations	1,327.68	1,257.32
Fair value of plan assets	(1,199.48)	(1,182.28)
Defined Benefit obligation/(asset)	128.20	75.04

Net benefit expense recognised in Statement of Profit and Loss

Particulars	As at March 31, 2022	As at March 31, 2021
Current service cost	160.27	156.33
Net Interest on net defined benefit liability/ (asset)	4.42	8.49
Net benefit expense	164.68	164.82

Details of changes in present value of defined benefit obligations as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Present value of defined benefit obligation at the beginning of the year	1,257.31	1,189.65
Current service cost	160.27	156.33
Interest cost on benefit obligations	72.92	72.57
Re-measurements:		
a. Actuarial loss/ (gain) arising from changes in financial assumptions	(30.07)	21.61
b. Actuarial loss/ (gain) arising from experience over the past years	(2.27)	(91.39)
Benefits paid	(130.48)	(91.45)
Present value of defined benefit obligation at the end of the year	1,327.68	1,257.32

Details of changes in fair value of plan assets are as follows: -

Particulars	As at March 31, 2022	As at March 31, 2021
Fair value of plan assets at the beginning of the year	1,182.27	988.14
Interest income on plan assets	68.51	64.08
Employer contributions	87.67	220.78
Benefits paid	(130.48)	(91.45)
Re-measurements:		
a. Return on Plan assets, excluding amount included in net interest on the net defined benefit liability/(asset)	(8.48)	0.73
Fair value of plan assets as at the end of the year	1,199.48	1,182.28



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Particulars	As at	As at
	March 31, 2022	March 31, 2021
Actual return on plan assets	60.03	64.81
Expected employer contributions for the coming year	150.00	100.00

Remeasurement gain/ (loss) in Other Comprehensive Income (OCI)

Particulars	Year ended	Year ended
	March 31, 2022	March 31, 2021
Re-measurements on defined benefit obligation		
Actuarial gain/(loss) arising from changes in financial assumptions	30.07	(21.61)
Actuarial gain/(loss) arising from experience over the past years	2.27	91.40
Re-measurements on plan assets		
Return on Plan assets, excluding amount included in net interest on the net defined benefit liability/(asset)	(8.48)	0.73
Actuarial gain / (loss) (through OCI)	23.86	70.52

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

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Salary Growth Rate	7.00% p.a.	7.00% p.a.
Discount Rate	6.20% p.a.	5.80% 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)	5.80% p.a.	6.10% p.a.
Expected weighted average remaining working life	5 years	5 years

Investments quoted in active markets:

Particulars	As at	As at
	March 31, 2022	March 31, 2021
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%	99.96%
Of which, Traditional/ Non-Unit Linked	0.00%	0.04%
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.

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A quantitative sensitivity analysis for significant assumptions as at March 31, 2022 and March 31, 2021 are as shown below:

Assumptions	Sensitivity Level	As at March 31, 2022	As at March 31, 2021
Discount Rate	Increase by 1%	(69.90)	(69.41)
Discount Rate	Decrease by 1%	77.67	77.37
Further Salary Increase	Increase by 1%	76.31	75.70
Further Salary Increase	Decrease by 1%	(70.03)	(69.28)
Employee turnover	Increase by 1%	(5.75)	(7.15)
Employee turnover	Decrease by 1%	6.10	7.65
Mortality Rate	Increase in expected lifetime by 1 year	0.06	0.06
Mortality Rate	Increase in expected lifetime by 3 years	0.15	0.17

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, 2022 is 5 years (2021: 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, 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.

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 the maturity analysis of assets and liabilities 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, 2022			As at March 31, 2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial assets						
Cash and cash equivalents	91,785.15	-	91,785.15	71,166.99	-	71,166.99
Bank Balance other than Cash and cash equivalents	640.63	3.35	643.98	677.25	53.97	731.22
Derivative Financial Instruments	605.01	-	605.01	-	153.64	153.64



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Particulars	As at March 31, 2022			As at March 31, 2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Trade receivables	21.44	-	21.44	34.73	-	34.73
Loans	5,79,927.26	19,477.94	5,99,405.20	5,40,940.92	6,178.73	5,47,119.65
- Adjustment on account of EIR/ECL			(5,562.86)			(6,485.74)
Investments	35.18	13,169.65	13,204.83	5,231.53	10,671.30	15,902.83
Other financial assets	299.82	925.16	1,224.98	1,177.22	921.86	2,099.08
Non-financial Assets						
Deferred tax assets (net)	-	485.45	485.45	-	286.47	286.47
Property, plant and equipment	-	2,636.92	2,636.92	-	2,415.84	2,415.84
Capital work-in-progress	-	456.48	456.48	-	384.77	384.77
Other intangible assets	-	37.36	37.36	-	53.58	53.58
Other non financial assets	590.36	12.58	602.94	685.51	100.67	786.18
Total assets	6,73,904.85	37,204.89	7,05,546.88	6,19,914.15	21,220.83	6,34,649.24

Particulars	As at March 31, 2022			As at March 31, 2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Liabilities						
Financial Liabilities						
Derivative financial instruments	1,326.58	3,471.39	4,797.97	104.36	3,200.83	3,305.19
Trade payables	1,511.58	-	1,511.58	2,017.11	-	2,017.11
Debt Securities	35,079.57	90,149.39	1,25,228.96	46,006.25	92,285.20	1,38,291.45
- Adjustment on account of EIR	-	-	(250.08)			(330.87)
Borrowings (other than debt securities)	2,46,854.78	1,25,186.32	3,72,041.10	2,17,771.36	1,02,027.51	3,19,798.87
- Adjustment on account of EIR			(331.22)			(393.06)
Subordinated Liabilities	459.47	971.32	1,430.79	675.69	1,430.79	2,106.48
- Adjustment on account of EIR			(7.05)			(10.11)
Other Financial liabilities	9,398.79	2,383.22	11,782.01	9,069.70	3,065.44	12,135.14
Non-financial Liabilities						
Current tax liabilities (net)	1,353.28	-	1,353.28	1,282.41	-	1,282.41
Provisions	3,198.45	399.90	3,598.35	3,279.75	346.27	3,626.02
Deferred tax liabilities (net)	-	-	-	-	-	-
Other non-financial liabilities	945.47	-	945.47	431.68	-	431.68
Total Liabilities	3,00,127.97	2,22,561.54	5,22,101.16	2,80,638.31	2,02,356.04	4,82,260.31
Net	3,73,776.88	(1,85,356.65)	1,83,445.72	3,39,275.84	(1,81,135.21)	1,52,388.93

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Note 37: Change in liabilities arising from financing activities disclosed as per Ind AS 7, Cash flow statements

Particulars	As at April 01, 2021	Cash Flows	Changes in fair value	Others	As at March 31, 2022
Debt Securities	1,37,960.58	(13,062.49)	-	80.79	1,24,978.88
Borrowings other than debt securities	3,19,405.81	49,711.83	2,530.40	61.84	3,71,709.88
Subordinated Liabilities	2,096.37	(675.69)	-	3.06	1,423.74
Total liabilities from financing activities	4,59,462.76	35,973.65	2,530.40	145.69	4,98,112.50

Particulars	As at April 01, 2020	Cash Flows	Changes in fair value	Others	As at March 31, 2021
Debt Securities	99,618.81	38,291.15	-	50.62	1,37,960.58
Borrowings other than debt securities	2,68,705.85	52,995.03	(2,469.40)	174.33	3,19,405.81
Subordinated Liabilities	2,975.76	(883.31)	-	3.92	2,096.37
Total liabilities from financing activities	3,71,300.42	90,402.87	(2,469.40)	228.87	4,59,462.76

Note 38: Contingent liabilities, commitments and leasing arrangements

(A) Contingent Liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Claims against the company not acknowledged as debt		
(i) Income Tax Demands	56.24	1,762.81
(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	71.26	70.08
(b) Guarantees - Counter Guarantees Provided to Banks	88.19	90.39
(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 ₹2,250.00 millions (₹2,250.00 millions as at March 31, 2021)]	1,466.41	1,151.03
(d) Others	-	-

(B) Commitments

Particulars	As at March 31, 2022	As at March 31, 2021
Estimated amount of contracts remaining to be executed on capital account, net of advances and not provided for	324.02	178.13
Commitments related to loans sanctioned but undrawn	18,461.96	10,838.32

(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.



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Lease rentals received for assets let out on operating lease ₹3.73 millions (₹3.23 millions for the year ended March 31, 2021) 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 ₹2,349.54 millions (₹2,188.50 millions for the year ended March 31, 2021) 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

(B) Key Management Personnel

Designation

- | | |
|---|---|
| 1. George Jacob Muthoot | Chairman & Whole-time Director |
| 2. George Thomas Muthoot | Whole-time Director |
| 3. George Alexander Muthoot | Managing Director |
| 4. Alexander George | Whole-time Director |
| 5. George Muthoot George | Whole-time Director (w.e.f December 15, 2021) |
| 6. George Muthoot Jacob | Whole-time Director (w.e.f December 15, 2021) |
| 7. George Alexander | Whole-time Director (w.e.f December 15, 2021) |
| 8. Jose Mathew | Independent Director |
| 9. Justice (Retd.) Jacob Benjamin Koshy | Independent Director |
| 10. Pratip Chaudhuri | Independent Director |
| 11. Vadakkakara Antony George | Independent Director |
| 12. Ravindra Pisharody | Independent Director |
| 13. Usha Sunny | Independent Director |
| 14. Abraham Chacko | Independent Director (w.e.f September 18, 2021) |

(C) Enterprises owned or significantly influenced by key management personnel or their relatives

1. Muthoot Vehicle & Asset Finance Limited	11. CL Digital LLP
2. Muthoot Leisure And Hospitality Services Private Limited	12. Muthoot Gold Bullion Corporation
3. MGM Muthoot Medical Centre Private Limited.	13. Muthoot Systems & Technologies Private Limited
4. Muthoot Securities Limited	14. Xandari Pearl Beach Resorts Private Limited
5. Muthoot Forex Limited	15. St. Georges Educational Society
6. Muthoot Housing & Infrastructure	16. Muthoot Educational Trust
7. Muthoot Properties & Investments	17. Muthoot M George Foundation
8. Muthoot Health Care Private Limited	18. Muthoot M George Charitable Trust
9. Muthoot Precious Metals Corporation	19. Muthoot M George Institute of Technology
10. GMG Associates	20. Muthoot Finance Education Trust (Tamilnadu)

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(D) Relatives of Key Management Personnel

Name of Relative	Relationship	Key Management Personnel
Elizabeth Jacob	Spouse	George Jacob Muthoot
Reshma Susan Jacob	Daughter	George Jacob Muthoot
George Muthoot Jacob ¹	Son	George Jacob Muthoot
Susan Thomas	Spouse	George Thomas Muthoot
Anna Thomas, Tania Thomas	Daughter	George Thomas Muthoot
Anna Alexander	Spouse	George Alexander Muthoot
George Alexander ¹ , 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
George Muthoot George ¹	Brother	Alexander George
Radhika George Verghese	Spouse	George Alexander
Leela Zachariah	Sister	George Alexander Muthoot, George Jacob Muthoot, George Thomas Muthoot
Valsa Kurien	Brother's wife	George Alexander Muthoot, George Jacob Muthoot, George Thomas Muthoot

¹Related party transactions upto the date of appointment as Whole-time Director i.e. upto December 15, 2021

Related Party transactions during the year:

Particulars	Key Management Personnel		Relatives of Key Management Personnel	
	Year Ended March 31, 2022	Year Ended March 31, 2021	Year Ended March 31, 2022	Year Ended March 31, 2021
Purchase of Travel Tickets for Company Executives/ Directors/ Customers	-	-	-	-
Travel Arrangements for Company Executives/ 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	-	-	-	-
Business Promotion Expenses	-	-	-	-
Expenditure on Corporate Social Responsibility (includes payments made on behalf of beneficiaries)	-	-	-	-
Foreign Currency purchased for travel	-	-	-	-
Interest paid on Borrowings	673.85	546.05	505.93	392.89
Interest paid on NCD	-	0.52	0.52	-
Interest paid on NCD - Listed	24.14	16.57	8.58	13.70
Directors Remuneration	815.68	793.94	-	-
Commission and sitting fee to Non-executive Directors	12.99	11.09	-	-
Salaries and Allowances	-	-	41.92	33.60
Loans accepted	5,751.92	1,356.79	4,910.81	753.01
Loans repaid	7,762.14	2,928.04	2,992.13	1,244.48



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Particulars	Key Management Personnel		Relatives of Key Management Personnel	
	Year Ended March 31, 2022	Year Ended March 31, 2021	Year Ended March 31, 2022	Year Ended March 31, 2021
Purchase of Listed NCD of the Company	1,868.00	-	300.00	21.50
Redemption of NCD of the Company	-	-	-	-
Redemption of Listed NCD of the Company	245.99	-	1,038.95	0.42
Interest Received on Loan	-	-	-	-
Loan Given	-	-	-	-
Loan Recovered	-	-	-	-
Rent paid	-	-	1.46	0.28
Rent received	-	-	-	-
Rent deposit given	-	-	-	-
Dividend paid	3,063.65	-	2,852.31	-
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		Subsidiaries	
	Year Ended March 31, 2022	Year Ended March 31, 2021	Year Ended March 31, 2022	Year Ended March 31, 2021
Purchase of Travel Tickets for Company Executives/ Directors/ Customers	0.02	0.86	-	-
Travel Arrangements for Company Executives/ Customers	-	-	-	-
Accommodation facilities for Company Executives/ Clients/ Customers	7.52	0.36	-	-
Staff Welfare expense	0.18	-	-	-
Complementary Medical Health Check Up for Customers/ Employees	-	0.08	-	-
Brokerage paid for NCD Public Issue	1.24	0.78	-	-
Professional Charges Paid	-	-	-	-
Advertisement Expenses	0.33	0.67	-	-
Business Promotion Expenses	-	-	-	-
Expenditure on Corporate Social Responsibility (includes payments made on behalf of beneficiaries)	568.31	422.22	-	-
Foreign Currency purchased for travel	0.17	-	-	-
Interest paid on Borrowings	0.44	0.66	-	-
Interest paid on NCD	-	-	-	-
Interest paid on NCD - Listed	31.45	36.76	-	-

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Particulars	Entities over which Key Management Personnel and their relatives are able to exercise significant influence		Subsidiaries	
	Year Ended March 31, 2022	Year Ended March 31, 2021	Year Ended March 31, 2022	Year Ended March 31, 2021
Directors Remuneration	-	-	-	-
Commission and sitting fee to Non-executive Directors	-	-	-	-
Salaries and Allowances	-	-	-	-
Loans accepted	-	-	-	-
Loans repaid	2.05	2.80	-	-
Purchase of Listed NCD of the Company	141.02	130.74	-	-
Redemption of NCD of the Company	-	-	-	-
Redemption of Listed NCD of the Company	194.73	268.62	-	-
Interest Received on Loan	-	-	56.58	274.53
Loan Given	-	-	1,110.00	520.00
Loan Recovered	-	-	2,910.00	2,190.00
Rent paid	25.26	22.99	0.14	0.18
Rent received	2.00	2.01	0.94	1.00
Rent deposit given	-	0.30	-	-
Dividend paid	-	-	-	-
Dividend Received	-	-	7.88	15.76
Commission Received on Money Transfer business	3.99	13.27	-	-
Service Charges Collected	1.76	2.45	0.06	0.05
Purchase of Fixed asset by company	-	-	0.34	0.55
Sale of Fixed asset by company	-	-	29.05	-
Investment in Equity shares of Subsidiary companies	-	-	480.00	-
Investment in Preference shares of Subsidiary companies	-	-	145.96	-
Security deposit accepted	-	10.00	-	-
Security deposit received, adjusted against dues	-	-	-	-
Corporate Guarantee given	-	-	2,250.00	2,250.00

Balance outstanding as at the year end: Asset/ (Liability)

Particulars	Key Management Personnel		Relatives of Key Management Personnel	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Investments in Equity Shares	-	-	-	-
Investments in Preference Shares	-	-	-	-
NCD	-	(5.00)	(5.00)	-
NCD - Listed	(3,183.49)	(907.90)	(1,869.53)	(3,262.06)
Security Deposit	-	-	-	-
Rent Deposit	-	-	-	-
Borrowings	(5,269.73)	(5,762.22)	(4,456.11)	(4,055.16)
Directors Remuneration Payable	(279.93)	(272.81)	-	-
Commission payable to Non-executive Directors	(8.45)	(6.30)	-	-
Interest payable on NCD	-	(0.93)	(1.45)	-
Interest payable on Borrowings	-	(7.94)	-	-
Trade Payables	-	-	-	-



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Particulars	Key Management Personnel		Relatives of Key Management Personnel	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Loans	-	-	-	-
Trade Receivables	-	-	-	-
Other financial assets	-	-	-	-
Amounts payable (net) to related parties	(8,741.60)	(6,963.10)	(6,332.09)	(7,317.22)

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		Subsidiaries	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Investments in Equity Shares	331.92	287.57	9,222.33	8,742.33
Investments in Preference Shares	-	-	145.96	-
NCD	-	-	-	-
NCD - Listed	(267.23)	(320.93)	-	-
Security Deposit	(10.00)	(10.00)	-	-
Rent Deposit	14.14	14.14	-	-
Borrowings	(3.78)	(5.83)	-	-
Directors Remuneration Payable	-	-	-	-
Commission payable to Non-executive Directors	-	-	-	-
Interest payable on NCD	-	-	-	-
Interest payable on Borrowings	(0.02)	(0.03)	-	-
Trade Payables	(0.11)	(1.00)	-	(0.06)
Loans	-	-	480.00	2,280.00
Trade Receivables	0.38	0.58	-	-
Other financial assets	0.32	0.78	0.14	0.40
Amounts payable (net) to related parties	65.62	(34.72)	9,848.43	11,022.67

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, 2022	Year ended March 31, 2021
Short-term employee benefits	828.67	805.03
Total	828.67	805.03

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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	As at
	March 31, 2022	March 31, 2021
Common Equity Tier 1 capital (CET1)	1,82,960.89	1,51,879.74
Other Tier 2 capital instruments (CET2)	5,502.37	6,210.41
Total capital	1,88,463.26	1,58,090.15
Risk weighted assets	6,28,762.36	5,77,179.12
CET1 capital ratio	29.10%	26.31%
CET2 capital ratio	0.87%	1.08%
Total capital ratio	29.97%	27.39%

Regulatory capital consists of CET1 capital, which comprises share capital, share premium, statutory reserve, share option outstanding account, retained earnings including current year profit. 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, 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	1,329.96	-	1,960.46
Derivative Financial Instruments (assets)	-	605.01	-	605.01
Derivative Financial Instruments (liabilities)	-	4,797.97	-	4,797.97

The fair value measurement hierarchy for financial instruments measured at fair value as at March 31, 2021 is as follows:

Particulars	At Fair Value Through Profit or Loss			Total
	Level-1	Level-2	Level-3	
Investments	0.02	-	-	0.02



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Particulars	At Fair Value Through Other Comprehensive Income			Total
	Level-1	Level-2	Level-3	
Investments	518.77	1,380.19	-	1,898.96
Derivative Financial Instruments (assets)	-	153.64	-	153.64
Derivative Financial Instruments (liabilities)	-	3,305.19	-	3,305.19

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. 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.

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, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Financial assets					
Cash and cash equivalents	1	91,785.15	71,166.99	91,785.15	71,166.99
Bank Balance other than above	1	643.98	731.22	643.98	731.22
Trade receivables	3	21.44	34.73	21.44	34.73
Loans	3	5,93,842.34	5,40,633.91	5,93,842.34	5,40,633.91
Investments- at amortised cost	1	1,876.06	5,261.52	1,843.08	5,260.56
Other Financial assets	3	1,224.98	2,099.08	1,224.98	2,099.08
Financial assets		6,89,393.95	6,19,927.45	6,89,360.97	6,19,926.49
Financial Liabilities					
Trade Payables	3	1,511.58	2,017.11	1,511.58	2,017.11
Debt securities	2	1,24,978.88	1,37,960.58	1,29,626.23	1,42,624.29
Borrowings (other than debt securities)	2	3,71,709.88	3,19,405.81	3,71,709.88	3,19,405.81
Subordinated liabilities	2	1,423.74	2,096.37	1,423.74	2,096.37
Other financial liabilities	3	11,782.01	12,135.14	11,782.01	12,135.14
Financial Liabilities		5,11,406.09	4,73,615.01	5,16,053.44	4,78,278.72

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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.

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.



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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.

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. Loss on account of auctions are recovered 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.

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'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.

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

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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 unlikeness 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 when none of the default criteria have been present for at least three consecutive months. 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:

Particulars	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.

Probability of Default (PD)

The Probability of Default is an estimate of the likelihood of default over a given time horizon. To calculate the ECL for a Stage 1 loan, 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.

Particulars	As at March 31, 2022			As at March 31, 2021		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Gold Loan	9.21%	9.21%	100%	10.31%	10.31%	100%
Personal Loan	0.29%	16.23%	100%	0.38%	21.48%	100%
Corporate Loan	10.41%	10.41%	100%	10.41%	10.41%	100%
Business Loan	0.30%	19.04%	100%	0.01%	5.31%	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%	0.00%
Other Loans	5.05%	5.05%	100%	6.80%	6.80%	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, 2022 and March 31, 2021. Reference is drawn to Note 65 which explains the impact of COVID-19 pandemic.



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Loss Given Default (LGD)

LGD is the estimated loss that the Company might bear 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.

Particulars	As at March 31, 2022			As at March 31, 2021		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Gold Loan	10.00%	10.00%	10.00%	10.12%	10.12%	10.12%
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%	0.00%
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.

Credit risk exposure analysis

As at March 31, 2022	Stage 1 Collective	Stage 2 Collective	Stage 3	Total
Per region				
North	1,21,197.76	3,876.91	4,194.20	1,29,268.87
South	2,85,658.25	12,010.77	8,482.25	3,06,151.28
East	49,752.10	1,723.35	1,408.16	52,883.61
West	1,06,200.92	3,462.13	3,277.80	1,12,940.85
EIR impact on service charges received				(183.36)
Gross amount net of EIR impact of service charge received				6,01,061.25

As at March 31, 2021	Stage 1 Collective	Stage 2 Collective	Stage 3	Total
Per region				
North	96,521.11	939.63	1,257.98	98,718.72
South	2,69,933.88	1,533.14	1,922.42	2,73,389.44
East	48,380.46	340.25	531.61	49,252.32
West	1,24,087.40	742.39	929.38	1,25,759.17
EIR impact on service charges received				(228.25)
Gross amount net of EIR impact of service charge received				5,46,891.40

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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, 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								
Financial assets																
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	5,95,873.38	-	-	-	5,95,873.38	-	-	-	-	-	2,85,289.09	-	-	8,81,162.47	-	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	-
Trade receivables	21.44	-	-	-	-	-	-	-	-	-	-	-	-	-	21.44	-
Other financial assets	1,224.98	-	-	-	-	-	-	-	-	-	-	-	-	-	1,224.98	-
Total financial assets at amortised cost	6,96,612.85	92,429.13	0.12	-	5,95,873.38	206.81	-	-	-	-	31.86	2,85,396.08	-	9,73,937.38	8,071.55	7,218.91

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As at March 31, 2022	Maximum exposure to credit risk	Fair value of collateral and credit enhancements held							Total collateral	Total 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	0.02	-	-	-	-	-	-	-	-	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	6,99,178.35	92,429.13	0.12	-	5,95,873.38	206.81	31.86	2,85,396.08	9,73,937.38	10,637.05	7,218.91
	18,461.96	-	-	-	88.51	-	-	51.41	139.92	18,373.45	19.59
	7,17,640.31	92,429.13	0.12	-	5,95,961.89	206.81	31.86	2,85,447.49	9,74,077.30	29,010.50	7,238.50

¹ Including equity instruments

As at March 31, 2021	Maximum exposure to credit risk	Fair value of collateral and credit enhancements held							Total collateral	Total 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											
Cash and cash equivalents	71,166.99	71,166.99	-	-	-	-	-	-	71,166.99	-	-
Bank Balance other than Cash and cash equivalents	731.22	731.22	-	-	-	-	-	-	731.22	-	-
Loans (Gross):											
i) Gold Loan	5,39,972.54	-	-	-	5,39,972.54	-	-	1,50,435.83	6,90,408.37	-	6,091.21
ii) Personal Loan	3,443.52	-	-	-	-	-	-	-	-	3,443.52	137.31
iii) Corporate Loan	165.39	-	-	-	-	165.39	-	20.63	186.02	-	11.25
iv) Business Loan	804.84	-	-	-	-	-	43.92	107.25	151.17	760.92	7.10
v) Staff Loan	19.00	-	-	-	-	-	-	-	-	19.00	1.06
vi) Loans to subsidiaries	2,280.00	-	-	-	-	-	-	-	-	2,280.00	-
vii) Other Loans	206.10	-	-	-	-	-	-	0.46	0.64	205.92	9.56

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(₹ in millions, except for share data and unless otherwise stated)

As at March 31, 2021	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			
Government securities at amortised cost	5,261.52	-	-	-	-	-	-	-	-	5,261.52	-
Trade receivables	34.73	-	-	-	-	-	-	-	-	34.73	-
Other financial assets	2,099.08	-	-	-	-	-	-	-	-	2,099.08	-
Total financial assets at amortised cost	6,26,184.93	71,898.21	0.18	-	5,39,972.54	165.39	43.92	1,50,564.17	7,62,644.41	14,104.69	6,257.49
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	2,052.59	-	-	-	-	-	-	-	-	2,052.59	-
Total financial instruments at fair value through OCI¹	2,052.59	-	-	-	-	-	-	-	-	2,052.59	-
Other commitments	10,838.32	71,898.21	0.18	-	5,39,972.54	165.39	43.92	1,50,564.17	7,62,644.41	16,157.30	6,257.49
					176.99			60.31	237.30	10,661.33	1.91
	6,39,075.86	71,898.21	0.18	-	5,40,149.53	165.39	43.92	1,50,624.48	7,62,881.71	26,818.63	6,259.40

¹ Including 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.

Asset Liability Management (ALM)

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.

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(₹ in millions, except for share data and unless otherwise stated)

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	1,07,293.72	74,463.87	63,096.11	1,55,860.85	1,79,212.71	18,737.08	713.10	27.76	(5,562.86)	5,93,842.34
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	1,74,196.49	94,508.92	68,701.61	1,55,879.08	1,80,028.39	19,685.59	713.10	13,177.41	(5,562.86)	7,01,327.73
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)	1,24,978.88
Borrowings (other than Debt Securities)	26,443.80	14,389.60	55,786.70	39,930.66	1,10,304.01	1,17,986.97	7,199.36	-	(331.22)	3,71,709.88
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	1,24,840.68	1,97,685.59	18,945.34	5,530.73	(588.35)	5,16,204.06

*represents adjustments on account of EIR/ECL

(₹ in millions, except for share data and unless otherwise stated)

Maturity pattern of assets and liabilities as on March 31, 2021:

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	64,138.99	28.00	7,000.00	-	-	-	-	-	-	71,166.99
Bank Balance other than Cash and cash equivalents	132.84	6.38	381.48	10.18	146.36	51.69	2.29	-	-	731.22
Derivative Financial Instruments	-	-	-	-	-	153.64	-	-	-	153.64
Trade Receivables	33.65	-	-	1.08	-	-	-	-	-	34.73
Loans	1,21,457.33	96,276.48	82,652.56	1,60,196.65	80,357.91	5,392.64	745.85	40.23	(6,485.74)	5,40,633.91
Investments	-	-	0.79	3,064.46	2,166.28	30.00	-	10,641.30	-	15,902.83
Other Financial assets	372.03	2.30	14.18	0.42	788.29	921.71	0.15	-	-	2,099.08
Total	1,86,134.84	96,313.16	90,049.01	1,63,272.79	83,458.84	6,549.68	748.29	10,681.53	(6,485.74)	6,30,722.40
Financial Liabilities										
Derivative Financial Instruments	17.19	-	-	35.76	51.42	3,200.82	-	-	-	3,305.19
Payables	1,267.84	-	272.21	-	477.06	-	-	-	-	2,017.11
Debt Securities	249.02	109.32	21,175.00	9,468.11	15,004.80	80,851.46	10,233.35	1,200.39	(330.87)	1,37,960.58
Borrowings (other than Debt Securities)	13,206.23	50,193.23	43,157.21	42,901.54	68,313.16	1,01,581.58	445.92	-	(393.06)	3,19,405.81
Subordinated Liabilities	-	-	386.54	-	289.15	925.86	504.93	-	(10.11)	2,096.37
Other Financial liabilities	4,234.87	219.93	1,506.11	1,378.21	1,730.59	2,585.11	305.72	174.60	-	12,135.14
Total	18,975.15	50,522.48	66,497.07	53,783.62	85,866.18	1,89,144.83	11,489.92	1,374.99	(734.04)	4,76,920.20

*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 3months & Over 6months & upto 6 months	Over 1 year & upto 3 years	Over 3 year & upto 5 years	Over 5 years	Total
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
As at March 31, 2021							
Income Tax Demands	-	-	-	1,762.81	-	-	1,762.81
Service Tax Demands	-	-	-	4,995.05	-	-	4,995.05
Other Claims	-	-	-	426.97	-	-	426.97
Guarantees and counter guarantees	90.39	-	-	-	-	-	90.39
Corporate Guarantee issued in favour of National Housing Bank for loan availed by wholly owned subsidiary M/s Muthoot Homefin (India) Limited	-	-	-	1,151.03	-	-	1,151.03
Disputed claims against the Company under litigation not acknowledged as debts	-	-	-	70.08	-	-	70.08
Other contingent liabilities	-	-	-	-	-	-	-
Commitments related to loans sanctioned but undrawn	10,838.32	-	-	-	-	-	10,838.32
Estimated amount of contracts remaining to be executed on capital account, net of advances	-	123.31	32.00	22.82	-	-	178.13

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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.

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 March 31, 2022	As at March 31, 2021
On Floating Rate Borrowings		
1% increase in interest rates	2400.21	1,817.50
1% decrease in interest rates	(2,400.21)	(1,817.50)

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.

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.



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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, 2022	10/(10)	0.00/(0.00)	196.05/(196.05)
As at March 31, 2021	10/(10)	0.00/(0.00)	189.90/(189.90)

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, 2022 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 March 31, 2022	As at March 31, 2021
External Commercial Borrowings - Senior Secured Notes (principal amount and interest accrued but not due on reporting date)	USD	76,815.78	74,097.06

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 or later 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.

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, 2022 together with interest paid /payable are required to be furnished.

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Note 44: Dividend remitted in foreign currency

There was no dividend remitted in foreign currency during the year ended March 31, 2022 and March 31, 2021.

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, 2022. 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, 2022 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	37,11,200	17,06,700
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
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	



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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	4,56,000	3,80,900	3,25,000
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			
Exercise period	Service only - graded vesting 8 Years	Service only - graded vesting	Service only - graded vesting 8 Years

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	3,90,400	7,28,300	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

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(₹ in millions, except for share data and unless otherwise stated)

Particulars	Tranche 4		
	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)"	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	2,48,200	3,42,900	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
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



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II Computation of fair value of options granted during the year ^(₹ in millions, except for share data and unless otherwise stated)

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
	₹ 68.75 (Nov 9, 2014)	₹ 70.21 (Nov 9, 2015)
	₹ 70.21 (Nov 9, 2015)	₹ 71.13 (Nov 9, 2016)
Fair value per option tranche on grant date (₹) (corresponding vesting date shown in brackets)	₹ 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.

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
	₹ 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)
Fair value per option tranche on grant date (₹) (corresponding vesting date shown in brackets)	₹ 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.

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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
	₹ 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)
Fair value per option tranche on grant date (₹) (corresponding vesting date shown in brackets)	₹ 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.

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
	₹ 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)
Fair value per option tranche on grant date (₹) (corresponding vesting date shown in brackets)	₹ 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.



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III Reconciliation of options

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	1,15,350	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.

Particulars	Tranche 1		Tranche 2		Tranche 3
	Grant A	Grant B	Grant A	Grant B	Grant A
Financial Year 2020-21					
Options outstanding at April 1, 2020	18,970	12,515	5,345	22,130	37,500
Granted during the year	-	-	-	-	-
Forfeited during the year	-	-	-	-	-
Exercised during the year	4,340	3,560	1,135	16,090	10,000
Expired / lapsed during the year	4,335	3,230	1,530	2,700	-
Options outstanding at March 31, 2021	10,295	5,725	2,680	3,340	27,500
Options exercisable at March 31, 2021	10,295	5,725	2,680	3,340	27,500
Weighted average remaining contractual life (in years)	-	-	-	-	-
Weighted average share price at the time of exercise*	1,194.52	1,168.28	1,149.32	1,171.31	1,130.35

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Particulars	Tranche 4			Tranche 5		
	Grant A	Grant B	Loyalty	Grant A	Grant B	Loyalty
Financial Year 2020-21						
Options outstanding at April 1, 2020	1,33,285	1,21,705	875	1,55,300	1,28,420	200
Granted during the year	-	-	-	-	-	-
Forfeited during the year	-	-	-	-	-	-
Exercised during the year	47,420	23,960	-	39,015	12,810	200
Expired / lapsed during the year	7,945	16,320	-	935	24,905	-
Options outstanding at March 31, 2021	77,920	81,425	875	1,15,350	90,705	-
Options exercisable at March 31, 2021	17,800	12,180	875	6,560	10,905	-
Weighted average remaining contractual life (in years)	0.24	0.79	-	0.90	1.49	-
Weighted average share price at the time of exercise*	1177.75	1172.58	-	1134.49	1,136.26	1202.95

* 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.

Note 47: Utilization of proceeds of Public Issue of Non - Convertible Debentures

The Company has during the year raised through public issue ₹17,000.00 millions of Secured Redeemable Non-Convertible Debentures. As at March 31, 2022, 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 is ₹ 808.68 millions (March 31, 2021: ₹ 664.53 millions) and the company has spent ₹ 811.30 millions (March 31, 2021: ₹ 544.04 millions) as detailed below:

- a) Gross amount required to be spent by the company during the year ₹ 808.68 millions
- b) Amount approved by the Board (CSR Committee) to be spent during the year ₹ 811.40 millions
- c) Amount spent during the year on:

Sl no.	Particulars	2021-22			2020-21		
		Amount spent	Amount unspent	Total	Amount spent	Amount unspent*	Total
i)	Construction / acquisition of any asset	-	-	-	-	-	-
ii)	On purposes other than (i) above	811.40	-	811.40	544.04	120.49	664.53
		811.40	-	811.40	544.04	120.49	664.53

* The Company had created provision for unspent expenditure on CSR amounting to ₹120.49 millions during FY20-21 as detailed in Note 19.2

- d) Details of related party transactions in relation to CSR expenditure is given in Note 39



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e) Details of CSR Unspent Amount:

Sl no. Particulars	2021-22	2020-21
i) Opening Balance	120.49	-
ii) Amount deposited in Specified Fund of Schedule VII	-	-
iii) Amount required to be spent during the year	808.68	664.53
iv) Amount spent during the year*	862.34	544.04
v) Closing Balance (CSR Unspent Amount)	66.83	120.49

*Does not include amount of ₹2.62 million approved to be spend by the Board

f) Amounts Earmarked for Ongoing Projects

Particulars	2021-22			2020-21		
	With Company	In Separate CSR Unspent A/c	Total	With Company*	In Separate CSR Unspent A/c	Total
Opening Balance	120.49	-	120.49	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	-	53.66	53.66	-	-	-
Closing Balance	-	66.83	66.83	120.49	-	120.49

*The amounts has been transferred to Separate CSR Unspent A/c as on April 30, 2021

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 years ended March 31, 2022 and March 31, 2021.

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 2021-22, the Company has acquired 14,11,765 equity shares of the face value of ₹ 10 each in Belstar Microfinance Limited for a total consideration of ₹ 480.00 millions

During the financial year 2021-22, the Company has acquired 3,96,87,516 convertible irredeemable five (05) year preference shares of the face value of LKR. 10 each in Asia Asset Finance PLC, Sri Lanka for a total consideration of LKR 396.87 millions

Note 50: Frauds during the year

During the year, frauds committed by employees and customers of the company amounted to ₹ 13.30 millions (March 31, 2021: ₹35.73 millions) which has been recovered /written off / provided for. Of the above, fraud by employees of the company amounted to ₹6.35 millions (March 31,2021: ₹31.41 millions).

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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
31-03-2022	20	2,90,748.33	Not Applicable	55.69%
31-03-2021	24	2,87,864.38	Not Applicable	59.69%

(ii) Top 20 large deposits: Not Applicable

(iii) Top 10 borrowings :

Date	Amount	% of Total Borrowings
31-03-2022	2,11,260.07	42.41%
31-03-2021	1,82,835.88	39.79%

(iv) Funding Concentration based on significant instrument/product

Name of the instrument/product	As March 31,2022		As March 31,2021	
	Amount	% of Total Liabilities	Amount	% of Total Liabilities
Secured Non-Convertible Debentures	1,24,978.88	23.94%	1,37,960.59	28.61%
Borrowings from Banks/Fls	2,76,428.77	52.95%	1,98,211.65	41.10%
Subordinated Debt	1,423.74	0.27%	2,096.37	0.43%
Commercial Paper	9,892.07	1.89%	38,540.06	7.99%
External Commercial Borrowings-Senior Secured Notes	75,663.21	14.49%	72,836.71	15.10%
Other Loans-Loans from Directors and relatives	9,725.84	1.86%	9,817.38	2.04%
Total	4,98,112.51	95.41%	4,59,462.76	95.27%

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, 2022	As at March 31, 2021
Commercial Paper as a % of Total Public Funds	2.03%	8.57%
Commercial Paper as a % of Total Liabilities	1.89%	7.99%
Commercial Paper as a % of Total Assets	1.40%	6.07%
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	59.43%	53.84%
Other Short-term Liabilities to Total Liabilities	55.59%	50.20%
Other Short-term Liabilities to Total Assets	41.14%	38.15%



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5 Borrower Group-wise Classification of Assets Financed* as in (2) and (3) above:-

Category	As at March 31, 2022			As at March 31, 2021		
	Amount (Principal, Net of provisioning)			Amount (Principal, Net of provisioning)		
	Secured	Unsecured	Total	Secured	Unsecured	Total
1. Related Parties						
(a) Subsidiaries	Nil	480.00	480.00	Nil	2,280.00	2,280.00
(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	5,68,448.81	4,384.04	5,72,832.85	5,13,373.64	4,312.24	5,17,685.88
Total	5,68,448.81	4,864.04	5,73,312.85	5,13,373.64	6,592.24	5,19,965.88

*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, 2022		As at March 31, 2021	
	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	8,944.51	9,368.29	8,374.70	8,742.33
(b) Companies in the same group	331.92	331.92	806.33	806.33
(c) Other related parties	Nil	Nil	Nil	Nil
2. Other than related parties	3,471.65	3,504.62	6,353.20	6,354.17
Total	12,748.08	13,204.83	15,534.23	15,902.83

7 Other information

Sl. No.	Particulars	Amount outstanding	
		As at March 31, 2022	As at March 31, 2021
(i)	Gross Non-Performing Assets*		
(a)	With Related parties	Nil	Nil
(b)	With Others	17,372.24	4,641.39
(ii)	Net Non-Performing Assets*		
(a)	With Related parties	Nil	Nil
(b)	With Others	15,532.83	4,035.88
(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 9,51,143 loan accounts (Previous Year: 49,915 accounts) during the financial year. The outstanding dues on these loan accounts were ₹74,405.94 millions (March 31, 2021: ₹ 3,852.66 millions) till the respective date of auction. The Company realised ₹65,370.15 millions (March 31, 2021: ₹ 3,254.80 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.

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(₹ in millions, except for share data and unless otherwise stated)

9 a) Capital

Particulars	As at March 31, 2022	As at March 31, 2021
i) CRAR (%)	29.97	27.39
ii) CRAR-Tier I capital (%)	29.10	26.31
iii) CRAR-Tier II capital (%)	0.87	1.08
iv) Amount of subordinated debt raised as Tier-II capital	1,449.41	2,133.47
v) Amount raised by issue of Perpetual Debt Instruments	Nil	Nil

9 b) Investments

Particulars	As at March 31, 2022	As at March 31, 2021
1) Value of Investments		
(i) Gross Value of Investments		
(a) In India	11,874.23	14,829.92
(b) Outside India	1,330.60	1,072.91
(ii) Provisions for Depreciation		
(a) In India	Nil	Nil
(b) Outside India	Nil	Nil
(iii) Net Value of Investments		
(a) In India	11,874.23	14,829.92
(b) Outside India	1,330.60	1,072.91
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. The notional value and fair value of such swap agreements have been disclosed as under:

Particulars	As at March 31, 2022	As at March 31, 2021
(i) The notional principal of swap agreements	15,796.72	17,423.43
(ii) Losses which would be incurred if counterparties failed to fulfil 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	605.01	153.64

For Accounting Policy and Risk Management Policy, refer Note 3.7 and Note 42 respectively.



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Exchange traded interest rate (IR) derivatives

Particulars	As at	As at
	March 31, 2022	March 31, 2021
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 foreign currency exposures to mitigate the foreign currency risk. During the year, the company has hedged its foreign currency borrowings through forward exchange contracts and Cross Currency Swaps. The Asset Liability Management Committee monitors such transactions and reviews the risks involved.

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 is detailed in Note 3.7.

Quantitative disclosures

Particulars	As at March 31, 2022		As at March 31, 2021	
	Currency derivatives	Interest rate derivatives	Currency derivatives	Interest rate derivatives
(i) Derivatives (Notional principal amount)				
For hedging	80,342.56	Nil	82,573.58	Nil
(ii) Marked to market positions				
a) Asset	605.01	Nil	153.64	Nil
b) Liability	4,797.97	Nil	3,305.19	Nil
(iii) Credit exposure	Nil	Nil	Nil	Nil
(iv) Unhedged exposures	Nil	Nil	Nil	Nil

The quantitative disclosures above relate to Forward Contracts and Cross Currency Swaps as detailed in Note 6.

9 d) Disclosure relating to securitisation

Particulars	As at	As at
	March 31, 2022	March 31, 2021
i) Disclosure relating to securitisation	Nil	Nil

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9 e) Asset Liability Management

Maturity pattern of certain items of assets and liabilities

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	1,50,679.03	18,623.70	5,318.44	(459.06)	4,22,449.28
Foreign Currency Liabilities (External Commercial Borrowings-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	1,55,860.85	1,79,212.71	18,737.08	713.10	27.76	(5,562.86)	5,93,842.34
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

As at 31.03.2021	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)	3,194.15	2,019.60	8,241.50	50,302.55	64,718.75	52,369.65	83,607.11	1,10,248.92	11,184.19	1,200.39	(460.76)	3,86,626.05
Foreign Currency Liabilities (External Commercial Borrowings-Senior Secured Notes including interest accrued but not due)	-	-	839.62	-	-	147.44	-	73,110.00	-	-	(273.28)	73,823.78
Assets												
Advances*	28,406.38	28,315.26	64,735.69	96,276.48	82,652.56	1,60,196.64	80,357.91	5,392.64	745.85	40.24	(6,485.74)	5,40,633.91
Investments	-	-	-	-	0.79	3,064.46	2,166.28	30.00	-	9,568.40	-	14,829.93
Foreign Currency assets	-	-	-	-	-	-	-	-	-	1,072.90	-	1,072.90

*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



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9 f) Exposures

i) Exposure to Real Estate Sector

Category	As at March 31, 2022	As at March 31, 2021
a) Direct exposure (Net of Advances from Customers)		
(i) Residential Mortgages -		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented	31.86	33.24
(ii) 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	10.74
(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
a. Residential,	Nil	Nil
b. Commercial Real Estate	Nil	Nil
Total Exposure to Real Estate Sector	31.86	43.98

ii) Exposure to Capital Market

Particulars	As at March 31, 2022	As at March 31, 2021
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	0.02	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) All exposures to Venture Capital Funds (both registered and unregistered)	Nil	Nil
Total Exposure to Capital Markets	0.02	0.02

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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	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	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**

Current Year: Nil

9 i) **Ratings assigned by Credit Rating Agencies**

Sl. No	Particulars	As at March 31, 2022	As at March 31, 2021
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)
7	International Ratings		
	(i) Fitch Ratings	BB(Stable)	BB(Stable)
	(ii) S&P Global	BB(Negative)	BB(Negative)
	(iii) Moody's Investors Service	Ba2(Stable)	Ba2(Stable)

Details of migration of credit ratings during the year : No Change

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, 2022	As at March 31, 2021
1	Provisions for depreciation on Investment	Nil	Nil
2	Provision towards NPA (Expected Credit Loss)	979.10	829.43
3	Provision made towards Income Tax	13,550.49	12,843.35
4	Other Provision and Contingencies (with details)		
	Provision for Leave Encashment	(32.34)	17.12
	Provision for Gratuity	152.12	145.64
	Provision for Other Assets	1.94	1.88
5	Provision for Standard Assets	Nil	Nil



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9 k) Concentration of Advances

Sl. No	Particulars	As at March 31, 2022	As at March 31, 2021
1	Total Advances to twenty largest borrowers	1,033.55	2,786.75
2	Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	0.18%	0.53%

9 l) Concentration of Exposures

Sl. No	Particulars	As at March 31, 2022	As at March 31, 2021
1	Total Exposures to twenty largest borrowers/customers	1,033.55	2,786.75
2	Percentage of Exposures to twenty largest borrowers/Customers to Total Exposures of the NBFC on borrowers/Customers.	0.18%	0.53%

9 m) Concentration of NPAs*

Sl. No	Particulars	As at March 31, 2022	As at March 31, 2021
1	Total Exposures to top four NPA accounts	32.61	21.89

*Stage 3 loans assets under Ind AS.

9 n) Sector-wise NPAs

Sl. No	Sector	Percentage of NPAs to Total Advances in that sector as on March 31, 2022	Percentage of NPAs to Total Advances in that sector as on March 31, 2021
1	Agriculture & allied activities	Nil	Nil
2	MSME	0.18%	0.13%
3	Corporate borrowers	Nil	Nil
4	Services	Nil	Nil
5	Unsecured personal loans	2.04%	2.92%
6	Auto loans (commercial vehicles)	Nil	Nil
7	Other loans	2.90%	0.84%

9 o) Movement of NPAs*

Sl. No	Particulars	As at March 31, 2022	As at March 31, 2021
(i)	Net NPAs* to Net Advances (%)	2.71%	0.78%
(ii)	Movement of NPAs* (Gross)		
	(a) Opening balance	4,641.39	8,991.54
	(b) Additions during the year	16,796.88	2,654.42
	(c) Reductions during the year	4,066.02	7,004.57
	(d) Closing balance	17,372.24	4,641.39
(iii)	Movement of Net NPAs*		
	(a) Opening balance	4,035.88	8,035.94
	(b) Additions during the year	15,562.96	2,654.42
	(c) Reductions during the year	4,066.02	6,654.48
	(d) Closing balance	15,532.83	4,035.88

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Sl. No	Particulars	As at March 31, 2022	As at March 31, 2021
(iv)	Movement of provisions for NPAs* (excluding Provisions on Standard Assets)		
	(a) Opening balance	605.51	955.60
	(b) Provisions made during the year	1,233.91	-
	(c) Write-off / write -back of excess provisions	-	350.09
	(d) Closing balance	1,839.41	605.51

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.

9 p) Overseas Assets

Sl. No	Name of the Entity	Country	Total assets As at March 31, 2022	Total assets As at March 31, 2021
1	Asia Asset Finance PLC	Sri Lanka	700.10	554.14
2	Nabil Bank Limited	Nepal	630.50	518.76

9 q) Off-Balance Sheet SPVs sponsored

Sl. No	Name of the Subsidiary	As at March 31, 2022	As at March 31, 2021
a)	Domestic	Nil	Nil
b)	Overseas	Nil	Nil

9 r) Customer Complaints

Sl. No	Particulars	As at March 31, 2022	As at March 31, 2021
(a)	No. of complaints pending as at the beginning of the year	0	1
(b)	No of complaints received during the year	1,033	1,057
(c)	No of complaints redressed during the year	1,023	1,058
(d)	No. of complaints pending as at the end of the year	10	0

10 Percentage of Loans granted against collateral of gold jewellery to total assets

Sl. No	Particulars	As at March 31, 2022	As at March 31, 2021
(a)	Gold Loans granted against collateral of gold jewellery (principal portion)	5,75,313.13	5,19,265.70
(b)	Total assets of the Company	7,05,546.88	6,34,649.24
(c)	Percentage of Gold Loans to Total Assets	81.54%	81.82%

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:



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Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	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	5,62,809.04	5,169.69	5,57,639.35	2,151.26	3,018.43
	Stage 2	21,063.32	209.81	20,853.51	65.98	143.83
Subtotal		5,83,872.36	5,379.50	5,78,492.86	2,217.24	3,162.26
Non-Performing Assets (NPA)						
Substandard	Stage 3	16,376.70	1,715.80	14,660.90	2,517.52	(801.72)
Doubtful - up to 1 year	Stage 3	561.53	58.42	503.11	129.51	(71.09)
1 to 3 years	Stage 3	211.76	23.72	188.04	65.34	(41.62)
More than 3 years	Stage 3	222.25	41.47	180.78	135.80	(94.33)
Subtotal for doubtful		995.54	123.61	871.93	330.65	(207.04)
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		17,372.24	1,839.41	15,532.83	2,848.17	(1,008.76)
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	18,461.96	19.59	18,442.37	-	19.59
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		18,461.96	19.59	18,442.37	-	19.59
Total	Stage 1	5,81,271.00	5,189.28	5,76,081.72	2,151.26	3,038.02
	Stage 2	21,063.32	209.81	20,853.51	65.98	143.83
	Stage 3	17,372.24	1,839.41	15,532.83	2,848.17	(1,008.76)
	Total	6,19,706.56	7,238.50	6,12,468.06	5,065.41	2,173.09

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

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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 01, 2020	December 01, 2021	December 01, 2022	December 01, 2023	December 01, 2024
Minimum LCR	50%	60%	70%	85%	100%

A) Quantitative Disclosure

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
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



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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	1,63,068.08	1,22,301.06	1,91,224.05	1,43,418.04	2,05,417.22	1,54,062.92	1,65,329.47	1,23,997.11
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	1,65,612.52	1,24,209.39	1,96,147.96	1,47,110.97	2,29,612.87	1,72,209.66	1,89,093.21	1,41,819.91
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%

Sl. No	Particulars	Quarter ended March 31, 2021		As at December 31, 2020*	
		Total Unweighted Value (Average)	Total Weighted Value (Average)	Total Unweighted Value	Total weighted Value
	High Quality Liquid Assets				
1	Total High Quality Liquid Assets (HQLA)	62,139.87	62,139.87	79,643.05	79,643.05
	Cash Outflows				
2	Deposits (for deposit taking companies)	N.A	N.A	N.A	N.A
3	Unsecured wholesale funding	10,761.09	12,375.26	17,593.42	20,232.43
4	Secured wholesale funding	30,690.64	35,294.23	21,559.53	24,793.46
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	10,609.44	12,200.85	10,223.76	11,757.33
6	Other contractual funding obligations	5,130.12	5,899.64	3,639.90	4,185.88
7	Other contingent funding obligations	103.47	118.99	102.59	117.97
8	Total Cash Outflows	57,294.76	65,888.97	53,119.20	61,087.07
	Cash Inflows				
9	Secured lending	-	-	-	-
10	Inflows from fully performing exposures	1,48,271.62	1,11,203.71	1,15,449.29	86,586.97
11	Other cash inflows	12,666.67	9,500.00	15,250.00	11,437.50
12	Total Cash Inflows	1,60,938.29	1,20,703.71	1,30,699.29	98,024.47
13	Total HQLA		62,139.87		79,643.05
14	Total Net Cash Outflows		16,472.24		15,271.77
15	Liquidity Coverage Ratio (%)		377%		522%

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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 for the year ended March 2022 is computed as simple averages of daily observations for the quarter.
- 4) 'Average' for the quarter ended March 2021 is computed as simple averages of monthly observations for the quarter (ie. January 2021, February 2021 and March 2021).
- 5) *LCR was implemented w.e.f December 01 ,2020 and consequently, disclosure as at December 31 ,2020 is based on relevant data as on December 31 ,2020.
- 6) 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.

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



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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. 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."

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 half-year (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	0.58	-	-	0.06	0.52
Corporate Persons	-	-	-	-	-
Of which MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	0.58	-	-	0.06	0.52

*represents the closing balance of loan accounts as on 31 March 2022

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, 2022 and March 31, 2021.

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, 2022 and March 31, 2021

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.

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, 2022 and March 31, 2021. No charges or satisfactions are yet to be registered with ROC beyond the statutory period.

NOTES

forming part of Financial Statements

(₹ in millions, except for share data and unless otherwise stated)

Note 60: Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 for the financial years ended March 31, 2022 and March 31, 2021.

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, 2022 and March 31, 2021.

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 or in 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 on behalf of the ultimate beneficiaries.

The Company has also not received any fund 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.

Note 63: Undisclosed Income

The company does not have any transaction which is 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.

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, 2022 and March 31, 2021.



NOTES

forming part of Financial Statements

(₹ in millions, except for share data and unless otherwise stated)

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. Due to the uncertainties caused by the pandemic, the management is continuously monitoring the situation, including the economic factors affecting the operations of the Company.

In the opinion of the management the impairment loss as stated in Note 8 and provision as stated in Note 19.1 is considered adequate to cover any future uncertainties on account of the above.

Note 66: Other Developments

- a) 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.

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/-
Thomson Thomas
Partner
Chartered Accountants
Membership No. 025567

Place: Kochi
Date: May 26, 2022

For Babu A. Kallivayalil & Co.
(FRN : 005374S)

Sd/-
Babu Abraham Kallivayalil
Partner
Chartered Accountants
Membership No. 026973

Place: Kochi
Date: May 26, 2022

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 26, 2022

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, 2022 - 0.2570685 / Average Exchange Rate - 0.365634* (INR in millions)	₹ (in millions)	₹ (in millions)	₹ (in thousands)	₹ (in millions)	₹ (in thousands)	₹ (in thousands)
4	Share capital	566.96	1,191.56	456.09	7,500.00	62.17	10,00,000.00	10,000.00
5	Reserves & surplus	141.40	3,279.20	8,103.24	11,15,707.95	973.04	94,812.25	(53.46)
6	Total assets	4,972.16	12,825.97	45,602.86	11,45,294.55	2,268.08	10,95,098.40	9,973.54
7	Total Liabilities	4,263.81	8,355.21	37,043.53	22,086.60	1,232.87	286.15	27.00
8	Investments	254.35	1,132.16	-	80,000.00	-	-	-
9	Turnover	1163.35*	2,136.85	7,284.31	4,50,124.69	455.58	41,484.47	324.35
10	Profit before taxation	73.96*	100.97	561.46	3,71,620.56	(88.46)	30,284.18	225.90
11	Provision for taxation	(30.82)*	16.93	110.17	95,177.25	(22.74)	7,729.98	56.85
12	Profit after taxation	43.15*	84.04	451.29	2,76,443.31	(65.72)	22,554.20	169.05
13	Proposed Dividend	Nil	Nil	₹ 0.30 per share	Nil	Nil	Nil	Nil
14	% of shareholding	72.92%	100.00%	60.69%	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 26, 2022

Sd/-
Oommen K. Mammen
 Chief Financial Officer

Sd/-
Rajesh A
 Company Secretary



CONSOLIDATED FINANCIAL STATEMENTS

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, 2022, 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, 2022, 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 matters	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 ECL on financial instruments involves significant judgement and estimates. Key estimates involve determining Exposure at Default, Probability at Default and Loss Given Default 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). <p>Tested the arithmetical accuracy of the computation of PD and LGD and also performed analytical procedures to verify the reasonableness of the computation.</p> <ul style="list-style-type: none"> 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 matters	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 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 Indian Accounting Standards, 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 subsidiary, Belstar Microfinance Limited

Key Audit matters	Auditors' Response
<p>Expected Credit Losses on loan assets</p> <p>As on March 31, 2022, the Company has reported gross loan assets of ₹ 37,780.12 million against which an impairment loss of ₹ 2,237.59 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>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.

Key Audit matters	Auditors' Response
<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 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, additional complexities involved in the current year on account of the ongoing impact of COVID-19 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>We also draw attention to Note 2.3 of the accompanying standalone financial statements, which describes the potential impact of the continuing COVID-19 pandemic considering the uncertainties involved and on the appropriateness of the impairment losses provided on the above-mentioned loan assets as on March 31, 2022, as the same is fundamental to the understanding of the users of standalone financial statements.</p>	<ul style="list-style-type: none"> • 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 including management's assessment of the impact of COVID-19 on these 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 related RBI circulars.
<p>Information technology ('IT') Systems and controls impacting financial reporting</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 of the financial and accounting records.</p> <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>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 is considered to be a key audit matter.</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> <p>Where deficiencies were identified, we tested compensating controls or performed alternate procedures.</p>

(ii) In respect of subsidiary, Muthoot Homefin (India) Limited

Key Audit matters	Auditors' Response
<p>1. Expected Credit Loss (ECL) on Loans and Advances</p> <p>As at March 31, 2022, the carrying value of loan assets measured at amortized cost, aggregated to ₹ 10295.63 million (net of allowance of ECL ₹ 257.12 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> <p>a) Data inputs – The application of ECL model requires several data inputs.</p> <p>b) 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.</p> <p>c) Qualitative and quantitative factors used in staging the loan assets measured at amortized cost.</p> <p>d) 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>	<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> <p>a) Testing the design and effectiveness of internal controls over the following:</p> <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. <p>b) On sample basis, ECL allowance on loan assets were tested over the following:</p> <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. <p>c) We also evaluated the adequacy of the adjustment after stressing the inputs used in determining the output as per the ECL Model.</p> <p>d) Testing management’s controls on compliance with disclosures to confirm the compliance with the provisions of IND AS 109 and RBI.</p> <p>e) Evaluating the appropriateness of the Company’s IND AS 109 impairment methodologies and reasonableness of assumptions used, including management overlays.</p> <p>f) For models which were changed or updated during the year, evaluating whether the changes were appropriate by assessing the updated model methodology.</p> <p>g) 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.</p>

(iii) In respect of foreign subsidiary, Asia Asset Finance PLC

Key Audit matters	Auditors' Response
<p>Impairment of loans and receivables</p> <p>The Company's gross loans and receivables amount to LKR 17.34 billion as at March 31, 2022 (2021: LKR 14 billion) and impairment allowance for the year amounts to LKR 493 million (2021: LKR 383 million)</p> <p>Due to significance of loans and receivables it 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>Key areas of significant judgements, estimates and assumption used by management related to the impact of COVID-19 in the assessment of the impairment allowance included the following:</p> <ul style="list-style-type: none"> • The probable impacts of COVID-19 and related industry responses (e.g., government stimulus packages and debt moratorium relief measures granted by the Company); • The determination on whether or not customer contracts have been substantially modified due to such COVID-19 related stimulus and relief measures granted and related effects on the amount of interest income recognised on affected loans and advances; • Forward-looking macroeconomic factors, including developing and incorporating macroeconomic scenarios, given the wide range of potential economic outcomes and probable impact from COVID-19 that may affect future expected credit losses. 	<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, COVID-19 impact and related industry response 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> <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 and COVID-19 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 estimate 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 COVID-19 on the elevated risk industries, strategic responsive actions taken, collateral values, and the value and timing of future cash flows. <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 • Evaluate 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 2021-22, 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 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 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 business activities included in the consolidated financial statements of which we are the independent auditors. For the business activities of other subsidiaries included in the consolidated financial statements, which has 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 ₹ 57,617.83 million as at March 31, 2022, total revenue ₹ 3,512.45 million and net cash flows of ₹ 2,088.63 million for the year ended March 31, 2022 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 preparation of the 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/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, 2022 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, 2022 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, 2022.
- 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 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 Company or any of such 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, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- b) The respective Managements of the 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 Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities (Funding Parties),

with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries 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; 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 companies 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.
- i. The dividend declared/paid during the year by the Group is in compliance with section 123 of the Act.

For Elias George & Co.,
Chartered Accountants
Firm Regn. No. 000801S

Thomson Thomas
Partner
Membership No: 025567
UDIN: 22025567AJQKME9145

May 26, 2022
Kochi

For Babu A. Kallivayalil & Co.,
Chartered Accountants
Firm Regn. No. 005374S

Babu Abraham Kallivayalil
Partner
Membership No: 026973
UDIN: 22026973AJQJWW9133

May 26, 2022
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, 2022

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 audit and to the best of our knowledge and belief and based on the consideration of 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

For Babu A. Kallivayalil & Co.,

Chartered Accountants

Firm Regn. No. 005374S

Thomson Thomas

Partner

Membership No: 025567

UDIN: 22025567AJQKME9145

Babu Abraham Kallivayalil

Partner

Membership No: 026973

UDIN: 22026973AJJWW9133

May 26, 2022

Kochi

May 26, 2022

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, 2022

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, 2022, we have audited the internal financial controls with reference to 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, 2022, 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 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 was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to 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 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 is 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;
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 Elias George & Co.,

Chartered Accountants
Firm Regn. No. 000801S

Thomson Thomas

Partner
Membership No: 025567
UDIN: 22025567AJQKME9145

May 26, 2022
Kochi

For Babu A. Kallivayalil & Co.,

Chartered Accountants
Firm Regn. No. 005374S

Babu Abraham Kallivayalil

Partner
Membership No: 026973
UDIN: 22026973AJQJWW9133

May 26, 2022
Kochi

CONSOLIDATED BALANCE SHEET

as at March 31, 2022

(₹ in millions, except for share data and unless otherwise stated)

Particulars	Notes	As at	
		March 31, 2022	March 31, 2021
I. ASSETS			
1 Financial assets			
a) Cash and cash equivalents	5	1,00,358.14	77,775.20
b) Bank Balance other than (a) above	5	2,791.47	2,434.87
c) Derivative financial instruments	6	605.01	153.64
d) Receivables	7		
(I) Trade receivables		70.09	98.02
(II) Other receivables		-	-
e) Loans	8	6,45,276.41	5,88,085.17
f) Investments	9	5,233.06	8,085.05
g) Other financial assets	10	2,807.28	4,383.41
2 Non-financial Assets			
a) Current tax assets (Net)		110.21	93.96
b) Deferred tax Assets (Net)	35	1,089.74	592.75
c) Investment Property	11	93.41	139.45
d) Property, Plant and Equipment	12	2,816.92	2,575.11
e) Right to use Assets	13	147.80	170.01
f) Capital work-in-progress	12	523.44	384.77
g) Goodwill		299.96	299.96
h) Other Intangible assets	14	58.74	86.31
i) Intangible assets under development	14	0.49	0.55
j) Other non-financial assets	15	882.57	1,056.12
Total Assets		7,63,164.74	6,86,414.35
II. LIABILITIES AND EQUITY			
LIABILITIES			
1 Financial Liabilities			
a) Derivative financial instruments	6	4,797.97	3,305.19
b) Payables	16		
(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		1,570.20	2,111.53
(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		3.46	2.31
c) Debt Securities	17	1,31,740.35	1,46,669.90
d) Borrowings (other than Debt Securities)	18	4,08,553.24	3,51,009.78
e) Deposits	19	2,235.26	2,579.53
f) Subordinated Liabilities	20	2,997.33	3,706.89
g) Lease Liabilities		159.80	177.57
h) Other financial liabilities	21	13,323.48	13,598.40
2 Non-financial Liabilities			
a) Current tax liabilities (Net)		1,418.15	1,302.75
b) Provisions	22	3,679.83	3,695.29
c) Deferred tax liabilities (Net)	35	166.36	142.21
d) Other non-financial liabilities	23	1,140.36	517.00
EQUITY			
a) Equity share capital	24	4,013.45	4,011.96
b) Other equity	25	1,83,843.79	1,51,738.29
Equity attributable to the owners of the parent		1,87,857.24	1,55,750.25
c) Non-controlling interest		3,521.72	1,845.75
Total Liabilities and Equity		7,63,164.74	6,86,414.35

Notes on accounts form part of consolidated financial statements
As per our report of even date attached

For Elias George & Co.
(FRN : 000801S)

Sd/-
Thomson Thomas
Partner
Chartered Accountants
Membership No. 025567

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 26, 2022

Place: Kochi
Date: May 26, 2022



CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2022

(₹ in millions, except for share data and unless otherwise stated)

Particulars	Notes	Year ended	
		March 31, 2022	March 31, 2021
Revenue from operations			
(i) Interest income	26	1,19,251.52	1,12,102.79
(ii) Dividend income		0.09	0.13
(iii) Net gain on fair value changes	27	488.74	1,648.37
(iv) Net gain on derecognition of financial instruments under amortised cost category		847.74	487.93
(v) Sale of services	28	139.69	120.33
(vi) Service charges		1,121.31	986.08
(I) Total Revenue from operations		1,21,849.08	1,15,345.63
(II) Other Income	29	525.54	356.33
(III) Total Income (I + II)		1,22,374.62	1,15,701.96
Expenses			
(i) Finance costs	30	42,558.52	40,999.29
(ii) Impairment on financial instruments	31	3,835.21	2,552.15
(iii) Net Loss on derecognition of financial instruments		35.19	32.48
(iv) Employee benefits expenses	32	12,394.80	11,892.72
(v) Depreciation, amortization and impairment	33	700.03	673.60
(vi) Other expenses	34	8,749.00	8,236.92
(IV) Total Expenses (IV)		68,272.75	64,387.16
(V) Profit before tax (III- IV)		54,101.87	51,314.80
(VI) Tax Expense:	35		
(1) Current tax		14,110.96	13,359.62
(2) Deferred tax		(315.12)	(225.02)
(3) Taxes relating to prior years		(7.20)	(8.50)
(VII) Profit for the year (V- VI)		40,313.23	38,188.70
(VIII) Other Comprehensive Income			
A) (i) Items that will not be reclassified to profit or loss			
- Remeasurement of defined benefit plans		23.89	77.02
- Fair value changes on equity instruments through other comprehensive income		61.51	375.81
- Changes in value of forward element of forward contract		(670.21)	(553.14)
(ii) Income tax relating to items that will not be reclassified to profit or loss		146.80	26.09
Subtotal (A)		(438.01)	(74.22)
B) (i) Items that will be reclassified to profit or loss			
- Gain/ (loss) from translating financial statements of foreign operations		(304.89)	(46.86)
- Fair value gain/ (loss) on debt instruments through other comprehensive income		(17.89)	(9.84)
- Effective portion of gain/(loss) on hedging instruments in cash flow hedges		(40.34)	(658.81)
(ii) Income tax relating to items that will be reclassified to profit or loss		16.33	168.29
Subtotal (B)		(346.79)	(547.22)
Other Comprehensive Income (A + B) (VIII)		(784.80)	(621.44)
(IX) Total comprehensive income for the year (VII+VIII)		39,528.43	37,567.26
Profit for the year attributable to			
Owners of the parent		40,166.20	38,043.97
Non-controlling interest		147.03	144.73
Other comprehensive income attributable to			
Owners of the parent		(698.16)	(607.79)
Non-controlling interest		(86.63)	(13.65)
Total comprehensive income for the year attributable to			
Owners of the parent		39,468.04	37,436.18
Non-controlling interest		60.39	131.08
(X) Earnings per equity share	36		
(Face value of ₹10/- each)			
Basic (₹)		100.10	94.84
Diluted (₹)		100.05	94.76

Notes on accounts form part of consolidated financial statements
As per our report of even date attached

For Elias George & Co.
(FRN : 0008015)

For Babu A. Kallivayalil & Co.
(FRN : 005374S)

For and on behalf of the Board of Directors

Sd/-
Thomson Thomas
Partner
Chartered Accountants
Membership No. 025567

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 26, 2022

Place: Kochi
Date: May 26, 2022

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2022

a. Equity Share Capital

Equity shares of ₹ 10/- each issued, subscribed and fully paid

(₹ in millions, except for share data and unless otherwise stated)

Particulars	Number	Amount
As at April 01, 2020	40,10,37,326	4,010.37
Shares issued in exercise of Employee Stock Options during the year	1,58,530	1.59
As at March 31, 2021	40,11,95,856	4,011.96
Shares issued in exercise of Employee Stock Options during the year	1,49,410	1.49
As at March 31, 2022	40,13,45,266	4,013.45

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(g))	General Reserve	Share Option Outstanding	Capital Redemption Reserve	Capital reserve	Retained Earnings	Foreign currency translation reserve	Debits instruments through other comprehensive income	Equity instruments through other comprehensive income			Cash flow hedging reserve	Cost of Hedging Reserve	Income relating to items to be reclassified	Other Comprehensive Income attributable to equity holders of the parent
Balance as at April 01, 2020	26,870.74	14,968.79	35,123.98	2,676.33	132.29	500.00	0.66	33,374.05	(45.08)	12.75	102.25	319.05	257.19	-	1,14,281.73	1,721.42	1,16,003.15
Profit for the period	-	-	-	-	-	-	38,043.97	-	-	(5.16)	281.23	(493.00)	(413.93)	-	38,043.97	144.73	38,188.70
Other comprehensive income for the year (Net of tax)	-	-	-	-	-	-	-	(34.17)	-	-	-	-	-	-	(607.79)	(13.65)	(621.44)
Remeasurement of the net defined benefit liability / asset, net	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(6.75)
Adjustments to non controlling interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tax on dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to/from retained earnings	7,444.35	-	-	-	-	-	(7,444.35)	-	-	-	-	-	-	-	-	-	-
Other Additions/ Deductions during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share based payment expenses	-	-	-	-	14.04	-	-	-	-	-	-	-	-	-	14.04	-	14.04
Share options exercised during the year	-	-	-	-	(41.33)	-	-	-	-	-	-	-	-	-	(41.33)	-	(41.33)
Share premium received during the year	-	47.65	-	-	-	-	-	-	-	-	-	-	-	-	47.65	-	47.65
Balance as at March 31, 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)	-	1,51,738.29	1,845.75	1,53,584.04
Profit for the period	-	-	-	-	-	-	40,166.20	-	-	(8.20)	46.03	(30.19)	(501.53)	-	40,166.20	147.03	40,313.23
Other comprehensive income for the year (Net of tax)	-	-	-	-	-	-	-	(222.32)	-	-	-	-	-	-	(698.16)	(86.63)	(784.80)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2022

(₹ in millions, except for share data and unless otherwise stated)

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 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 comprehensive income (Remeasurement of defined benefit plans)			Total attributable to equity holders of the parent
Adjustments to non controlling interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,615.57	1,615.57
Dividend	-	-	-	-	-	-	(8,023.92)	-	-	-	-	-	-	-	(8,023.92)	-	(8,023.92)	(8,023.92)
Tax on dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net gain / (loss) on transaction with Non-controlling interest	-	-	-	-	-	-	657.40	-	-	-	-	-	-	-	-	657.40	-	657.40
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 option 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	1,83,843.79	3,521.72	1,87,365.51

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/-
Thomson Thomas
Partner
Chartered Accountants
Membership No. 0255567

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 26, 2022

Place: Kochi
Date: May 26, 2022

CONSOLIDATED CASH FLOW STATEMENT

for the year ended March 31, 2022

(₹ in millions, except for share data and unless otherwise stated)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
A. Cash flow from Operating activities		
Profit before tax	54,101.87	51,314.80
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation, amortisation and impairment	700.03	673.60
Impairment on financial instruments	3,835.21	2,552.15
Finance cost	42,558.52	40,999.29
(Profit)/Loss on sale of Property, plant and equipment	(7.90)	(7.19)
Provision for Gratuity	172.74	159.52
Provision for Compensated absences	(32.34)	17.52
Provision for unspent expenditure on Corporate Social Responsibility	66.83	120.49
Provision for Employee benefit expense - Share based payments for employees	(1.98)	14.04
Provision for refund of interest on interest	4.55	19.00
Interest income on investments	(1,799.91)	(1,154.55)
Dividend income	(0.09)	(0.13)
(Profit)/Loss on sale of mutual funds	(492.84)	(1,618.18)
Unrealised gain on investment	4.10	(29.39)
Operating Profit Before Working Capital Changes	99,108.79	93,060.97
Adjustments for:		
(Increase)/Decrease in Trade receivables	27.93	(8.20)
(Increase)/Decrease in Bank balances other than cash and cash equivalents	(356.63)	523.91
(Increase)/Decrease in Loans	(61,195.18)	(1,20,849.04)
(Increase)/Decrease in Other financial assets	775.58	(1,134.17)
(Increase)/Decrease in Other non-financial assets	91.13	(160.87)
Increase/(Decrease) in Other financial liabilities	113.95	(148.43)
Increase/(Decrease) in Other non-financial liabilities	627.55	51.10
Increase/(Decrease) in Trade payables	(540.19)	(145.56)
Increase/(Decrease) in Provisions	(888.30)	(248.32)
Cash generated from/ (used in) operations	37,764.63	(29,058.61)
Finance cost paid	(39,706.33)	(36,211.41)
Income tax paid	(14,022.79)	(12,872.87)
Net cash from / (used in) operating activities	(15,964.49)	(78,142.89)
B. Cash flow from Investing activities		
Purchase of Property, plant and equipment and intangible assets	(970.59)	(914.80)
Proceeds from sale of Property, plant and equipment	24.11	17.08
(Increase)/Decrease in Investment Property	4.40	8.65
(Increase)/Decrease in Investment in mutual funds (Net)	(8.90)	5,343.78
(Increase)/Decrease in Investments at amortised cost	3,410.95	(5,159.07)
Interest received on investments	1,756.33	1,100.04
Dividend income	0.09	0.13
Net cash from / (used in) investing activities	4,216.39	395.81



CONSOLIDATED CASH FLOW STATEMENT

for the year ended March 31, 2022

(₹ in millions, except for share data and unless otherwise stated)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
C. Cash flow from Financing activities		
Proceeds from issue of equity share capital	7.47	7.92
Proceeds from issue of subsidiary shares to Non-controlling interest	2,276.29	-
Increase / (Decrease) in Debt securities	(14,991.44)	43,962.63
Increase / (Decrease) in Borrowings (other than Debt securities)	55,565.48	53,374.48
Increase / (Decrease) in Deposits	432.27	157.58
Increase / (Decrease) in Subordinated liabilities	(732.83)	(297.60)
Payment of lease liabilities and interest on lease liabilities	(75.05)	(74.04)
Dividend paid	(8,027.30)	(6.75)
Net cash from / (used in) financing activities	34,454.89	97,124.22
D. Net increase/(decrease) in cash and cash equivalents (A+B+C)	22,706.79	19,377.14
Net foreign exchange difference	(111.38)	(29.46)
Cash and cash equivalents at April 01, 2021/ April 01, 2020	78,007.06	58,659.38
Cash and cash equivalents at March 31, 2022/ March 31, 2021	1,00,602.47	78,007.06

Notes:

- a) 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.
- b) Components of Cash and cash equivalents as per Consolidated Cash flow statement:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Cash and cash equivalents as per Consolidated Balance sheet	1,00,358.14	77,775.20
Add: Investment in reverse re-purchase against treasury bills and bonds (maturity less than 3 months)	254.35	240.79
	1,00,612.49	78,015.99
Less: Bank Overdraft	10.02	8.93
Cash and cash equivalents as per Consolidated Cash flow Statement	1,00,602.47	78,007.06

Notes on accounts form part of consolidated financial statements As per our report of even date attached

For Elias George & Co.
(FRN : 000801S)

Sd/-
Thomson Thomas
Partner
Chartered Accountants
Membership No. 025567

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 26, 2022

Place: Kochi
Date: May 26, 2022

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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 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, 2022	% of holding as at March 31, 2021
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	60.69	70.01
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 1,011,418 equity shares of Nepalese Rupee 100/- (i.e. 0.5468% shareholding) each as at March 31, 2022.

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.

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



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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 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, 2022.

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

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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 (INR) 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, 2022.

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.

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



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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 parties 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.

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 and, in the case of borrowings and payables, net of directly attributable transaction costs. 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 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 interest in transferred financial assets that is created or retained by the Group is recognized as a separate asset or liability.

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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
- 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 (SICR) 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



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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.

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 in. 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:

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- 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.

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 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.

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 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 an original 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.

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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 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.

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.



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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 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.

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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.

3.13.3. 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 their carrying amounts in the consolidated financial statements for financial reporting purposes.



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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.

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.

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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 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.



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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 SPPI and the business model test. The respective companies in the Group 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 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

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

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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, 2022	As at March 31, 2021
Cash on hand	1,957.21	2,239.02
Balances with Banks		
- in current accounts	36,409.48	50,000.20
- in fixed deposit (maturing within a period of three months)	34,003.24	20,038.54
Investment in TREPS	27,988.21	5,497.44
Total	1,00,358.14	77,775.20

Note 5.2: Bank balance other than cash and cash equivalents

Particulars	As at March 31, 2022	As at March 31, 2021
Fixed deposits with bank (Maturing after period of three months)	857.02	273.65
Fixed deposits with bank under lien (Refer Note 5.2.1)		
- Maturing within a period of three months	549.01	1,644.48
- Maturing after period of three months	1,233.87	383.81
Balance in other escrow accounts		
- Unpaid (Unclaimed) Dividend Account	8.67	7.85
- Unspent CSR expenditure account	66.83	-
- Unpaid (Unclaimed) interest and redemption proceeds of Non-Convertible debentures - Public Issue	76.07	125.08
Total	2,791.47	2,434.87

Note 5.2.1 Fixed deposits with bank under lien

Particulars	As at March 31, 2022	As at March 31, 2021
Fixed Deposits given as Security for borrowings	1,202.61	1,448.25
Fixed Deposits given as Security for guarantees	298.46	198.29
Fixed Deposits on which lien is marked for other purposes	281.81	381.75
Total	1,782.88	2,028.29

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 ₹139.18 millions (March 31,2021: ₹161.18 millions) disclosed separately under Other financial assets in Note 10. Details of such interest accrued is as follows :

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(₹ in millions, except for share data and unless otherwise stated)

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Fixed deposit and Investment in TREPS (maturing within a period of three months)	18.23	63.00
Fixed deposits with bank (maturing after period of three months)	12.89	6.82
Fixed deposits with bank under lien (maturing within a period of three months):		
- given as security for borrowings	32.27	26.56
- given as security for guarantees	0.22	0.24
- other purposes	0.35	12.24
Fixed deposits with bank under lien (maturing after period of three months):		
- given as security for borrowings	71.38	50.69
- given as security for guarantees	3.81	1.50
- other purposes	0.03	0.13
Total	139.18	161.18

Note 6: Derivative Financial Instruments

Particulars	As at March 31, 2022				As at March 31, 2021			
	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	851.61	64,545.84	-	4,797.97	891.13	65,150.15	-	3,305.19
- Cross currency swaps	212.25	15,796.72	605.01	-	224.50	17,423.43	153.64	-
Total	1,063.86	80,342.56	605.01	4,797.97	1,115.63	82,573.58	153.64	3,305.19
Included in above are derivatives held for hedging and risk management purposes as follows:								
(i) Fair value hedging	-	-	-	-	-	-	-	-
(ii) Cash flow hedging:								
- Currency derivatives	1,063.86	80,342.56	605.01	4,797.97	1,115.63	82,573.58	153.64	3,305.19
(iii) Net investment hedging	-	-	-	-	-	-	-	-
(iv) Undesignated Derivatives	-	-	-	-	-	-	-	-
Total (i)+(ii)+(iii)+(iv)	1,063.86	80,342.56	605.01	4,797.97	1,115.63	82,573.58	153.64	3,305.19

The Company undertakes derivative transactions for hedging exposures relating to foreign currency borrowings. The management of foreign currency risk is detailed in Note 44.

Note 7: Receivables

Particulars	As at	As at
	March 31, 2022	March 31, 2021
(I) Trade receivables		
a) Receivables considered good - Secured	-	-
b) Receivables considered good - unsecured		
Receivables from Money Transfer business	19.00	33.65
Receivables from Power Generation - Wind Mill	2.44	1.08
c) Receivables which have significant increase in Credit Risk	-	-
d) Receivables - credit impaired	-	-
Commission receivable	3.46	3.14



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(₹ in millions, except for share data and unless otherwise stated)

Particulars	As at March 31, 2022	As at March 31, 2021
(II) Other receivables	45.19	60.15
Total	70.09	98.02
Less: Allowance for impairment loss	-	-
Total Net Receivable	70.09	98.02

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.

7.1 Trade Receivables Ageing Schedule

Particulars	As at March 31, 2022					Total
	Outstanding for following periods from due date of payment					
	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	-	-	-	-	-	-

Particulars	As at March 31, 2021					Total
	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 years	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	97.93	0.09	-	-	-	98.02
(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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(₹ in millions, except for share data and unless otherwise stated)

Note 8: Loans

Particulars	As at March 31, 2022					Sub-total	Total
	Amortised Cost	At Fair value					
		Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss			
(A)							
i) Gold Loan	5,99,079.01	-	-	-	-	-	5,99,079.01
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 (Refer Note 8.3)	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	6,55,444.38	-	-	-	-	-	6,55,444.38
Less : Impairment loss allowance	10,167.96	-	-	-	-	-	10,167.96
Total (A) - Net	6,45,276.41	-	-	-	-	-	6,45,276.41

(B)

I) Secured by tangible assets (including book debts)							
i) Gold Loan	5,99,079.01	-	-	-	-	-	5,99,079.01
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
II) Secured by intangible assets							
Total (I) - Gross	6,12,122.07	-	-	-	-	-	6,12,122.07
Less : Impairment loss allowance	7,441.95	-	-	-	-	-	7,441.95
Total (I) - Net	6,04,680.12	-	-	-	-	-	6,04,680.12



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(₹ in millions, except for share data and unless otherwise stated)

Particulars	As at March 31, 2022					Sub-total	Total
	Amortised Cost	At Fair value					
		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	43,322.31	-	-	-	-	-	43,322.31
Less : Impairment loss allowance	2,726.02	-	-	-	-	-	2,726.02
Total (III) - Net	40,596.29	-	-	-	-	-	40,596.29
Total (I+II+III) - Net	6,45,276.41	-	-	-	-	-	6,45,276.41
(C) (I) Loans in India							
i) Public Sector	-	-	-	-	-	-	-
ii) Others	6,50,985.52	-	-	-	-	-	6,50,985.52
(C) (II) Loans outside India							
i) Public Sector	-	-	-	-	-	-	-
ii) Others	4,458.86	-	-	-	-	-	4,458.86
Total (C) - Gross	6,55,444.38	-	-	-	-	-	6,55,444.38
Less: Impairment Loss Allowance (C)	10,167.96	-	-	-	-	-	10,167.96
Total (C)- Net	6,45,276.41	-	-	-	-	-	6,45,276.41

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forming part of Financial Statements

(₹ in millions, except for share data and unless otherwise stated)

Particulars	As at March 31, 2021					Total
	Amortised Cost	At Fair value			Sub-total	
		Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss		
(A)						
i) Gold Loan	5,42,408.21	-	-	-	-	5,42,408.21
ii) Corporate Loan	340.25	-	-	-	-	340.25
iii) Personal Loan	4,132.73	-	-	-	-	4,132.73
iv) Staff Loan	30.25	-	-	-	-	30.25
v) Housing Loan (Refer Note 8.3)	12,615.29	-	-	-	-	12,615.29
vi) Project finance Loan	57.89	-	-	-	-	57.89
vii) Mortgage Loan	570.59	-	-	-	-	570.59
viii) Pledge Loan	49.99	-	-	-	-	49.99
ix) Business Loan	805.21	-	-	-	-	805.21
x) Vehicle Loan	4,625.96	-	-	-	-	4,625.96
xi) Micro finance Loan	28,050.97	1,034.45	-	-	1,034.45	29,085.42
xii) Other Loans	1,618.69	-	-	-	-	1,618.69
Total (A) - Gross	5,95,306.03	1,034.45	-	-	1,034.45	5,96,340.48
Less : Impairment loss allowance	8,247.51	7.80	-	-	7.80	8,255.31
Total (A) - Net	5,87,058.52	1,026.65	-	-	1,026.65	5,88,085.17

(B)

I) Secured by tangible assets (including book debts)						
i) Gold Loan	5,42,408.21	-	-	-	-	5,42,408.21
ii) Corporate Loan	340.25	-	-	-	-	340.25
iii) Housing Loan	12,615.29	-	-	-	-	12,615.29
iv) Mortgage Loan	570.59	-	-	-	-	570.59
v) Vehicle Loan	4,625.96	-	-	-	-	4,625.96
vi) Business Loan	43.92	-	-	-	-	43.92
vii) Other Loans	1,412.77	-	-	-	-	1,412.77
Total (I) - Gross	5,62,016.99	-	-	-	-	5,62,016.99
Less : Impairment loss allowance	6,338.02	-	-	-	-	6,338.02
Total (I) - Net	5,55,678.97	-	-	-	-	5,55,678.97

II) Covered by Bank / Government Guarantees

III) Unsecured						
i) Corporate Loan	-	-	-	-	-	-
ii) Personal Loan	4,132.73	-	-	-	-	4,132.73
iii) Staff Loan	30.25	-	-	-	-	30.25
iv) Project finance Loan	57.89	-	-	-	-	57.89



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(₹ in millions, except for share data and unless otherwise stated)

Particulars	As at March 31, 2021					Total
	Amortised Cost	At Fair value			Sub-total	
		Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss		
v) Pledge Loan	49.99	-	-	-	-	49.99
vi) Business Loan	761.29	-	-	-	-	761.29
vii) Vehicle Loan	-	-	-	-	-	-
viii) Micro finance Loan	28,050.97	1,034.45	-	-	1,034.45	29,085.42
ix) Other Loans	205.92	-	-	-	-	205.92
Total (III) - Gross	33,289.04	1,034.45	-	-	1,034.45	34,323.49
Less : Impairment loss allowance	1,909.49	7.80	-	-	7.80	1,917.29
Total (III) - Net	31,379.55	1,026.65	-	-	1,026.65	32,406.20
Total B (I+II+III) - Net	5,87,058.52	1,026.65	-	-	1,026.65	5,88,085.17
(C) (I) Loans in India						
i) Public Sector	-	-	-	-	-	-
ii) Others	5,90,156.21	1,034.45	-	-	1,034.45	5,91,190.66
(C) (II) Loans outside India						
i) Public Sector	-	-	-	-	-	-
ii) Others	5,149.82	-	-	-	-	5,149.82
Total (C) - Gross	5,95,306.03	1,034.45	-	-	1,034.45	5,96,340.48
Less: Impairment Loss Allowance (C)	8,247.51	7.80	-	-	7.80	8,255.31
Total (C) - Net	5,87,058.52	1,026.65	-	-	1,026.65	5,88,085.17

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, 2022				As at March 31, 2021			
	Stage 1 Collective	Stage 2 Collective	Stage 3	Total	Stage 1 Collective	Stage 2 Collective	Stage 3	Total
Internal rating grade								
Performing								
High grade	5,52,090.89	-	-	5,52,090.89	5,37,253.49	-	-	5,37,253.49
Standard grade	10,718.16	-	-	10,718.16	1,669.36	-	-	1,669.36
Sub-standard grade	-	11,036.92	-	11,036.92	-	2,243.45	-	2,243.45
Past due but not impaired	-	10,026.41	-	10,026.41	-	1,311.96	-	1,311.96
Non-performing								
Individually impaired	-	-	17,372.24	17,372.24	-	-	4,641.39	4,641.39
Total	5,62,809.05	21,063.33	17,372.24	6,01,244.62	5,38,922.85	3,555.41	4,641.39	5,47,119.65

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(₹ in millions, except for share data and unless otherwise stated)

Particulars	As at March 31, 2022				As at March 31, 2021			
	Stage 1 Collective	Stage 2 Collective	Stage 3	Total	Stage 1 Collective	Stage 2 Collective	Stage 3	Total
EIR impact of Service charges received				(183.36)				(228.25)
Gross carrying amount closing balance net of EIR impact of service charge received				6,01,061.26				5,46,891.40

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	As at March 31, 2022				As at March 31, 2021			
	Stage 1 Collective	Stage 2 Collective	Stage 3	Total	Stage 1 Collective	Stage 2 Collective	Stage 3	Total
Gross carrying amount opening balance	5,38,922.85	3,555.42	4,641.39	5,47,119.66	4,16,148.10	6,542.47	8,991.54	4,31,682.11
New assets originated or purchased	6,63,090.59	-	-	6,63,090.59	6,28,173.03	-	-	6,28,173.03
Assets derecognised or repaid (excluding write offs)	(6,02,036.61)	(3,282.34)	(3,357.25)	(6,08,676.20)	(5,00,406.82)	(5,615.69)	(6,594.52)	(5,12,617.03)
Transfers to Stage 1	7.18	(6.01)	(1.17)	-	20.40	(18.36)	(2.04)	-
Transfers to Stage 2	(21,000.02)	21,000.05	(0.03)	-	(2,992.64)	2,995.15	(2.51)	-
Transfers to Stage 3	(16,174.94)	(203.79)	16,378.73	-	(2,019.21)	(348.16)	2,367.37	-
Amounts written off	-	-	(289.43)	(289.43)	-	-	(118.46)	(118.46)
Gross carrying amount closing balance	5,62,809.05	21,063.33	17,372.24	6,01,244.62	5,38,922.86	3,555.41	4,641.38	5,47,119.65
EIR impact of Service charges received				(183.36)				(228.25)
Gross carrying amount closing balance net of EIR impact of service charge received				6,01,061.26				5,46,891.40



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(₹ in millions, except for share data and unless otherwise stated)

Reconciliation of ECL balance is given below:

Particulars	As at March 31, 2022				As at March 31, 2021			
	Stage 1 Collective	Stage 2 Collective	Stage 3	Total	Stage 1 Collective	Stage 2 Collective	Stage 3	Total
ECL allowance - opening balance	5,591.56	60.42	605.51	6,257.49	4,390.99	80.60	955.60	5,427.19
New assets originated or purchased	6,037.17	-	-	6,037.17	6,487.70	-	-	6,487.70
Assets derecognised or repaid (excluding write offs)	(6,155.80)	(52.35)	(459.78)	(6,667.93)	(5,267.93)	(63.62)	(616.64)	(5,948.19)
Transfers to Stage 1	2.29	(1.12)	(1.17)	-	5.47	(3.35)	(2.12)	-
Transfers to Stage 2	(218.67)	218.70	(0.03)	0.00	(31.03)	33.54	(2.51)	-
Transfers to Stage 3	(170.15)	(4.39)	174.54	-	32.24	(9.01)	(23.23)	-
Impact on year end ECL of exposures transferred between stages during the year	83.29	(11.46)	1,809.78	1,881.61	(25.88)	22.26	412.86	409.24
Amounts written off	-	-	(289.43)	(289.43)	-	-	(118.45)	(118.45)
ECL allowance - closing balance	5,169.69	209.80	1,839.42	7,218.91	5,591.56	60.42	605.51	6,257.49

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 MML internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances.

Particulars	As at March 31, 2022				As at March 31, 2021			
	Stage 1 Collective	Stage 2 Collective	Stage 3	Total	Stage 1 Collective	Stage 2 Collective	Stage 3	Total
Internal rating grade								
Performing								
High grade	915.88	0.44	-	916.32	2,075.85	-	-	2,075.85
Standard grade	425.39	0.32	-	425.71	510.94	-	-	510.94
Sub-standard grade	-	305.45	-	305.45	-	484.31	-	484.31
Past due but not impaired	-	286.18	-	286.18	-	334.36	-	334.36
Non-performing								
Individually impaired	-	-	136.89	136.89	-	-	325.26	325.26
Total	1,341.27	592.39	136.89	2,070.54	2,586.79	818.67	325.26	3,730.72
EIR impact of Service Charges Received and Commission Paid	0.71	0.12	0.03	0.86	1.94	0.68	0.34	2.96
Gross carrying amount closing balance net of EIR impact of service charges received	1,341.98	592.51	136.92	2,071.41	2,588.74	819.35	325.60	3,733.69

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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	2021-22				2020-21			
	Stage 1 Collective	Stage 2 Collective	Stage 3	Total	Stage 1 Collective	Stage 2 Collective	Stage 3	Total
Gross carrying amount opening balance	2,586.79	818.68	325.26	3,730.73	4,340.28	564.95	258.31	5,163.54
New assets originated or purchased	319.63	1.09	-	320.72	85.62	-	-	85.62
Assets derecognised or repaid (excluding write offs)	(1,113.76)	(538.87)	(33.68)	(1,686.31)	(1,377.39)	-	-	(1,377.39)
Transfers to Stage 1	144.99	(125.64)	(19.35)	-	-	-	-	-
Transfers to Stage 2	(524.07)	535.91	(11.84)	-	(253.73)	253.73	-	-
Transfers to Stage 3	(72.30)	(98.79)	171.09	-	(207.99)	-	207.99	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-	-	-	-	-
Amounts written off	-	-	(294.60)	(294.60)	-	-	(141.04)	(141.04)
Gross carrying amount closing balance	1,341.27	592.39	136.89	2,070.54	2,586.79	818.68	325.26	3,730.73
EIR impact of Service Charges Received and Commission Paid	0.71	0.12	0.03	0.86	1.94	0.68	0.34	2.96
Gross carrying amount closing balance net of EIR impact of service charges received	1,341.98	592.51	136.93	2,071.41	2,588.74	819.35	325.60	3,733.69

Reconciliation of ECL balance is given below:

Particulars	2021-22				2020-21			
	Stage 1 Collective	Stage 2 Collective	Stage 3	Total	Stage 1 Collective	Stage 2 Collective	Stage 3	Total
ECL allowance - opening balance	20.43	21.72	129.43	171.58	21.74	56.68	64.84	143.26
Changes in ECL rates	(10.08)	(18.44)	(7.44)	(35.96)	-	-	-	-
New assets originated or purchased	2.34	0.00	-	2.35	169.37	-	-	169.37
Assets derecognised or repaid (excluding write offs)	(4.46)	(2.16)	(12.63)	(19.24)	-	-	-	-
Transfers to Stage 1	0.58	(0.50)	(7.26)	(7.18)	-	-	-	-
Transfers to Stage 2	(2.10)	2.57	(4.44)	(3.96)	34.96	(34.96)	-	-
Transfers to Stage 3	(0.29)	(0.40)	64.16	63.48	(205.64)	-	205.64	-
Impact on year end ECL of exposures transferred between stages during the year	-	-	-	-	-	-	-	-
Amounts written off	-	-	(110.48)	(110.48)	-	-	(141.04)	(141.04)
ECL allowance - closing balance	6.43	2.81	51.35	60.59	20.43	21.72	129.44	171.59



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(₹ in millions, except for share data and unless otherwise stated)

8.1.3 Belstar Microfinance Limited

Receivables under financing activities

Credit Quality of Loan Assets

The table below shows the credit quality and the maximum exposure to credit risk based on BML internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances.

Particulars	As at March 31, 2022				As at March 31, 2021			
	Stage 1 Collective	Stage 2 Collective	Stage 3	Total	Stage 1 Collective	Stage 2 Collective	Stage 3	Total
Internal rating grade								
Performing								
High grade	33,246.69	-	-	33,246.69	27,451.34	-	-	27,451.34
Standard grade	587.50	-	-	587.50	247.75	-	-	247.75
Sub-standard grade	-	682.88	-	682.88	-	196.24	-	196.24
Past due but not impaired	-	1,118.05	-	1,118.05	-	139.17	-	139.17
Non - performing								
Individually impaired	-	-	2,145.00	2,145.00	-	-	783.18	783.18
Total	33,834.19	1,800.93	2,145.00	37,780.12	27,699.09	335.41	783.18	28,817.68

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	2021-22				2020-21			
	Stage 1 Collective	Stage 2 Collective	Stage 3	Total	Stage 1 Collective	Stage 2 Collective	Stage 3	Total
Gross carrying amount opening balance	27,699.10	335.41	783.18	28,817.69	20,966.30	55.33	235.84	21,257.45
New assets originated or purchased (Net of payment)	30,709.05	-	-	30,709.05	20,362.37	-	-	20,362.37
Assets derecognised or repaid (excluding write offs)	(21,389.95)	(101.09)	(27.27)	(21,518.31)	(12,405.13)	(116.34)	(83.46)	(12,604.93)
Transfers to Stage 1	79.08	(77.84)	(1.24)	0.00	4.39	(2.51)	(1.88)	-
Transfers to Stage 2	(1,698.50)	1,699.65	(1.15)	-	(445.91)	446.29	(0.38)	-
Transfers to Stage 3	(1,564.59)	(55.20)	1,619.79	-	(782.95)	(47.35)	830.30	-
Amounts written off	-	-	(228.31)	(228.31)	-	-	(197.23)	(197.23)
Gross carrying amount closing balance	33,834.19	1,800.93	2,145.00	37,780.12	27,699.09	335.41	783.18	28,817.68

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Reconciliation of ECL balance is given below:

Particulars	2021-22				2020-21			
	Stage 1 Collective	Stage 2 Collective	Stage 3	Total	Stage 1 Collective	Stage 2 Collective	Stage 3	Total
ECL allowance - opening balance	264.76	97.77	617.69	980.22	151.83	0.66	216.30	368.79
New assets originated or purchased	71.13	-	-	71.13	137.28	-	-	137.28
Assets derecognised or repaid (excluding write offs)	(126.47)	(32.69)	(78.74)	(237.88)	(61.24)	(0.39)	(20.96)	(82.59)
Transfers to Stage 1	35.04	(31.27)	(3.77)	-	1.83	(0.03)	(1.80)	-
Transfers to Stage 2	(46.09)	48.51	(2.42)	-	(17.29)	17.64	(0.35)	-
Transfers to Stage 3	(105.20)	(21.92)	127.12	-	(16.51)	(0.47)	16.98	-
Impact on year end ECL of exposures transferred between stages during the year	20.92	443.85	1,187.68	1,652.45	68.85	80.36	604.75	753.96
Amounts written off	-	-	(228.31)	(228.31)	-	-	(197.23)	(197.23)
ECL allowance - closing balance	114.09	504.25	1,619.25	2,237.60	264.75	97.78	617.69	980.21

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 MHIL internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances.

Particulars	As at March 31, 2022				As at March 31, 2021			
	Stage 1 Collective	Stage 2 Collective	Stage 3	Total	Stage 1 Collective	Stage 2 Collective	Stage 3	Total
Internal rating grade								
Performing								
High grade	8,402.95	-	-	8,402.95	11,584.62	-	-	11,584.62
Standard grade	518.91	-	-	518.91	734.56	-	-	734.56
Sub-standard grade	-	464.31	-	464.31	-	674.52	-	674.52
Past due but not impaired	-	901.17	-	901.17	-	428.43	-	428.43
Non - performing								
Individually impaired	-	-	309.21	309.21	-	-	680.94	680.94
Total	8,921.86	1,365.48	309.21	10,596.55	12,319.18	1,102.95	680.94	14,103.07
Ind AS Adjustments				(43.80)				(75.19)
Gross carrying amount				10,552.75				14,027.88



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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	2021-22				2020-21			
	Stage 1 Collective	Stage 2 Collective	Stage 3	Total	Stage 1 Collective	Stage 2 Collective	Stage 3	Total
Gross carrying amount opening balance	12,319.18	1,102.95	680.94	14,103.07	16,210.61	1,007.02	337.97	17,555.60
New assets originated or purchased	1,435.87	32.88	-	1,468.75	1,220.20	54.59	-	1,274.79
Assets derecognised or repaid (excluding write offs)	(4,144.23)	(95.53)	(38.00)	(4,277.76)	(4,247.82)	(13.99)	-	(4,261.81)
Transfers to Stage 1	272.74	(240.71)	(32.03)	-	278.13	(269.77)	(8.36)	-
Transfers to Stage 2	(716.05)	761.71	(45.66)	-	(772.13)	776.99	(4.86)	-
Transfers to Stage 3	(245.65)	(195.82)	441.47	-	(348.26)	(445.89)	794.15	-
Amounts written off	-	-	(697.51)	(697.51)	(21.55)	(6.00)	(437.96)	(465.51)
Gross carrying amount closing balance	8,921.86	1,365.48	309.21	10,596.55	12,319.18	1,102.95	680.94	14,103.07
Ind AS Adjustments				(43.80)				(75.19)
Gross carrying amount				10,552.75				14,027.88

Reconciliation of ECL balance is given below:

Particulars	2021-22				2020-21			
	Stage 1 Collective	Stage 2 Collective	Stage 3	Total	Stage 1 Collective	Stage 2 Collective	Stage 3	Total
ECL allowance - opening balance	37.46	16.23	207.00	260.69	12.98	5.53	39.98	58.49
ECL Remeasurements due to changes in EAD / assumptions	(0.87)	(6.42)	(3.00)	(10.29)	11.00	4.59	-	15.59
Transfers to Stage 1	0.09	(24.65)	(2.53)	(27.09)	(1.01)	(30.53)	(2.07)	(33.61)
Transfers to Stage 2	(0.23)	78.03	(3.61)	74.19	2.80	87.95	(1.20)	89.55
Transfers to Stage 3	(0.08)	(20.06)	34.89	14.75	1.26	(50.47)	196.74	147.53
Amounts written off	-	-	(55.13)	(55.13)	0.08	(0.68)	(108.51)	(109.11)
ECL allowance - closing balance	36.37	43.13	177.62	257.12	27.11	16.39	124.94	168.44

ECL provision is not created on staff loan as there is no credit risk. Any amount due if not paid is deducted from salary.

8.2 Belstar Microfinance Limited

Belstar Microfinance Limited has sold some loans and advances measured at fair value through other comprehensive income, as a source of finance. As per terms of the deal, risk and reward has been transferred to the customer. Hence, as per the derecognition criteria of IND AS 109, including transfer of substantially all risks and rewards relating to assets being transferred to the buyer being met, the assets have been derecognised.

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The table below summarises the carrying amount of the derecognised financial assets as in BML:

Particulars	March 31, 2022	March 31, 2021
Carrying amount of derecognised financial assets *	6,543.26	4,395.41
Interest only strip	427.59	417.13
Gain/(loss) from derecognition	458.73	242.68

* In previous year derecognized financials asset changed from Gross value to carrying value.

Transferred financial assets that are not derecognised in their entirety

BML uses securitisations as a source of finance and a means of risk transfer. BML securitised its microfinance loans to different entities. These entities are not related to the BML. Also, BML neither holds any equity or other interest nor control them.

As per the terms of the agreement, BML is exposed to first loss amounting to 5% to 10% of the amount securitised and therefore continues to be exposed to significant risk and rewards relating to the underlying microfinance loans. These receivables are not derecognised and proceeds received are recorded as a financial liability under borrowings.

The table below outlines the carrying amounts and fair values of all financial assets transferred that are not derecognised in their entirety and associated liabilities.

Particulars	March 31, 2022	March 31, 2021
Carrying amount of assets re - recognised due to non transfer of assets	-	78.58
Carrying amount of associated liabilities	-	6.16

The carrying amount of above assets and liabilities is a reasonable approximation of fair value.

Interest in unconsolidated structured entity:

These are entities which are not consolidated because BML does not control them through voting rights, contract, funding agreements, or other means.

The following table describes the types of structured entities that BML does not consolidate but in which it holds an interest.

Type of Structured Entity	Nature and Purpose	Interest held by BML
Securitisation Vehicle for loans	To generate	- Servicing fee
	- Funding for BML's lending activities	- Credit Enhancement provided by BML
	- Spread through sale of assets to investors	- Excess interest spread
	- Fees for servicing loan	

8.3 Muthoot Homefin (India) Limited has assigned a pool of certain loans amounting to ₹1,679.43 million (PY: ₹1,000 million) by way of a direct assignment transaction. These loan assets have been de-recognised from the loan portfolio of the company as the sale of loan assets is an absolute assignment and transfer on a 'no-recourse' basis. The Company continues to act as a servicer to the assignment transaction on behalf of assignee. In terms of the assignment agreement, the Company pays to assignee, on a monthly basis, the pro-rata collection amounts.



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Note 9: Investments

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	-	1,960.46	0.02	-	1,960.48	1,960.48
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	1,960.46	1,139.19	-	3,099.65	5,240.06
i) Investments outside India	254.35	630.50	-	-	630.50	884.85
ii) Investments in India	1,886.06	1,329.96	1,139.19	-	2,469.15	4,355.21
Total Gross (B)	2,140.41	1,960.46	1,139.19	-	3,099.65	5,240.06
Less : Allowance for impairment loss (C)	-	-	(7)	-	(7)	(7)
Total - Net D = (A) - (C)	2,140.41	1,960.46	1,132.19	-	3,092.65	5,233.06

Particulars	As at March 31, 2021					
	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	-	-	455.26	-	455.26	455.26
ii) Government securities	5,261.52	-	-	-	-	5,261.52
iii) Debt securities	20.00	-	-	-	-	20.00
iv) Equity instruments	-	1,898.96	0.02	-	1,898.98	1,898.98
v) Others						
Investment in reverse re-purchase against treasury bills and bonds	240.79	-	-	-	-	240.79
Investment in Security Receipts	-	-	208.50	-	208.50	208.50
Total Gross (A)	5,522.31	1,898.96	663.78	-	2,562.74	8,085.05
i) Investments outside India	240.79	518.77	-	-	518.77	759.56
ii) Investments in India	5,281.52	1,380.19	663.78	-	2,043.97	7,325.49
Total Gross (B)	5,522.31	1,898.96	663.78	-	2,562.74	8,085.05
Less : Allowance for impairment loss (C)	-	-	-	-	-	-
Total - Net D = (A) - (C)	5,522.31	1,898.96	663.78	-	2,562.74	8,085.05

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9.1 Details of investments are as follows:

Mutual funds

Particulars	As at March 31, 2022		As at March 31, 2021	
	Units *	Amount	Units *	Amount
HDFC Liquid Fund - Regular Plan - Growth	-	-	22,896.00	91.99
Kotak Liquid Fund - Regular Plan - Growth	-	-	11,465.00	47.48
Aditya Birla Sunlife Mutual fund	1,74,657.00	200.80	40,597.00	45.18
SBI Mutual fund	58,105.00	201.14	20,920.00	70.12
DSP Mutual fund	87,872.00	100.03	31,836.00	35.09
ICICI Prudential Mutual fund	4,37,092.00	50.09	6,31,810.00	70.12
L&T Mutual Fund	60,319.00	100.03	-	-
Tata Mutual Fund	89,199.00	100.03	-	-
Union Mutual Fund	1,79,389.00	200.78	-	-
MIRAE Mutual fund	-	-	33,331.00	35.14
Sundaram Mutual fund	-	-	27,518.00	30.11
UTI Mutual Fund	-	-	10,658.00	30.03
Total		952.90		455.26

Government securities

Particulars	As at March 31, 2022		As at March 31, 2021	
	Units *	Amount	Units *	Amount
Gujarat State Development Loan	50,000	5.12	1,50,000	15.18
Kerala State Development Loan	1,00,000	10.08	2,00,000	20.36
Karnataka State Development Loan	15,40,300	156.66	50,000	5.12
Tamilnadu State Development Loan	1,00,000	10.27	1,00,000	10.26
Punjab State Development Loan	20,00,000	203.89	-	-
Maharashtra State Development Loan	40,00,000	392.18	-	-
Central Government Securities	1,15,00,000	1,097.86	-	-
Treasury bills	-	-	N.A	5,210.60
Total		1,876.06		5,261.52

Debt securities

Particulars	As at March 31, 2022		As at March 31, 2021	
	Units *	Amount	Units *	Amount
NCD - Srei Equipment Finance Limited	-	-	20,000	20.00
NCD - Muthoot Fincorp Limited	10,000	10.00	-	-
Total		10.00		20.00



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Equity instruments

Particulars	As at March 31, 2022		As at March 31, 2021	
	Units *	Amount	Units *	Amount
Quoted				
Union Bank of India	454	0.02	454	0.02
Nabil Bank Limited, Nepal (Refer Note 9.2)	10,11,418	630.50	21,63,000	518.77
Subtotal		630.52		518.79
Unquoted				
Muthoot Forex Limited	19,70,000	139.00	19,70,000	124.46
Muthoot Securities Limited	27,00,000	192.92	27,00,000	163.11
ESAF Small Finance Bank Limited	1,87,17,244	750.37	1,87,17,244	844.33
CRIF Highmark Credit Information Service Private Limited	19,26,531	247.67	19,26,531	248.29
Subtotal		1329.96		1,380.19
Total		1960.48		1,898.98

*The number of units are in whole numbers

9.2: 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 1,011,418 equity shares of Nepalese Rupee 100/- each as at March 31, 2022.

Note 10: Other financial assets

Particulars	As at March 31, 2022	As at March 31, 2021
Security deposits	972.49	961.52
Interest accrued on fixed deposits with banks and investment in TREPS (Refer Note 5.3)	139.18	161.18
Interest only strip	427.58	417.13
Receivable towards assignment transactions	963.34	731.46
Interest accrued on CG Securities on purchase	5.92	-
Interest accrued on State Securities on purchase	0.91	-
Receivable as per Ex gratia Scheme	-	784.41
Other financial assets	297.86	1,327.71
Total	2,807.28	4,383.41

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Note 11: Investment property

Particulars	As at March 31, 2022	As at March 31, 2021
Gross carrying amount		
Opening gross carrying amount	139.45	156.48
Addition during the year	-	0.12
Asset transferred to Investment property	-	-
Depreciation charge for the year	(2.96)	-
Expense capitalised during the year	-	-
Disposals during the year	(2.31)	(8.77)
Exchange differences	(40.77)	(8.38)
Closing gross carrying amount	93.41	139.45

The fair value of investment property is ₹137.75 millions (31 March 2021: ₹202.95 millions) as determined by valuations carried out by independent valuer.

Note 12: Property, plant and equipment

Particulars	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 March 31, 2020	691.45	68.74	658.43	536.60	1,290.88	440.29	127.31	23.35	3,837.05	287.36
Additions	-	1.91	-	347.50	282.17	83.26	7.22	-	722.06	97.41
Disposals	-	(3.48)	-	(1.55)	(11.96)	(1.13)	(5.01)	-	(23.13)	-
Exchange differences	-	-	-	(0.53)	(3.86)	(1.04)	(1.40)	-	(6.83)	-
As at March 31, 2021	691.45	67.17	658.43	882.02	1,557.23	521.38	128.12	23.35	4,529.15	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
Accumulated depreciation										
As at March 31, 2020	-	22.87	155.88	272.79	609.35	292.26	51.70	5.33	1,410.18	-
Charge for the year	-	12.05	49.51	127.84	243.24	104.41	23.69	1.49	562.23	-
Disposals	-	(1.71)	-	(0.44)	(6.73)	(0.69)	(3.84)	-	(13.39)	-
Exchange differences	-	-	-	(0.45)	(2.75)	(0.75)	(1.01)	-	(4.96)	-
As at March 31, 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	-
Net Block										
As at March 31, 2021	691.45	33.96	453.04	482.28	714.12	126.15	57.58	16.53	2,575.11	384.77
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

*Includes Office equipment

**Includes Server and networking



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The Group has not revalued its Property, Plant and equipment (including Right-of-Use asset) during the year.

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.

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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
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.
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.



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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
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.
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.

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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
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.

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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
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.
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.



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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
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 2,109 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.

12.1 Capital work-in-progress (CWIP) aging schedule

Particulars	As at March 31,2022					Total
	Amount in CWIP for a period of					
	Less than 1 year	1-2 years	2-3 years	More than 3 years		
Projects in progress	138.66	97.41	59.07	228.30	523.44	
Projects temporarily suspended	-	-	-	-	-	

Particulars	As at March 31,2021					Total
	Amount in CWIP for a period of					
	Less than 1 year	1-2 years	2-3 years	More than 3 years		
Projects in progress	97.41	59.07	170.93	57.36	384.77	
Projects temporarily suspended	-	-	-	-	-	

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Note 13: Right to use assets

Particulars	As at March 31, 2022	As at March 31, 2021
Opening carrying value	170.01	167.56
Addition during the year	77.20	66.95
Deductions	(13.72)	-
Exchange Gain/(Loss)	(17.44)	(1.82)
Depreciation for the year	(68.25)	(62.68)
Closing Carrying value	147.80	170.01

Note 14: Other Intangible Assets

Particulars	Computer software	Total	Intangible asset under developments
Gross block- at cost			
As at March 31, 2020	252.94	252.94	-
Additions	50.32	50.32	0.55
Disposal	(5.31)	(5.31)	-
Exchange differences	(1.31)	(1.31)	-
As at March 31, 2021	296.64	296.64	0.55
Additions	17.39	17.39	-
Disposal	(0.80)	(0.80)	(0.06)
Exchange differences	(6.10)	(6.10)	-
As at March 31, 2022	307.13	307.13	0.49
Accumulated amortisation			
As at March 31, 2020	167.57	167.57	-
Charge for the year	48.69	48.69	-
Exchange differences	(0.62)	(0.62)	-
Disposal	(5.31)	(5.31)	-
Impairment for the year	-	-	-
As at March 31, 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	-
Net Block			
As at March 31, 2021	86.31	86.31	0.55
As at March 31, 2022	58.74	58.74	0.49



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Note 15: Other Non-financial assets

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with government authorities	104.96	104.96
Prepaid expenses	134.47	148.20
Capital advances	48.84	100.95
Advance to supplier	58.53	100.67
Stock of gold	6.71	6.71
Balances receivable from government authorities	288.65	351.03
Insurance claim receivable	10.83	7.37
Other Receivables	229.58	236.23
Total	882.57	1,056.12

Note 16: Payables

Particulars	As at March 31, 2022	As at March 31, 2021
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	1,570.20	2,111.53
Total	1,570.20	2,111.53
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	3.46	2.31
Total	3.46	2.31

16.1 Trade Payables Ageing Schedule

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	1,374.95	95.23	30.65	69.37	1,570.20
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Particulars	As at March 31, 2021				
	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	1,996.00	35.82	18.61	61.10	2,111.53
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

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Note 17: Debt Securities

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	2,727.46	-	-	2,727.46
(Secured by mortgage of immovable property and pari passu floating charge on current assets, book debts and Loans & advances and receivables including gold loan receivables)				
Secured Non-Convertible Debentures -Listed ** Refer note 17.3 , 17.4, 17.5, 17.6 & 17.7	1,20,141.24	-	-	1,20,141.24
(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)				
Principle Protected Market Linked Secured Non Convertible Debentures** Refer note 17.8	8,871.65	-	-	8,871.65
(Secured by mortgage of immovable property and pari passu floating charge on current assets, book debts and Loans & advances and receivables including gold loan receivables)				
Total (A)	1,31,740.35	-	-	1,31,740.35
Debt securities in India	1,31,207.45	-	-	1,31,207.45
Debt securities outside India	532.90	-	-	532.90
Total (B)	1,31,740.35	-	-	1,31,740.35

* 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.

Particulars	As at March 31, 2021			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	3,013.85	-	-	3,013.85
(Secured by mortgage of immovable property and pari passu floating charge on current assets, book debts and Loans & advances and receivables including gold loan receivables)				
Secured Non-Convertible Debentures -Listed ** Refer note 17.3, 17.4, 17.5, 17.6 & 17.7	1,36,956.34	-	-	1,36,956.34
(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)				
Principle Protected Market Linked Secured Non Convertible Debentures** Refer note 17.8	6,699.71	-	-	6,699.71



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Particulars	As at March 31, 2021			Total
	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	
(Secured by mortgage of immovable property and pari passu floating charge on current assets, book debts and Loans & advances and receivables including gold loan receivables)				
Total (A)	1,46,669.90	-	-	1,46,669.90
Debt securities in India	1,46,291.28	-	-	1,46,291.28
Debt securities outside India	378.62	-	-	378.62
Total (B)	1,46,669.90	-	-	1,46,669.90

* Exclude unpaid (unclaimed) matured debentures of ₹60.74 million shown as part of Other Financial Liabilities in Note 21.

**Includes EIR impact of transaction cost; exclude unpaid (unclaimed) matured listed debentures of ₹82.62 million shown as a part of Other Financial Liabilities in Note 21.

**The amortised cost of Debt Securities as at March 31, 2021 in Note 17 above does not include interest accrued but not due aggregating to ₹9,068.21 millions disclosed separately under Other financial liabilities in Note 21.

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 ₹2,243.40 millions (March 31, 2021: ₹2,695.97 millions)

Series	Date of allotment	Amount	Amount	Redemption Period from the date of allotment	Interest Rate %
		As at March 31, 2022	As at March 31, 2021		
CT	14.03.2014-31.03.2014	2.50	5.00	120 months	10.50-12.50
CS	27.02.2014-14.03.2014	10.00	12.50	120 months	10.50-12.50
CR	07.02.2014-27.02.2014	10.00	10.00	120 months	10.50-12.50
CQ	04.02.2014-07.02.2014	10.50	10.50	120 months	10.50-12.50
CP	20.01.2014-04.02.2014	45.50	45.50	120 months	10.50-12.50
CO	10.01.2014-20.01.2014	105.00	105.00	120 months	10.50-12.50
CN	03.01.2014-10.01.2014	63.50	63.50	120 months	10.50-12.50
CM	24.12.2013-03.01.2014	32.50	32.50	120 months	10.50-12.50
CL	05.12.2013-24.12.2013	5.50	8.00	120 months	10.50-12.50
CK	18.11.2013-05.12.2013	5.00	5.00	120 months	10.50-12.50
CJ	29.10.2013-18.11.2013	7.50	7.50	120 months	10.50-12.50
CI	09.10.2013-29.10.2013	12.50	12.50	120 months	10.50-12.50
CH	27.09.2013 - 09.10.2013	7.50	10.00	120 months	10.50-12.50
CG	06.09.2013 - 27.09.2013	7.50	10.00	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	15.50	18.00	120 months	10.50-12.50
CD	31.07.2013 - 10.08.2013	2.50	2.50	120 months	10.50-12.50
CC	08.07.2013 - 31.07.2013	12.50	12.50	120 months	10.50-12.50
CB	24.06.2013 - 07.07.2013	337.06	407.25	120 months	10.50-12.50
CA	18.04.2013 - 23.06.2013	634.08	774.37	120 months	10.50-12.50
BZ	01.03.2013 - 17.04.2013	471.17	576.80	120 months	10.50-12.50
BY	18.01.2013 - 28.02.2013	394.26	503.82	120 months	10.50-12.50
BX	26.11.2012 - 17.01.2013	4.72	6.08	60 months	10.50-12.50
BW	01.10.2012 - 25.11.2012	7.37	8.77	60 months	11.50-12.50
BV	17.08.2012 - 30.09.2012	3.89	4.30	60 months	11.50-12.50

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Series	Date of allotment	Amount	Amount	Redemption Period from the date of allotment	Interest Rate %
		As at March 31, 2022	As at March 31, 2021		
BU	01.07.2012 - 16.08.2012	2.24	2.73	60 months	11.50-12.50
BT	21.05.2012 - 30.06.2012	1.16	2.60	60 months	11.50-12.50
BS	01.05.2012 - 20.05.2012	2.14	2.32	60 months	11.50-12.50
BR	01.03.2012 - 30.04.2012	6.82	7.93	60 months	11.50-12.50
BQ	23.01.2012 - 29.02.2012	2.16	2.88	60 months	11.50-12.50
BP	01.12.2011 - 22.01.2012	2.75	2.95	60 months	11.50-12.50
BO	19.09.2011 - 30.11.2011	3.09	3.25	60 months	11.00-12.00
BN	01.07.2011 - 18.09.2011	2.88	3.15	60 months	11.00-12.00
BM	01.04.2011 - 30.06.2011	2.13	2.22	60 months	11.00-12.00
BL	01.01.2011 - 31.03.2011	2.83	3.00	60 months	10.00-11.50
BK	01.10.2010 - 31.12.2010	1.51	1.53	60 months	9.50-11.50
BJ	01.07.2010 - 30.09.2010	2.56	2.72	60 months	9.50-11.00
BI	01.04.2010 - 30.06.2010	0.57	0.74	60 months	9.00-10.50
BH	01.01.2010 - 31.03.2010	0.01	1.76	60 months	9.00-10.50
BG	01.10.2009 - 31.12.2009	-	0.77	60 months	9.50-10.50
BF	01.07.2009 - 30.09.2009	-	1.00	60 months	10.50
BE	01.04.2009 - 30.06.2009	-	0.03	60 months	10.50-11.50
Sub Total		2,243.40	2,695.97		
	Less: Unpaid/(Unclaimed) matured debentures shown as a part of Other financial liabilities	48.84	60.74		
Total		2,194.56	2,635.23		

17.2 Secured Redeemable Non-Convertible Debentures

Asia Asset Finance PLC

Series	Date of allotment	Amount	Amount	Redemption Period from the date of allotment	Interest Rate %
		As at March 31, 2022	As at March 31, 2021		
Type A	05.10.2020	123.06	175.24	3 Years	10.28
Type B	05.10.2020	144.16	203.38	3 Years	10.76
Debenture -Type A2	20.08.2021	27.04	-	3 Years	8.76
Debenture -Type B2	20.08.2021	85.85	-	3 Years	11.89
Debenture - Type C	20.08.2021	0.42	-	3 Years	9.26
Debenture - Type D	20.08.2021	152.37	-	3 Years	9.43
Total		532.90	378.62		



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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 ₹71,761.40 millions (March 31,2021: ₹ 81,901.22 millions).

Series	Date of allotment	Amount	Amount	Redemption Period from the date of allotment	Interest Rate %
		As at March 31, 2022	As at March 31, 2021		
PL 25	20.04.2021	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 25	20.04.2021	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	2,517.38	60 Months	8.75-9.00
PL 25	20.04.2021	6,223.12	-	38 Months	6.85-7.35
PL 24	11.01.2021	1,496.15	1,496.15	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	2,125.49	38 Months	9.50-9.75
PL 21	01.11.2019	1,327.46	1,327.46	38 Months	9.50-9.75
PL 20	14.06.2019	3,157.25	3,157.25	38 Months	9.50-9.75
PL 19	20.03.2019	3,049.07	3,049.07	38 Months	9.50-9.75
PL 25	20.04.2021	3,848.91	-	26 Months	6.60-6.85
PL 16	30.01.2017	-	936.31	60 Months	8.75-9.25
PL 22	27.12.2019	-	3,839.87	24 Months	9.25-9.50
PL 21	01.11.2019	-	1,264.37	24 Months	9.25-9.50
PL 18	19.04.2018	-	19,092.87	38 Months	8.50-8.75
PL 20	14.06.2019	-	1,976.31	24 Months	9.25-9.50
PL 15	12.05.2016	-	30.09	60 Months	8.25-9.25
Sub Total		71,761.40	81,901.22		
Less: EIR impact of transaction cost		244.87	320.22		
Total		71,516.53	81,581.00		

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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 ₹42,400.00 millions (March 31,2021: ₹47,050.00 millions).

Series	Date of allotment	Amount	Amount	Redemption Period from the date of allotment	Interest Rate %
		As at March 31, 2022	As at March 31, 2021		
21	24.02.2022	2,000.00	-	1 year & 364 days	6.17
20	17.02.2022	5,000.00	-	3 year & 10 days	6.87
19	26.08.2021	4,000.00	-	3 year	5.35
18	31.05.2021	2,150.00	-	9 year & 364 days	7.90
9	18.06.2020	1,250.00	1,250.00	5 year	9.50
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
7	14.05.2020	1,000.00	1,000.00	2 year & 363 days	8.90
17	09.03.2021	1,750.00	1,750.00	2 year & 49 days	6.65
14	25.09.2020	4,500.00	4,500.00	2 year & 61 days	7.15
11	07.07.2020	6,500.00	6,500.00	2 year & 32 days	8.30
10	25.06.2020	3,650.00	3,650.00	2 year & 9 days	8.50
15	30.09.2020	-	500.00	18 months	7.00
6	24.02.2020	-	1,750.00	2 year & 15 days	9.50
3	22.11.2018	-	1,300.00	3 year & 71 days	9.50-9.75
5	30.12.2019	-	2,500.00	2 year & 32 days	10.00
5	30.12.2019	-	2,500.00	2 year & 7 days	10.00
4	06.09.2019	-	7,500.00	2 year	10.00
1	26.07.2018	-	1,750.00	3 year	10.00
Sub Total		42,400.00	47,050.00		
Less: EIR impact of transaction cost		3.86	5.36		
Total		42,396.14	47,044.64		

17.5 Secured Redeemable Non-Convertible Debentures

Belstar Microfinance Limited privately has placed Rated Secured Redeemable Non-Convertible Debentures with an outstanding amount of ₹3,826.79 millions (March 31,2021: ₹5,242.86 millions).

Particulars	Amount	Amount	Date of redemption	Interest rate %
	As at March 31, 2022	As at March 31, 2021		
9.5% Senior, Secured, Redeemable, Rated, Listed, Taxable, Non-Convertible Debentures	-	250.00	25.02.2022	9.50
9.5% Senior, Secured, Redeemable, Rated, Listed, Taxable, Non-Convertible Debentures	400.00	400.00	13.05.2022	9.50
9.35% Senior, Secured, Redeemable, Rated, Listed, Taxable, Non-Convertible Debentures	62.50	250.00	03.06.2022	9.35
10.5% Senior, Secured, Redeemable, Rated, Listed, Taxable, Non-Convertible Debentures	114.29	342.86	15.09.2022	10.50



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Particulars	Amount	Amount	Date of redemption	Interest rate %
	As at March 31, 2022	As at March 31, 2021		
9.5% Senior, Secured, Redeemable, Rated, Listed, Taxable, Non-Convertible Debentures	-	2,000.00	25.09.2022	9.50
10.58% Senior, Secured, Redeemable, Rated, Listed, Taxable, Non-Convertible Debentures	500.00	500.00	21.04.2023	10.58
11% Senior, Secured, Redeemable, Rated, Listed, Taxable, Non-Convertible Debentures	250.00	250.00	16.05.2023	11.00
11% Senior, Secured, Redeemable, Rated, Listed, Taxable, Non-Convertible Debentures	200.00	200.00	17.06.2023	11.00
11% Senior, Secured, Redeemable, Rated, Listed, Taxable, Non-Convertible Debentures	700.00	700.00	30.06.2023	11.00
11% Senior, Secured, Redeemable, Rated, Listed, Taxable, Non-Convertible Debentures	350.00	350.00	07.07.2023	11.00
8.50% Senior, Secured, Redeemable, Rated, Listed, Taxable, Non-Convertible Debentures	1,250.00	-	28.02.2024	8.50
Sub Total	3,826.79	5,242.86		
Less: EIR impact of transaction cost	18.90	-		
Total	3,807.89	5,242.86		

17.6 Secured Redeemable Non-Convertible Debentures - Public Issue & Listed

The principal amount outstanding of Secured Redeemable Non-Convertible Listed Debentures raised through Public Issue by Muthoot Homefin (India) Limited stood at ₹2,170.68 millions (March 31,2021: ₹2,837.84 millions).

Series	Date of allotment	Amount	Amount	Redemption Period from the date of allotment	Interest Rate %
		As at March 31, 2022	As at March 31, 2021		
I	13.05.2019	-	214.66	24 Months	9.25
II	13.05.2019	356.83	356.83	38 Months	9.50
III	13.05.2019	457.96	457.96	60 Months	9.75
IV	13.05.2019	-	295.74	24 Months	9.50
V	13.05.2019	290.95	290.95	38 Months	9.75
VI	13.05.2019	420.59	420.59	60 Months	10.00
VII	13.05.2019	-	156.76	24 Months	NA
VIII	13.05.2019	372.70	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		2,170.68	2,837.84		

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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 ₹250.00 millions (March 31, 2021: 250.00 millions).

Series	Date of allotment	Amount	Amount	Redemption Period from the date of allotment	Interest Rate %
		As at March 31, 2022	As at March 31, 2021		
I	17.06.2020	250.00	250.00	36 Months	8.50

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 ₹8,873.00 millions (March 31, 2021: ₹6,705.00 millions).

Series	Date of allotment	Amount	Amount	Redemption Period from the date of allotment	Interest Rate %
		As at March 31, 2022	As at March 31, 2021		
5	24.03.2022	2,168.00	-	3 Year & 60 Days	7.00
4	07.09.2020	2,000.00	2,000.00	760 days	7.15
3	24.07.2020	1,000.00	1,000.00	761 days	7.75
2	09.07.2020	2,350.00	2,350.00	729 days	8.25
1	12.06.2020	1,355.00	1,355.00	728 days	8.75
Sub Total		8,873.00	6,705.00		
Less: EIR impact of transaction cost		1.35	5.29		
Total		8,871.65	6,699.71		

Note 18: Borrowings (other than debt securities)

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 pari passu floating charge on current assets, book debts, Loans & advances and receivables including gold loan receivables)	1,41,308.04	-	-	1,41,308.04
(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



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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: ₹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
(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

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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: ₹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%)				
(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)	1,32,363.78	-	-	1,32,363.78
(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



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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	
(e) External Commercial Borrowings -				
(i) Senior Secured Notes - US Dollar denominated *	75,663.21	-	-	75,663.21
(Secured by paripassu 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))				
(f) Commercial paper - Listed	9,892.07	-	-	9,892.07
(Unsecured and repayable within 1 year)				
Total (A)	4,08,553.24	-	-	4,08,553.24
Borrowings in India	3,31,476.82	-	-	3,31,476.82
Borrowings outside India	77,076.42	-	-	77,076.42
Total (B)	4,08,553.24	-	-	4,08,553.24

*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.

Particulars	As at March 31, 2021			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)	64,350.20	-	-	64,350.20
(Terms of Repayment: ₹34,850.39 millions in 1-2-3-4 quarterly installments and ₹666 millions in 12 monthly installments during FY 2021-22, ₹19,450.37 millions in 1-2-3-4 quarterly installments and ₹167.50 millions in 3 monthly installments during FY 2022-23, ₹8,841.79 millions during FY 2023-24 in 1-2-3-4 quarterly installments, ₹222.22 millions during FY 2024-25 in 4 quarterly installments, ₹222.22 millions during FY 2025-26 in 4 quarterly installments Rate of Interest: 7.10-9.65 % p.a.)				
Term Loan (Secured by way of specific charge on receivables created out of the proceeds of the loan)	19,453.44	-	-	19,453.44
(Terms of Repayment: ₹5,445.84 millions in 12 monthly installments, ₹4,197.24 millions in 1-2-3-4 quarterly installments, ₹506.56 millions in half yearly repayment & ₹1,777.15 millions at the end of tenure during FY 2021-22, ₹3,854.69 millions in 12 monthly installments, ₹2,115.86 millions in 1-2-3-4 quarterly installments, ₹250.40 millions in half yearly repayment & ₹500.91 millions at the end of tenure during FY 2022-23, ₹208.65 millions in 12 monthly installments, ₹550.67 millions in 1-2-3-4 quarterly installments during FY 2023-24, ₹45.45 millions in 1-2-3-4 quarterly installments during FY 2024-25. Rate of Interest 8.00-12.00% p.a)				

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Particulars	As at March 31, 2021			Total
	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	
Term Loan (Secured by paripassu floating charge on housing loan receivables, credit and current assets)	7,299.54	-	-	7,299.54
(Terms of Repayment : for FY 2021-22 ₹902.79 millions in 1-2-3-4 quarterly installments, ₹530.73 millions in half yearly repayment and ₹383.33 millions in yearly repayment, for FY 2022-23 ₹526.60 millions in 1-2-3-4 quarterly installments, ₹558.20 millions in half yearly repayment and ₹383.33 millions in yearly repayment, for FY 2023-24 ₹510.99 millions in 1-2-3-4 quarterly installments, ₹558.60 millions in half yearly repayment and ₹383.33 millions in yearly repayment, for FY 2024-25 ₹460.16 millions in 1-2-3-4 quarterly installments, ₹454.53 millions in half yearly repayment and ₹383.05 millions in yearly repayment, for FY 2024-25 ₹218.73 millions in 1-2-3-4 quarterly installments, ₹391.08 millions in half yearly repayment and ₹166.38 millions in yearly repayment, ₹218.76 millions payable in 5 - 10 years in 1-2-3-4 quarterly installments, ₹283.33 millions payable in 5 - 10 years in half yearly repayment Rate of Interest : 7 % - 9% p.a)				
Term Loans(Secured by paripassu floating charge on current assets, book debts, Loans & advances)	79.90	-	-	79.90
(Term of repayment : 4 Equal installments at the end of 9 th , 12 th , 15 th and 18 th installments 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)	167.46	-	-	167.46
(Terms of Repayment: ₹167.46 millions repayable during FY 2021-22 in 1-2-3-4 quarterly installments. Rate of interest 8.75%)				
Term Loan (Secured by specific charge on vehicles)	8.71	-	-	8.71
(Terms of Repayment: ₹5.08 millions during FY 2021-22 in 12 monthly installments, ₹3.63 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)	247.06	-	-	247.06
(Terms of Repayment: ₹137.35 millions during FY 2021-22 in 12 monthly/quarterly installments, ₹104.40 millions during FY 2022-23 in 12 monthly / quarterly yearly 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: 7% - 9.90% p.a.)				
Term Loan (Secured by specific charge on receivables created out of the proceeds of the loan)	1,497.94	-	-	1,497.94
(Terms of Repayment: ₹911.97 millions repayable during FY 2021-22 in monthly/quarterly installments & ₹ 503.62 millions in FY 2022-23 repayable in monthly / quarterly installments & ₹ 121.39 millions repayable in 2023-24 quarterly installments, Rate of Interest: 8%-12%)				
(iii) Pass through certificates payable	6.16	-	-	6.16



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Particulars	As at March 31, 2021			Total
	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	
(iv) From National Housing Bank	1,151.03	-	-	1,151.03
(Terms of Repayment : For FY 2021-22 ₹96.39 millions in quarterly instalments and for FY 2022-23 ₹128.52 millions in quarterly installments, for FY 2023-24 ₹128.52 in quarterly installments, and for FY 2024-25 ₹128.52 millions in quarterly installments and for FY 2025-26 ₹128.52 millions in quarterly installments and ₹540.56 millions payable in 34 installments in 5 - 10 years. Interest rate 5.00% - 7.00%)				
(b) Loans from related party				
Loan from Directors and Relatives (Unsecured)	9,817.38	-	-	9,817.38
(Terms of Repayment: ₹6,867.38 millions repayable on demand- Rate of Interest: 9.00% p.a, ₹2,950.00 millions repayable on 31 March 2022 - Rate of Interest: 8.75% p.a.)				
(c) Securitised Loans	1,590.10	-	-	1,590.10
(Secured by lease and hire purchase assets and receivables) (Terms of repayment : ₹ 1,115.21 millions during FY 2021-22 in 12 monthly installments and ₹ 367.22 millions during FY 2022-23 in 12 monthly installments and ₹107.67 millions during FY 2023-24 in 12 monthly installments, Average rate of Interest: 13.89%)				
(d) Loans repayable on demand				
(i) from banks *				
Overdraft against Deposit with Banks (Secured by a lien on Fixed Deposit with Banks)	88.75	-	-	88.75
Cash Credit/ Short term loan (Secured by paripassu floating charge on current assets, book debts, Loans & advances and receivables including gold loan receivables)	1,31,125.57	-	-	1,31,125.57
(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)	2,749.76	-	-	2,749.76
(e) External Commercial Borrowings -	72,836.72	-	-	72,836.72
(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) (Terms of Repayment: ₹32,899.50 millions (USD 450 million) repayable on 31 October 2022-Rate of Interest: 6.125% p.a, ₹40,210.50 millions (USD 550 million) repayable on 02 September 2023-Rate of Interest: 4.4% p.a)				
(f) Commercial paper - Listed	38,540.06	-	-	38,540.06
(Unsecured and repayable within 1 year)				
Total (A)	3,51,009.78	-	-	3,51,009.78
Borrowings in India	2,76,406.57	-	-	2,76,406.57
Borrowings outside India	74,603.21	-	-	74,603.21
Total (B)	3,51,009.78	-	-	3,51,009.78

*Includes EIR impact of transaction cost

**The amortised cost of Borrowings (other than debt securities) as at March 31, 2021 in Note 18 above does not include interest accrued but not due aggregating to ₹1,754.09 millions disclosed separately under Other financial liabilities in Note 21.

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(₹ in millions, except for share data and unless otherwise stated)

Note 19: Deposits

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

Particulars	As at March 31, 2021			Total
	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	
Deposits				
(i) Public deposits	2,579.53	-	-	2,579.53
(ii) From Banks	-	-	-	-
(iii) From Others	-	-	-	-
Total (A)	2,579.53	-	-	2,579.53
Deposits in India	-	-	-	-
Deposits outside India	2,579.53	-	-	2,579.53
Total (B)	2,579.53	-	-	2,579.53

19.1 Due to customers (Fixed Deposits)

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Redeemable from the Balance Sheet date		
36-60 months	20.38	15.05
12-36 months	108.37	250.02
Upto 12 months	2,106.51	2,314.46
Total	2,235.26	2,579.53

Note 20: Subordinated Liabilities

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	2,161.03	-	-	2,161.03
Subordinated Debt Others Refer note 20.4	587.33	-	-	587.33
Subordinated Loan Refer note 20.5	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 shown as a part of Other financial liabilities in Note 21.



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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.

Particulars	As at March 31, 2021			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	2,829.23	-	-	2,829.23
Subordinated Debt Others Refer note 20.4	628.89	-	-	628.89
Subordinated Loan Refer note 20.5	248.77	-	-	248.77
Total (A)	3,706.89	-	-	3,706.89
Subordinated Liabilities in India	3,706.89	-	-	3,706.89
Subordinated Liabilities outside India	-	-	-	-
Total (B)	3,706.89	-	-	3,706.89

*Excludes unpaid (unclaimed) matured debentures of ₹26.99 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 ₹42.46 millions shown as a part of Other financial liabilities in Note 21.

The amortised cost of Subordinated Liabilities as at March 31, 2021 in Note 20 above does not include interest accrued but not due amounting to ₹1,371.59 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 MFL stood at ₹18.62 millions (March 31, 2021: ₹26.99 millions)

Series	Date of allotment	Amount		Redemption Period from the date of allotment	Interest Rate %
		As at March 31, 2022	As at March 31, 2021		
XII	01.04.2013 - 07.07.2013	3.77	5.35	66 months	12.67
XI	01.10.2012 - 31.03.2013	5.47	7.53	66 months	12.67-13.39
X	01.04.2012 - 30.09.2012	2.67	3.44	66 months	12.67-13.39
IX	01.11.2011 - 31.03.2012	1.69	2.92	66 months	12.67-13.39
VIII	01.07.2011 - 31.10.2011	1.22	1.77	66 months	12.67
VII	01.04.2011 - 30.06.2011	0.66	0.96	66 months	12.67
VII	08.02.2011 - 31.03.2011	0.08	1.20	66 months	12.67
VII	01.01.2011 - 07.02.2011	0.48	0.48	72 months	11.61
VI	01.07.2010 - 31.12.2010	0.48	0.68	72 months	11.61
V	01.01.2010 - 30.06.2010	0.76	0.76	72 months	11.61
IV	17.08.2009 - 31.12.2009	0.89	0.92	72 months	11.61
IV	01.07.2009 - 16.08.2009	0.05	0.05	72 months	12.50
IV	01.07.2009 - 16.08.2009	0.40	0.40	69 months	12.12
III	15.12.2008 - 30.06.2009	-	0.23	72 months	12.50
III	15.12.2008 - 30.06.2009	-	0.30	69 months	12.12
Sub Total		18.62	26.99		
	Less: Unclaimed matured debentures shown as a part of Other financial liabilities	18.62	26.99		
Total		-	-		

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(₹ in millions, except for share data and unless otherwise stated)

20.2 Subordinated Debt - Public & Listed

The principal amount of outstanding Unsecured Redeemable Non- Convertible Listed Debentures issued by MFL 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 ₹1330.79 millions (March 31, 2021: ₹2006.48 millions).

Series	Date of allotment	Amount		Redemption Period from the date of allotment	Interest Rate %
		As at March 31, 2022	As at March 31, 2021		
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	359.47	84 Months	10.41
PL 12	23.04.2015	-	289.15	81 Months	10.80
PL 11	29.12.2014	-	386.54	78 Months	11.23
Sub Total		1,330.79	2,006.48		
	Less: EIR impact of transaction cost	7.05	10.11		
Total		1,323.74	1,996.37		

20.3 Subordinated Debt - Private Placement & Listed

MFL 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 ₹100.00 millions (March 31, 2021: ₹100.00 millions).

Series	Date of allotment	Amount		Redemption Period from the date of allotment	Interest Rate %
		As at March 31, 2022	As at March 31, 2021		
IA	26.03.2013	100.00	100.00	120 Months	12.35
Total		100.00	100.00		

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, 2021: ₹750.00 millions)

Particulars	Amount		Date of Redemption
	As at March 31, 2022	As at March 31, 2021	
14.50% Unsecured, Redeemable, Rated, listed, Subordinated, Taxable, Non-Convertible Debentures	500.00	500.00	30.09.2027
11.5% Unsecured, Redeemable, Rated, listed, Subordinated, Taxable, Non-Convertible Debentures	250.00	250.00	31.05.2023
Sub Total	750.00	750.00	
Less: EIR impact of transaction cost	12.71	17.14	
Total	737.29	732.86	



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20.4 Details of Redeemable Non-Convertible Debentures

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 ₹590.00 millions (March 31, 2021: ₹590.00 millions)

Particulars	Amount	Amount	Date of Redemption	Nominal value per debenture #	Total number of debentures #
	As at March 31, 2022	As at March 31, 2021			
Subordinated Debt (Tier II Capital)					
14.50% Unsecured, Redeemable, Rated, Unlisted, Subordinated, Taxable, Non-Convertible Debentures	240.00	240.00	03.12.2025	1,00,000.00	2,400.00
14.50% Unsecured, Redeemable, Rated, Unlisted, Subordinated, Taxable, Non-Convertible Debentures	150.00	150.00	15.05.2026	1,00,000.00	1,500.00
14% Unsecured, Redeemable, Rated, Unlisted, Subordinated, Taxable, Non-Convertible Debentures	200.00	200.00	11.09.2025	10,00,000.00	200.00
Sub Total	590.00	590.00			
Less: EIR impact of transaction cost	2.67	3.21			
Total	587.33	586.79			

Nominal value per debenture and total number of debentures are in full numbers.

Details of Redeemable Non-Convertible Debentures - Subordinated loan

Particulars	Amount	Amount	Date of Redemption	Interest rate %
	As at March 31, 2022	As at March 31, 2021		
11.98% Unsecured, Fully Paid, Rated, Listed, Senior, Redeemable, Taxable, Non-Convertible Debentures	-	57.14	31.07.2021	11.98
Sub Total	-	57.14		
Less: EIR impact of transaction cost	-	15.04		
Total	-	42.10		

20.5 Subordinated Loan

Particulars	Amount	Amount	Date of Redemption	Interest rate %
	As at March 31, 2022	As at March 31, 2021		
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	1.03	1.23		
Total	248.97	248.77		

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Note 21: Other Financial liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Interest accrued but not due on borrowings	11,984.32	12,193.61
Unpaid (Unclaimed) dividends	8.68	7.87
Unpaid (Unclaimed) matured Non Convertible Debentures and interest accrued thereon	94.42	124.79
Payable towards assignment transactions	866.81	-
Unpaid (Unclaimed) matured Listed Non convertible Debentures and interest accrued thereon	76.07	125.08
Direct assignment portfolio collection payable	96.56	754.88
Security deposits received	15.75	15.23
Auction surplus refundable	42.76	85.37
Payable as per Ex gratia Scheme	-	179.54
Others	138.11	112.03
Total	13,323.48	13,598.40

Note 22: Provisions

Particulars	As at March 31, 2022	As at March 31, 2021
Provision in excess of ECL (Refer Note 22.1)	2,953.76	2,953.76
Provision for undrawn commitments	19.59	1.91
Provision for employee benefits		
- Gratuity	147.41	95.66
- Compensated absences	356.19	385.25
- Others	49.65	41.39
Provision for unspent expenditure on Corporate Social Responsibility (Refer Note 22.2)	66.83	120.49
Provisions for other losses (Refer Note 22.2)	86.40	96.83
Total	3,679.83	3,695.29

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.

22.2 The movement in provisions for undrawn commitments and other losses during 2021-22 and 2020-21 is as follows:

Particulars	Provision for unspent expenditure on Corporate Social Responsibility	Provisions for other losses
As at April 01, 2020	-	115.16
Additions	120.49	20.23
Reversed	-	36.23
Utilised	-	(2.33)
As at March 31, 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



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Note 23: Other Non-financial liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory dues payable	983.22	452.90
Insurance premium payable	12.06	2.70
Advance interest received on loans	9.25	12.75
Other non financial liabilities	135.83	48.65
Total	1,140.36	517.00

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, 2022	As at March 31, 2021
Authorised		
450,000,000 (March 31, 2021 : 450,000,000) Equity shares of ₹10/- each	4,500.00	4,500.00
5,000,000 (March 31, 2021 : 5,000,000) Preference shares of ₹1000/- each	5,000.00	5,000.00
Issued, subscribed and fully paid up		
March 31, 2022: 401,345,266 (March 31, 2021: 401,195,856) Equity shares of ₹10/- each fully paid up	4,013.45	4,011.96
Total Equity	4,013.45	4,011.96

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.

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, 2020	40,10,37,326.00	4,010.37
Shares issued in exercise of Employee Stock Options during the year	1,58,530.00	1.59
As at March 31, 2021	40,11,95,856.00	4,011.96
Shares issued in exercise of Employee Stock Options during the year	1,49,410.00	1.49
As at March 31, 2022	40,13,45,266.00	4,013.45

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24.4 Details of Equity shareholder holding more than 5% shares in the company

Particulars	As at March 31, 2022			As at March 31, 2021		
	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
M. G. George Muthoot (Promoter, Deceased)	-	-	Not Applicable	-	-	-100.00%
Sara George	2,90,36,548	7.23%	Not Applicable	6,00,70,968	14.97%	Not Applicable
George Alexander Muthoot (Promoter)	2,36,30,900	5.89%	-45.84%	4,36,30,900	10.88%	Nil
George Jacob Muthoot (Promoter)	4,36,30,900	10.87%	Nil	4,36,30,900	10.88%	Nil
George Thomas Muthoot (Promoter)	4,36,30,900	10.87%	Nil	4,36,30,900	10.88%	Nil
Susan Thomas	2,99,85,068	7.47%	Not Applicable	2,99,85,068	7.47%	Not Applicable
Alexander George	2,22,89,710	5.55%	Not Applicable	-	-	Not Applicable
George M George	2,22,89,710	5.55%	Not Applicable	-	-	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 :			
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
2016-2017	Nil	Nil	Nil

24.6 Shares reserved for issue under Employee Stock Option Scheme

The Company has reserved 206,865 equity shares (March 31, 2021: 415,815) for issue under the Employee Stock Option Scheme 2013.

Note 25: Other equity

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory reserve		
Balance at the beginning of the year	34,315.09	26,870.74
Add: Transfer from Retained earnings	8,062.65	7,444.35
Balance at the end of the year	42,377.74	34,315.09
Securities Premium		
Balance at the beginning of the year	15,016.44	14,968.79
Add: Securities premium on share options exercised during the year	47.26	47.65
Balance at the end of the year	15,063.70	15,016.44
Debenture Redemption Reserve		
Balance at the beginning of the year	35,123.98	35,123.98
Add: Amount transferred from Retained earnings	-	-
Balance at the end of the year	35,123.98	35,123.98



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Particulars	As at March 31, 2022	As at March 31, 2021
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	105.00	132.29
Add: Share based payment expenses	(1.98)	14.04
Less: Transfer To Securities premium on account of options exercised	(41.28)	(41.33)
Balance at the end of the year	61.74	105.00
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		
Balance at the beginning of the year	63,973.67	33,374.05
Add: Profit for the year	40,166.20	38,043.97
Add: Adjustments to non controlling interest	657.40	-
Less: Appropriation		
Dividend on equity shares	(8,023.92)	-
Transfer to Statutory Reserve	(8,062.65)	(7,444.35)
Total appropriations	(16,086.57)	(7,444.35)
Balance at the end of the year	88,710.70	63,973.67
Other Comprehensive Income		
Balance at the beginning of the year	27.10	634.89
Add/(Less): Other comprehensive income for the year	(698.16)	(607.79)
Balance at the end of the year	(671.06)	27.10
Total	1,83,843.79	1,51,738.29

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.

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(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) 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.

Remeasurement of defined benefit plans

It represents the gain/(loss) on remeasurement of Defined Benefit Obligation and of Plan assets.

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 2021-22: ₹20/- per share	8,026.91
Date of declaration of interim dividend for the period	April 18, 2022



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Note 26: Interest income

Particulars	Year ended March 31, 2022			Year ended March 31, 2021		
	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	-	1,07,851.23	-	-	1,01,724.26	-
Corporate Loans	-	26.31	-	-	62.51	-
Personal Loan	-	603.60	-	-	630.27	-
Staff Loan	-	2.82	-	-	3.25	-
Housing Loans	-	1,602.66	-	-	2,076.60	-
Mortgage loans	-	93.16	-	-	128.66	-
Pledge loans	-	3.59	-	-	20.34	-
Business Loans	-	126.30	-	-	133.78	-
Vehicle Loan	-	352.82	-	-	646.29	-
Microfinance loans	-	6,622.79	-	242.13	4,845.24	-
Other loans	-	28.25	-	-	38.77	-
Interest on hire purchase	-	0.11	-	-	-	-
Interest on leases	-	122.60	-	-	287.73	-
Interest income from investments	-	1,228.59	-	-	235.93	-
Interest on deposits with banks	-	504.72	-	-	892.09	-
Interest on treasury bills	-	22.83	-	-	16.33	-
Interest Income on Unit Trust	-	18.38	-	-	-	-
Other interest income	-	40.76	-	-	118.61	-
Total	-	1,19,251.52	-	242.13	1,11,860.66	-

Note 27: Net gain on fair value changes

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(A) Net gain on financial instruments at fair value through profit or loss		
(i) On trading portfolio		
- Investments	466.84	1,648.37
- Others	21.90	-
(ii) On financial instruments designated at fair value through profit or loss	-	-
(B) Loss on fair valuation of equity shares	-	-
Total Net gain on fair value changes (C)	488.74	1,648.37
Fair Value changes:		
- Realised	492.84	1,647.57
- Unrealised	(4.10)	0.80
Total Net gain on fair value changes	488.74	1,648.37

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(₹ in millions, except for share data and unless otherwise stated)

Note 28: Sale of services

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Income from Money Transfer business	121.44	120.33
Income from Power Generation Windmill	18.25	-
Total	139.69	120.33

Note 29: Other Income

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Profit on settled contracts	13.60	11.06
Bad debt recovered	169.70	154.13
Rental income	2.54	1.97
Others	339.69	189.17
Total	525.54	356.33

Note 30: Finance Costs

Particulars	Year ended March 31, 2022		Year ended March 31, 2021	
	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	-	244.42	-	274.15
(b) Interest on borrowing (other than debt securities)	-	29,380.14	-	28,571.75
(c) Interest on debt securities	-	12,382.17	-	11,504.23
(d) Interest on subordinate liabilities	-	520.91	-	607.33
(e) Interest on lease liabilities	-	13.48	-	20.02
(f) Other interest expense	-	17.40	-	21.81
Total	-	42,558.52	-	40,999.29

Note 31: Impairment on financial instruments

Particulars	Year ended March 31, 2022		Year ended March 31, 2021	
	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	-	2,599.23	(2.64)	2,237.89
Bad Debts Written Off	-	1,225.07	-	315.69
Other Assets	-	1.62	-	1.21
Provision for Interest only Strip	-	9.19	-	-
Total	-	3,835.21	(2.64)	2,554.79



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Note 32: Employee Benefits Expenses

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Salaries and Wages	11,426.89	11,006.11
Contributions to Provident and Other Funds	815.96	713.01
Share based payments to employees	(1.98)	14.04
Staff Welfare Expenses	153.93	159.56
Total	12,394.80	11,892.72

Note 33: Depreciation, amortization and impairment

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation of Tangible Assets	590.84	562.23
Amortization of Intangible Assets	40.94	48.69
Depreciation on Right to Use Assets	68.25	62.68
Total	700.03	673.60

Note 34: Other Expenses

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Rent	2,434.78	2,260.60
Rates & Taxes	618.83	558.63
Energy Costs	336.65	307.12
Repairs and Maintenance	642.10	338.46
Communication Costs	554.63	437.54
Printing and Stationery	175.31	170.98
Advertisement & Publicity	1,213.48	1,193.53
Directors' Sitting Fee	21.09	11.79
Commission to Non-Executive Directors	8.82	8.81
Auditors' fees and expenses (Refer note 34.1)	13.44	14.00
Legal & Professional Charges	409.44	471.67
Insurance	144.79	217.85
Internal Audit and Inspection Expenses	113.55	90.57
Vehicle Hire & Maintenance	9.28	9.12
Travelling and Conveyance	425.52	327.14
Business Promotion Expenses	40.54	384.57
Bank Charges	117.29	89.66
Donation to Political Parties	0.50	24.71
ATM Service charges	18.04	-
Loss on Sale of property, plant and equipment	6.47	35.31
Membership and subscription	8.64	8.52
Software Maintenance Charges	0.11	18.81
Cloud Charges	29.10	-
Establishment Charges	0.15	0.15
Miscellaneous expense	560.49	558.31
Expenditure on Corporate Social Responsibility (Refer note 34.2)	845.96	699.07
Total	8,749.00	8,236.92

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(₹ in millions, except for share data and unless otherwise stated)

Note 34.1 Auditors' fees and expenses:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
As Auditors' (including limited review)	12.58	13.11
For Other Services	0.80	0.83
For Reimbursement of Expenses	0.06	0.07
Total	13.44	14.00

Note 34.2 Expenditure on Corporate Social Responsibility:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
a) Gross amount required to be spent by the Group during the year	841.63	696.10
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	845.96	578.58
- Yet to be paid in cash	-	120.49
Total	845.96	699.07

Note 35: Income Tax

The components of income tax expense for the year ended March 31, 2022 and year ended March 31, 2021 are:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Current tax	14,110.96	13,359.62
Adjustment in respect of current income tax of prior years	(7.20)	(8.50)
Deferred tax relating to origination and reversal of temporary differences	(315.12)	(225.02)
Income tax expense reported in statement of Profit and Loss	13,788.64	13,126.10
OCI Section		
Deferred tax related to items recognised in OCI during the period:		
- Remeasurement of defined benefit plans	6.40	18.54
- Fair value changes on equity instruments through other comprehensive income	15.48	94.58
- Change in Value of forward elements of forward contract	(168.68)	(139.21)
- Effective portion of gain on hedging instruments in cash flow hedges	(10.15)	(165.81)
- Fair value gain on debt instruments through other comprehensive income	(6.18)	(2.48)
Income tax charged to OCI	(163.13)	(194.38)

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, 2022 and year ended March 31, 2021 is, as follows:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Accounting profit before tax	54,101.87	51,314.80
At India's statutory income tax rate of 25.168% (2021: 25.168%)	13,616.36	12,914.91
Effect of derecognition of previously recognised deferred tax assets	-	(11.80)
Effect of unrecognised deferred tax assets	(3.54)	(4.05)
Effect of income that is exempt from taxation	10.51	3.97
Income of Subsidiaries taxed at diff tax rates (net)	11.71	7.76
Income taxed at different rate (Capital Gains)	-	0.99
Impact of allowance of Provision 5% as per Section 36(1)(viii)(d) of IT act, 1961	-	(37.08)
Adjustments in respect of current income tax of previous year	(7.20)	(8.50)
Effect of change in tax law, rate or tax status	-	-
Expenses disallowed in Income Tax Act	198.54	186.81
Interest on income tax grouped under Current tax charge	43.09	53.09
Others	(80.83)	20.00
Income tax expense reported in the Statement of Profit and Loss	13,788.64	13,126.10

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, 2022	As at March 31, 2021
Fixed asset: Timing difference on account of Depreciation and Amortisation	281.09	266.18
ROU Asset : Timing difference on account of depreciation and amortisation	(0.70)	0.22
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	702.71	434.51
On Fair Value Changes of derivative liability not adjusted under Income Tax Act, 1961	381.05	198.48
On Amortisation of expenses under Effective Interest Rate method for financial liabilities not permitted under Income Tax Act, 1961	(169.34)	(218.97)
Net gain on fair valuation of Investments not adjusted under Income Tax Act, 1961	(170.00)	(154.35)
Impact due to gain/loss on fair value of securitisation	(109.93)	(109.67)
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.	12.91	21.36
Tax Losses relating to foreign subsidiary	20.98	58.27
Transitional adjustment	95.62	21.05
Statutory reserve as per NHB	(62.31)	(62.31)
Interest Spread on assignment	(215.97)	(156.72)
On Other Provisions	157.27	152.49
Net deferred tax assets / (liabilities)	923.38	450.54
Deferred tax Assets (Net as per Balance Sheet)	1,089.74	592.75
Deferred tax Liabilities (Net as per Balance Sheet)	166.36	142.21
Net deferred tax assets / (liabilities)	923.38	450.54

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Reconciliation of deferred tax assets/(liabilities):-

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	450.54	20.01
Tax income/(expense) during the period recognised in profit or loss	315.12	225.02
Tax income/(expense) during the period recognised in OCI	169.14	209.22
Exchange differences	(11.42)	(3.71)
Closing balance	923.38	450.54

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, 2022	Year ended March 31, 2021
Net profit attributable to ordinary equity holders	40,166.20	38,043.97
Weighted average number of equity shares for basic earnings per share	40,12,68,121	40,11,18,365
Effect of dilution	1,96,527	3,79,729
Weighted average number of equity shares for diluted earnings per share	40,14,64,648	40,14,98,094
Earnings per equity share:		
Basic earnings per share (₹)	100.10	94.84
Diluted earnings per share (₹)	100.05	94.76

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.

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.



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Net liability/(assets) recognised in the Balance Sheet

Particulars	As at March 31, 2022	As at March 31, 2021
Present value of funded obligations	1,415.52	1,331.28
Fair value of planned assets	(1,268.10)	(1,235.62)
Defined Benefit obligation/(asset)	147.42	95.66

Muthoot Money Limited : Net liability/(assets) recognised in the Balance Sheet

Particulars	As at March 31, 2022	As at March 31, 2021
Present value of funded obligations	1.68	2.70
Fair value of planned assets	(3.43)	(3.17)
Defined Benefit obligation/(asset)	(1.75)	(0.47)

Net benefit expense recognised in Statement of Profit and Loss

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Current service cost	176.99	173.17
Past service cost	(0.16)	-
Net Interest on net defined benefit liability/ (asset)	77.70	77.62
Net benefit expense	254.53	250.79

Details of changes in present value of defined benefit obligations as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Present value of defined benefit obligation at the beginning of the year	1,333.98	1,255.79
Current service cost	176.99	173.17
Past Service Cost	(0.16)	-
Interest cost on benefit obligation	77.70	77.62
Re-measurements:		
a. Actuarial loss/ (gain) arising from changes in financial assumptions	(29.02)	18.21
b. Actuarial loss/ (gain) arising from experience over the past years	(3.14)	(93.32)
Benefits paid	(135.52)	(96.86)
FCTR Adjustments	(3.63)	(0.63)
Present value of Defined Benefit obligation at the end of the year	1,417.20	1,333.98

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Details of changes in fair value of plan assets are as follows:-

Particulars	As at March 31, 2022	As at March 31, 2021
Fair value of plan assets at the beginning of the year	1,238.79	1,027.51
Interest income on plan assets	75.23	66.64
Employer contributions	103.72	238.56
Benefits paid	(134.70)	(95.83)
Re-measurements:		
a. Return on Plan assets, excluding amount included in net interest on the net defined benefit liability/(asset)	(8.33)	1.91
Fair value of plan assets as at the end of the year	1,274.70	1,238.79
Actual return on plan assets	66.90	68.55
Expected employer contribution for the coming year	172.27	111.13

Remeasurement (gain)/ loss in Other Comprehensive Income (OCI)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Remeasurements on defined benefit obligation		
Actuarial gain/(loss) arising from changes in financial assumptions	34.33	(16.66)
Actuarial gain/(loss) arising from experience over the past years	(2.19)	91.77
Remeasurements on plan assets		
Return on Plan assets, excluding amount included in net interest on the net defined benefit liability/(asset)	(8.25)	1.91
Actuarial gain /(loss) (through OCI)	23.89	77.02

As at March 31, 2022 and March 31, 2021, 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, 2022	Year ended March 31, 2021
Salary Growth Rate	6.00% - 10.00% p.a.	5.00% - 10.00% p.a.
Discount Rate	4.60% - 13.10% p.a.	4.30% - 10.00% 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)	4.30% - 6.25% p.a.	5.30% - 6.41% p.a.
Expected weighted average remaining working life	2 - 5 Years	2 - 5 Years



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A quantitative sensitivity analysis for significant assumption As at March 31, 2022 and March 31, 2021 of the Parent Company, MHIL, MML and MIBPL are as below:

Assumptions	Sensitivity Level	As at March 31, 2022	As at March 31, 2021
Discount Rate	Increase by 1%	(70.66)	(71.03)
Discount Rate	Decrease by 1%	78.49	78.29
Further Salary Increase	Increase by 1%	77.11	76.60
Further Salary Increase	Decrease by 1%	(70.78)	(70.12)
Employee turnover	Increase by 1%	(5.89)	(7.27)
Employee turnover	Decrease by 1%	6.24	7.77
Mortality Rate	Increase in expected lifetime by 1 year	0.06	0.06
Mortality Rate	Increase in expected lifetime by 3 years	0.15	0.17

A quantitative sensitivity analysis for significant assumption As at March 31, 2022 and March 31, 2021 of BML are as below:

Assumptions	Sensitivity Level	As at March 31, 2022	As at March 31, 2021
Discount Rate	Increase by 0.50%	(0.86)	(0.95)
Discount Rate	Decrease by 0.50%	0.89	0.99
Further Salary Increase	Increase by 0.50%	1.71	1.95
Further Salary Increase	Decrease by 0.50%	(1.64)	(1.83)

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, 2022 is 5 years for the Company, BML, & MIBPL and 2 years for MML & MHIL (As at March 31, 2021; 5 Years for the company, MML and MIBPL, 2 years for MHIL and 6 years for BML). 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, 2022 and March 31, 2021 of AAF are as below:

Assumptions	Sensitivity Level	As at March 31, 2022	As at March 31, 2021
Discount Rate	Increase by 1%	(8.22)	(10.79)
Discount Rate	Decrease by 1%	8.64	11.39
Discount Rate	Increase by 5%	(7.51)	-
Discount Rate	Decrease by 5%	9.65	-
Further Salary Increase	Increase by 1%	8.63	11.37
Further Salary Increase	Decrease by 1%	(8.22)	(10.81)

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, 2022		Total
	Within 12 months	After 12 months	
Assets			
Financial assets			
Cash and cash equivalents	1,00,358.14	-	1,00,358.14
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	6,08,721.48	42,117.79	6,50,839.27
- 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	7,15,193.39	53,234.24	7,62,864.77



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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	1,31,990.43
- Adjustment on account of EIR	-	-	(250.08)
Borrowings (other than debt securities)	2,68,565.98	1,40,318.48	4,08,884.46
- 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	3,27,375.14	2,44,999.00	5,71,785.79
Net	3,87,818.25	(1,91,764.76)	1,91,078.97

Particulars	As at March 31, 2021		
	Within 12 months	After 12 months	Total
Assets			
Financial assets			
Cash and cash equivalents	77,775.20	-	77,775.20
Bank Balance other than Cash and cash equivalents	1,661.09	773.78	2,434.87
Derivative Financial instruments	-	153.64	153.64
Trade receivables	37.87	60.15	98.02
Loans	5,63,901.52	30,669.39	5,94,570.91
- Adjustment on account of EIR/ECL	-	-	(6,485.74)
Investments	5,898.11	2,186.94	8,085.05
- Adjustment on account of EIR/ECL	-	-	-
Other financial assets	2,845.95	1,537.46	4,383.41
Non-financial Assets			
Current tax assets (net)	93.96	-	93.96
Deferred tax assets (net)	-	592.75	592.75
Investment property	-	139.45	139.45
Property, plant and equipment	-	2,575.11	2,575.11
Right to use assets	-	170.01	170.01
Capital Work In Progress	-	384.77	384.77
Goodwill	-	-	-
Other intangible assets	-	86.31	86.31

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Particulars	As at March 31, 2021		
	Within 12 months	After 12 months	Total
Intangible Asset under Development	-	0.55	0.55
Other non financial assets	884.41	171.71	1,056.12
Total assets	6,53,098.11	39,502.02	6,86,114.39
Liabilities			
Financial Liabilities			
Derivative financial instruments	104.36	3,200.83	3,305.19
Trade payables	2,111.53	-	2,111.53
Other Payables	2.31	-	2.31
Debt Securities	49,380.11	97,620.66	1,47,000.77
- Adjustment on account of EIR	-	-	(330.87)
Borrowings (other than debt securities)	2,34,167.35	1,17,235.49	3,51,402.84
- Adjustment on account of EIR	-	-	(393.06)
Deposits	2,314.46	265.07	2,579.53
- Adjustment on account of EIR	-	-	-
Subordinated Liabilities	717.79	2,999.21	3,717.00
- Adjustment on account of EIR	-	-	(10.11)
Lease Liabilities	52.57	125.00	177.57
Other Financial liabilities	10,393.04	3,205.36	13,598.40
Non-financial Liabilities			
Current tax liabilities (net)	1,302.75	-	1,302.75
Provisions	3,330.98	364.31	3,695.29
Deferred tax liabilities (net)	-	142.21	142.21
Other non-financial liabilities	503.08	13.92	517.00
Total Liabilities	3,04,380.33	2,25,172.06	5,28,818.35
Net	3,48,717.78	(1,85,670.04)	1,57,296.04

Note 40: Change in liabilities arising from financing activities disclosed as per Ind AS 7, Cash flow statements

Particulars	As at April 01, 2021	Cash Flows	Exchange difference	Change in fair value	Others	As at March 31, 2022
Debt Securities	1,46,669.90	(14,991.44)	-	-	61.89	1,31,740.35
Borrowings other than debt securities	3,51,009.78	55,565.48	(645.76)	2,530.40	93.34	4,08,553.24
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	5,03,966.10	40,273.48	(1,422.29)	2,530.40	178.50	5,45,526.18

Particulars	As at April 01, 2020	Cash Flows	Exchange difference	Change in fair value	Others	As at March 31, 2021
Debt Securities	1,02,659.84	43,962.63	-	-	47.43	1,46,669.90
Borrowings other than debt securities	3,00,115.44	53,374.48	(127.66)	(2,469.39)	116.91	3,51,009.78
Deposits	2,560.06	157.58	(138.11)	-	-	2,579.53
Subordinated Liabilities	4,016.56	(297.60)	-	-	(12.07)	3,706.89
Total liabilities from financing activities	4,09,351.90	97,197.09	(265.77)	(2,469.39)	152.27	5,03,966.10



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Note 41: Contingent liabilities, commitments and leasing arrangements

(A) Contingent Liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Claims against the Group not acknowledged as debt		
(i) Income Tax Demands	446.25	2,119.86
(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	71.26	70.08
(b) Guarantees - Counter Guarantees Provided to Banks	317.26	217.63
(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 ₹2,250.00 millions (₹2,250.00 millions as at March 31, 2021)]	1,466.41	1,151.03
(d) Others	-	-

(B) Commitments

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Estimated amount of contracts remaining to be executed on capital account, net of advances, and not provided for	584.11	179.07
(ii) Promissory notes	179.95	220.67
(iii) Commitments related to loans sanctioned but undrawn	18,683.62	11,105.34
(iv) Capital commitments	3.98	8.72

(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 ₹2,434.78 millions (₹2,260.60 millions for the year ended March 31, 2021) 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 ₹2.53 millions (₹1.97 millions for the year ended March 31, 2021) are recognized as income in the Statement of Profit and Loss under the head 'Other Income'.

Maturity Analysis of lease liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Less than one year	58.39	52.57
One to five years	101.41	125.00
More than five years	-	-
Total	159.80	177.57

Interest on lease liabilities amounting to ₹ 13.48 millions (₹ 20.02 millions for the year ended March 31, 2021) are recognised under Finance Cost in the Statement of Profit and Loss.

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Carrying value of Right-of-Use Assets

Particulars	As at March 31, 2022	As at March 31, 2021
Balance as at April 01, 2021/ April 01, 2020	170.01	167.56
Additions during the year	77.20	66.95
Deductions	(13.72)	-
Exchange Gain /(Loss)	(17.44)	(1.82)
Less: Depreciation charge for the year	68.25	62.68
Balance as at March 31, 2022/ March 31, 2021	147.80	170.01

Note 42: Related Party Disclosures

Names of Related parties

(A) Key Management Personnel

- George Jacob Muthoot
- George Thomas Muthoot
- George Alexander Muthoot
- Alexander George
- George Muthoot George
- George Muthoot Jacob
- George Alexander
- Jose Mathew
- Justice (Retd.) Jacob Benjamin Koshy
- Pratip Chaudhuri
- Vadakkakara Antony George
- Ravindra Pisharody
- Usha Sunny
- Abraham Chacko

Designation

- Chairman & Whole time Director
- Wholetime Director
- Managing Director
- Wholetime Director
- Wholetime Director (w.e.f December 15, 2021)
- Wholetime Director (w.e.f December 15, 2021)
- Wholetime Director (w.e.f December 15, 2021)
- Independent Director
- Independent Director
- Independent Director
- Independent Director
- Independent Director
- Independent Director (w.e.f September 18, 2021)

(B) Enterprises owned or significantly influenced by key management personnel or their relatives

- | | |
|---|--|
| 1. Muthoot Vehicle & Asset Finance Limited | 11. CL Digital LLP |
| 2. Muthoot Leisure And Hospitality Services Private Limited | 12. Muthoot Gold Bullion Corporation |
| 3. MGM Muthoot Medical Centre Private Limited | 13. Muthoot Systems & Technologies Private Limited |
| 4. Muthoot Securities Limited | 14. Xandari Pearl Beach Resorts Private Limited |
| 5. Muthoot Forex Limited | 15. St. Georges Educational Society |
| 6. Muthoot Housing & Infrastructure | 16. Muthoot Educational Trust |
| 7. Muthoot Properties & Investments | 17. Muthoot M George Foundation |
| 8. Muthoot Health Care Private Limited | 18. Muthoot M George Charitable Trust |
| 9. Muthoot Precious Metals Corporation | 19. Muthoot M George Institute of Technology |
| 10. GMG Associates | 20. Muthoot Finance Education Trust (Tamilnadu) |



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(C) Relatives of Key Management Personnel

Name of Relative	Relationship	Key Management Personnel
Elizabeth Jacob	Spouse	George Jacob Muthoot
Reshma Susan Jacob	Daughter	George Jacob Muthoot
George Muthoot Jacob ¹	Son	George Jacob Muthoot
Susan Thomas	Spouse	George Thomas Muthoot
Anna Thomas, Tania Thomas	Daughter	George Thomas Muthoot
Anna Alexander	Spouse	George Alexander Muthoot
George Alexander ¹ , 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
George Muthoot George ¹	Brother	Alexander George
Radhika George Verghese	Spouse	George Alexander
Leela Zachariah	Sister	George Alexander Muthoot, George Jacob Muthoot, George Thomas Muthoot
Valsa Kurien	Brother's wife	George Alexander Muthoot, George Jacob Muthoot, George Thomas Muthoot

¹Related party transactions upto the date of appointment as Whole-time Director i.e. upto December 15, 2021

Related Party transactions during the year:

Particulars	Key Management Personnel		Relatives of Key Management Personnel		Entities over which Key Management Personnel and their relatives are able to exercise significant influence	
	Year Ended March 31, 2022	Year Ended March 31, 2021	Year Ended March 31, 2022	Year Ended March 31, 2021	Year Ended March 31, 2022	Year Ended March 31, 2021
	Purchase of Travel Tickets for Company Executives/ Directors/ Customers	-	-	-	-	0.02
Accommodation facilities for Company Executives/ Clients/ Customers	-	-	-	-	7.52	0.36
Staff Welfare expense	-	-	-	-	0.18	-
Complementary Medical Health Check Up for Customers/ Employees	-	-	-	-	-	0.08
Brokerage paid for NCD Public Issue	-	-	-	-	1.24	0.78
Advertisement Expense	-	-	-	-	0.33	0.67
Expenditure on Corporate Social Responsibility (includes payments made on behalf of beneficiaries)	-	-	-	-	568.31	422.22
Foreign Currency purchased for travel	-	-	-	-	0.17	-
Interest paid on Borrowings	673.85	546.05	505.93	392.89	0.44	0.66
Interest paid on NCD	-	0.52	0.52	-	-	-
Interest paid on NCD - Listed	24.14	16.57	8.58	13.70	31.45	36.76
Directors Remuneration	815.68	793.94	-	-	-	-
Commission and sitting fee to Non-executive Directors	12.99	11.09	-	-	-	-
Salaries and Allowances	-	-	41.92	33.60	-	-
Loans accepted	5,751.92	1,356.79	4,910.81	753.01	-	-
Loans repaid	7,762.14	2,928.04	2,992.13	1,244.48	2.05	2.80
Purchase of Listed NCD of the Company	1,868.00	-	300.00	21.50	141.02	130.74
Redemption of NCD of the Company	-	-	-	-	-	-
Redemption of Listed NCD of the Company	245.99	-	1,038.95	0.42	194.73	268.62

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Particulars	Key Management Personnel		Relatives of Key Management Personnel		Entities over which Key Management Personnel and their relatives are able to exercise significant influence	
	Year Ended	Year Ended	Year Ended	Year Ended	Year Ended	Year Ended
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Rent paid	-	-	1.46	0.28	25.26	22.99
Rent received	-	-	-	-	2.00	2.01
Rent deposit given	-	-	-	-	-	0.30
Dividend paid	3,063.65	-	2,852.31	-	-	-
Commission Received on Money Transfer business	-	-	-	-	3.99	13.27
Service Charges Collected	-	-	-	-	1.76	2.45
Security deposit accepted	-	-	-	-	-	10.00

Balance outstanding as at the year end: Asset/ (Liability):

Particulars	Key Management Personnel		Relatives of Key Management Personnel		Entities over which Key Management Personnel and their relatives are able to exercise significant influence	
	Year Ended	Year Ended	Year Ended	Year Ended	Year Ended	Year Ended
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
NCD	-	(5.00)	(5.00)	-	-	-
Investments in Equity Shares	-	-	-	-	331.92	287.57
NCD - Listed	(3,183.49)	(907.90)	(1,869.53)	(3,262.06)	(267.23)	(320.93)
Security Deposit	-	-	-	-	(10.00)	(10.00)
Rent Deposit	-	-	-	-	14.14	14.14
Borrowings	(5,269.73)	(5,762.22)	(4,456.11)	(4,055.16)	(3.78)	(5.83)
Directors Remuneration Payable	(279.93)	(272.81)	-	-	-	-
Commission payable to Non-executive Directors	(8.45)	(6.30)	-	-	-	-
Interest payable on NCD	-	(0.93)	(1.45)	-	-	-
Interest payable on Borrowings	-	(7.94)	-	-	(0.02)	(0.03)
Trade Payables	-	-	-	-	(0.11)	(1.00)
Loans	-	-	-	-	-	-
Trade Receivables	-	-	-	-	0.38	0.58
Other financial assets	-	-	-	-	0.32	0.78
Amounts payable (net) to related parties	(8,741.60)	(6,963.10)	(6,332.09)	(7,317.22)	65.62	(34.72)

Note:

- a) Related parties have been identified on the basis of the declaration received by the management and other records available.

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 Group and its employees. The Group 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, 2022	Year ended March 31, 2021
Short-term employee benefits	828.67	805.03
Total	828.67	805.03



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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, 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	1,329.96	-	1,960.46
Loans	-	-	-	-
Derivative Financial Instruments (assets)	-	605.01	-	605.01
Derivative Financial Instruments (liabilities)	-	4,797.97	-	4,797.97

The fair value measurement hierarchy for financial instruments measured at fair value as at March 31, 2021 is as follows:

Particulars	At Fair Value Through Profit or Loss			Total
	Level-1	Level-2	Level-3	
Investments	455.28	208.50	-	663.78

Particulars	At Fair Value Through Other Comprehensive Income			Total
	Level-1	Level-2	Level-3	
Investments	518.77	1,380.19	-	1,898.96
Loans	-	-	1,034.45	1,034.45
Derivative Financial Instruments (assets)	-	153.64	-	153.64
Derivative Financial Instruments (liabilities)	-	3,305.19	-	3,305.19

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.

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.

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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.

Loans at fair value through other comprehensive income

For loans at FVOCI, valuation is done using a discounted cash flow model based on contractual cash flows using actual or estimated yields.

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, 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)	-

March 31, 2021	As at April 01, 2020	Issuances and Settlements (Net)	Transfers into Level 3	Transfers from Level 3	Net interest income	Other Comprehensive Income	As at March 31, 2021
Financial assets at FVOCI							
Loans	1,429.36	(627.20)	-	-	242.13	(9.84)	1,034.45

III. Impact on fair value of Level 3 financial instruments measured at fair value of changes to key assumptions

The table summarises the valuation techniques together with the significant unobservable inputs used to calculate the fair value of loans classified at Level 3

Particulars	Level 3 Assets March 31, 2022	Valuation Technique	Significant Unobservable Input
Loans	-	Discounted Projected cash flow	Discount/Margin Spread

Particulars	Level 3 Assets March 31, 2021	Valuation Technique	Significant Unobservable Input
Loans	1,034.45	Discounted Projected cash flow	Discount/Margin Spread

The respective subsidiary company (BML) has taken one discount rate to discount the loans. The discount rate taken in March 2021 is 20.86%.

IV. Sensitivity of fair value measurements to changes in unobservable market data

Although the subsidiary company (BML) believes that its estimates of fair value are appropriate, the use of different methodologies or assumptions could lead to different measurements of fair value. For fair value measurements in Level 3, changing one or more of the assumptions used to reasonably possible alternative assumptions would have the following effects.

Particulars	As at March 31, 2022		As at March 31, 2021	
	Effect in Other Comprehensive Income		Effect in Other Comprehensive Income	
	Favourable	Unfavourable	Favourable	Unfavourable
Loans	-	-	5.03	4.99



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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, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Financial Assets					
Cash and cash equivalents	1	1,00,358.14	77,775.20	1,00,358.14	77,775.20
Bank Balance other than above	1	2,791.47	2,434.87	2,791.47	2,434.87
Trade receivables	3	70.09	98.02	70.09	98.02
Loans	3	6,45,276.41	5,87,050.72	6,45,276.41	5,87,050.72
Investments	3	2,140.42	5,522.31	2,107.44	5,521.35
Other Financial assets	3	2,807.28	4,383.41	2,807.28	4,383.41
Total Financial Assets		7,53,443.81	6,77,264.53	7,53,410.83	6,77,263.57
Financial Liabilities					
Trade Payable	3	1,570.20	2,113.84	1,570.20	2,113.84
Debt Securities	2	1,31,740.35	1,46,669.90	1,36,387.70	1,51,333.61
Borrowings (other than debt securities)	2	4,08,553.24	3,51,009.78	4,08,553.24	3,51,009.78
Deposits	2	2,235.26	2,579.53	2,235.26	2,579.53
Subordinated Liabilities	2	2,997.33	3,706.89	2,997.33	3,706.89
Other Financial liabilities	3	13,323.48	13,598.40	13,323.48	13,598.40
Total Financial Liabilities		5,60,419.86	5,19,678.35	5,65,067.21	5,24,342.06

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.

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.

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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 identified and implemented comprehensive policies and procedures to assess, monitor and manage risk throughout the Group. The risk management process is continuously reviewed, improved and adapted in the changing risk scenario and the agility of the risk management process is monitored and reviewed for its appropriateness in the changing risk landscape. The process of continuous evaluation of risks includes taking stock of the risk landscape on an event-driven basis.

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 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.

I. 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



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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 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. Loss on account of auctions are recovered 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.

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.

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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.).
- 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.

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 unlikeness 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 when the due amount have been paid. 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.



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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

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. To calculate the ECL for a Stage 1 loan, the Group assesses the possible default events within 12 months for the calculation of the 12month 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.

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, 2022 and March 31, 2021.

Loss Given Default (LGD)

LGD is the estimated loss that the Group might bear 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 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:-

(₹ in millions, except for share data and unless otherwise stated)

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)	1,31,740.35
Borrowings (other than Debt Securities)	28,686.94	15,698.03	58,060.51	47,317.57	1,18,803.47	1,31,144.14	8,448.31	725.49	(331.22)	4,08,553.24
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	1,12,109.35	76,902.83	65,619.32	1,62,271.93	1,91,824.73	34,299.10	3,037.09	4,879.16	(5,667.25)	6,45,276.26
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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Maturity pattern of assets and liabilities as on March 31, 2021:

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 AIM	Total
Financial Liabilities										
Derivative Financial Instruments	17.19	-	-	35.76	51.42	3,200.82	-	-	-	3,305.19
Payables	1,269.06	3.68	272.21	3.02	477.06	-	-	-	-	2,025.03
Debt Securities	276.83	776.47	21,230.62	9,614.05	17,502.38	84,819.18	11,201.70	1,382.26	(330.87)	1,46,472.62
Borrowings (other than Debt Securities)	14,466.73	51,018.16	45,290.81	46,572.49	78,314.87	1,14,567.97	2,822.66	1,042.64	(407.51)	3,53,688.82
Deposits	-	-	561.96	-	1,752.50	250.02	-	15.05	-	2,579.53
Subordinated Liabilities	-	-	386.54	-	289.15	1,230.85	1,190.69	647.67	(10.11)	3,734.79
Other Financial liabilities	4,314.63	365.88	1,517.55	1,402.56	1,753.52	2,659.17	329.84	220.32	-	12,563.47
Financial assets										
Cash and cash equivalents	68,660.22	28.00	7,369.99	-	-	-	-	-	-	76,058.21
Bank Balance other than Cash and cash equivalents	214.03	61.38	491.31	32.18	415.24	746.50	27.29	-	-	1,987.93
Derivative Financial Instruments	-	-	-	-	-	153.64	-	-	-	153.64
Receivables	36.79	-	-	1.08	-	-	-	-	-	37.87
Loans	1,23,376.73	98,240.67	87,181.62	1,65,916.73	91,489.35	19,969.75	3,843.04	6,908.21	(6,560.93)	5,90,365.19
Investments	-	315.80	251.58	3,084.46	2,246.28	128.51	-	10,641.30	-	16,667.93
Other Financial assets	1,382.57	11.17	21.58	30.00	832.69	1,099.31	180.15	193.13	-	3,750.60

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 two types of market risk as follows:

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(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 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.

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 2021-22	Effect on Statement of Profit and Loss for the year 2020-21
1% increase in interest rates	2,400.21	1,817.50
1% decrease in interest rates	(2,400.21)	(1,817.50)

Belstar Microfinance Limited

Particulars	Effect on Statement of Profit and Loss for the year 2021-22	Effect on Statement of Profit and Loss for the year 2020-21
0.50% increase in interest rates	(150.59)	(105.16)
0.50% decrease in interest rates	150.59	105.16

Muthoot Money Limited

Particulars	Effect on Statement of Profit and Loss for the year 2021-22	Effect on Statement of Profit and Loss for the year 2020-21
1% increase in interest rates	11.86	27.40
1% decrease in interest rates	(11.86)	(27.40)

Muthoot Homefin (India) Limited

Particulars	Effect on Statement of Profit and Loss for the year 2021-22	Effect on Statement of Profit and Loss for the year 2020-21
1% increase in interest rates	97.33	134.60
1% decrease in interest rates	(97.33)	(134.60)

(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



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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, 2022	10/(10)	0.00/(0.00)	196.05/(196.05)
As at March 31, 2021	10/(10)	0.00/(0.00)	189.90/(189.90)

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.

(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 or later 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, 2022 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 March 31, 2022	As at March 31, 2021
External Commercial Borrowings - Senior Secured Notes	USD	76,815.78	74,097.06

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

Based on the information available with the Group and 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, 2022 together with interest paid / payable are required to be furnished.

Note 46: Dividend remitted in foreign currency

There was no dividend remitted in foreign currency during the year ended March 31, 2022 and March 31, 2021.

Note 47: Frauds during the year

During the year, frauds committed by employees and customers of the Group amounted to ₹44.17 million (March 31, 2021: ₹36.95 million) which has been recovered /written off / provided for. Of the above, fraud by employees of the group amounted to ₹6.55 million (March 31, 2021: ₹31.41 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 ₹ 841.63 million (March 31, 2021: ₹696.10 million) and the total amount spent (including amount spent by foreign subsidiary - AAF) is ₹845.96 million (March 31, 2021: ₹578.58 million) as detailed below:

Sl No.	Particulars	Amount required to be spent	Amount spent	Amount unspent*
i)	MFL	808.68	811.40	-
ii)	BML	19.61	20.51	-
iii)	MHIL	7.20	7.20	-
iv)	MIBPL	5.47	5.47	-
v)	MAMPL	0.67	0.67	-
vi)	AAF	NA	0.71	NA
		841.63	845.96	121.35

* MFL had created provision for unspent expenditure on CSR amounting to ₹120.49 million during FY20-21.

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, 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 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 ₹17,257 million of Secured Redeemable Non-Convertible Debentures. As at March 31, 2022, 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



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granted as on March 31, 2022. 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, 2022 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	37,11,200	17,06,700	
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	
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
Scheme Name			
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	4,56,000	3,80,900	3,25,000
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

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Particulars	Tranche 2		Tranche 3
	Grant A	Grant B	Grant A
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

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	3,90,400	7,28,300	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



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Particulars	Tranche 5		
	Grant A	Grant B	Loyalty
Scheme Name			
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	2,48,200	3,42,900	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
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 (%)	8.40% - 8.80% p.a.	8.40% - 8.95% p.a.
Expected dividend yield (%)	3.84 % p.a.	3.84 % p.a.
Model used	Black-Scholes Model	Black-Scholes Model

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Particulars	Tranche 1	
	Grant A	Grant B
	₹ 68.75 (Nov 9, 2014)	₹ 70.21 (Nov 9, 2015)
	₹ 70.21 (Nov 9, 2015)	₹ 71.13 (Nov 9, 2016)
Fair value per option tranche on grant date (₹) (corresponding vesting date shown in brackets)	₹ 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.

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
	₹ 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)
Fair value per option tranche on grant date (₹) (corresponding vesting date shown in brackets)	₹ 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
	₹ 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)
Fair value per option tranche on grant date (₹) (corresponding vesting date shown in brackets)	₹ 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)	-



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(₹ in millions, except for share data and unless otherwise stated)

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 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 2021-22					
Options outstanding at April 01, 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

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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 2021-22						
Options outstanding at April 01, 2021	77,920	81,425	875	1,15,350	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*	1,497.85	1,501.47	-	1,501.23	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.

Particulars	Tranche 1		Tranche 2		Tranche 3
	Grant A	Grant B	Grant A	Grant B	Grant A
Financial Year 2020-21					
Options outstanding at April 01, 2020	18,970	12,515	5,345	22,130	37,500
Granted during the year	-	-	-	-	-
Forfeited during the year	-	-	-	-	-
Exercised during the year	4,340	3,560	1,135	16,090	10,000
Expired / lapsed during the year	4,335	3,230	1,530	2,700	-
Options outstanding at March 31, 2021	10,295	5,725	2,680	3,340	27,500
Options exercisable at March 31, 2021	10,295	5,725	2,680	3,340	27,500
Weighted average remaining contractual life (in years)	-	-	-	-	-
Weighted average share price at the time of exercise*	1,194.52	1,168.28	1,149.32	1,171.31	1,130.35

Particulars	Tranche 4			Tranche 5		
	Grant A	Grant B	Loyalty	Grant A	Grant B	Loyalty
Financial Year 2020-21						
Options outstanding at April 01, 2020	1,33,285	1,21,705	875	1,55,300	1,28,420	200
Granted during the year	-	-	-	-	-	-
Forfeited during the year	-	-	-	-	-	-
Exercised during the year	47,420	23,960	-	39,015	12,810	200
Expired / lapsed during the year	7,945	16,320	-	935	24,905	-
Options outstanding at March 31, 2021	77,920	81,425	875	1,15,350	90,705	-
Options exercisable at March 31, 2021	17,800	12,180	875	6,560	10,905	-
Weighted average remaining contractual life (in years)	0.24	0.79	-	0.90	1.49	-
Weighted average share price at the time of exercise*	1,177.75	1,172.58	-	1,134.49	1,136.26	1,202.95

* 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 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, 2022		Share in profit or loss for the year ended March 31, 2022		Share in other comprehensive income for the year ended March 31, 2022		Share in total comprehensive income for the year ended March 31, 2022	
	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	91.12%	1,74,377.33	97.99%	39,501.34	59.61%	(467.84)	98.75%	39,033.51
Subsidiaries								
Indian								
1. Muthoot Insurance Brokers Private Limited	0.59%	1,123.21	0.69%	276.44	0.03%	(0.22)	0.70%	276.22
2. Belstar Micro Finance Limited	2.71%	5,194.50	0.78%	315.95	1.25%	(9.81)	0.77%	306.14
3. Muthoot Homefin (India) Limited	2.34%	4,470.76	0.21%	84.04	(0.02)%	0.13	0.21%	84.17
4. Muthoot Money Limited	0.54%	1,035.21	(0.16)%	(65.74)	(0.19)%	1.50	(0.16)%	(64.24)
5. Muthoot Asset Management Private Limited	0.57%	1,094.81	0.06%	22.55	-	-	0.06%	22.55
6. Muthoot Trustee Private Limited	0.01%	9.95	-	0.17	-	-	-	0.17
Foreign								
1. Asia Asset Finance PLC, Srilanka	0.29%	551.47	0.08%	31.45	28.28%	(221.93)	(0.48)%	(190.48)
Non-controlling interests in all subsidiaries								
Indian								
1. Belstar Micro Finance Limited	1.76%	3,364.83	0.34%	135.34	0.54%	(4.20)	0.33%	131.14
Foreign								
1. Asia Asset Finance PLC, Srilanka	0.08%	156.89	0.03%	11.68	10.50%	(82.43)	(0.18)%	(70.75)
Total		1,91,378.96		40,313.23		(784.80)		39,528.43

Note: The amounts stated above have been considered from the respective financial statements of the companies, without adjusting the inter company transactions.

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, 2022 and March 31, 2021.

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(₹ in millions, except for share data and unless otherwise stated)

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, 2022 and March 31, 2021.

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, 2022 and March 31, 2021. 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 Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 for the financial years ended March 31, 2022 and March 31, 2021.

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, 2022 and March 31, 2021.

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 or in 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 on behalf of the ultimate beneficiaries.

The Group has also not received any fund 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 which is 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.

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, 2022 and March 31, 2021.



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forming part of Financial Statements

(₹ in millions, except for share data and unless otherwise stated)

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 Group for the year. Due to the uncertainties caused by the pandemic, the management is continuously monitoring the situation, including the economic factors affecting the operations of the Group.

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 to cover any future uncertainties on account of the above.

Note 62: 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/-

Thomson Thomas

Partner

Chartered Accountants

Membership No. 025567

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 26, 2022

Place: Kochi

Date: May 26, 2022

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

Pratip Chaudhuri

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. 000801S)
38/1968A, EGC House, HIG Avenue,
Gandhi Nagar, Kochi 682020

M/s. Babu A. Kallivayalil & Co.

Chartered Accountants,
(Firm Registration No. 05374S)
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 and Transfer Agent

Equity Shares

Link Intime India Private Limited
Surya, 35, Mayflower Avenue
Behind Senthil Nagar,
Sowripalayam Road
Coimbatore - 641028

Tel: (91 422) - 2314792, 2315792

Fax: (91 422) - 2314792

Email: coimbatore@linkintime.co.in

Website: www.linkintime.co.in

Listed Non-convertible Debentures

Link Intime India Pvt. Ltd.
C-101, 247 Park, L.B.S. Marg,
Vikhroli (West), Mumbai - 400083

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 Finance

Muthoot Chambers

Opp Saritha Theatre Complex, Banerji Road, Kochi 682 018

Tel: +91 - 484 - 2396 478/2394

www.muthootfinance.com