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Chartered Accountants
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Kochi - 682 016. Ph : 2355314, 4011415
e-mail : jvrcochin@gmail.com

INDEPENDENT AUDITOR'S REPORT

The Members of
MUTHOOT MONEY LIMITED
Kochi

Opinion

We have audited the accompanying financial statements of **MUTHOOT MONEY LIMITED**, which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss, Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the 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 financial statements, give the information required by The Companies Act, 2013 in the manner so required and give a true and fair view, in conformity with the accounting principles generally accepted in India of the state of affairs of the company as at March 31, 2022 and its loss, changes in equity, and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to the following:

a. The management estimates that, the impact on the operations and financial position of the company on account of the outbreak of COVID-19 pandemic and the consequent lockdown imposed by the Government is not significant. However, the company has made a higher provision than as required by the Reserve Bank of India guidelines in this regard. (Refer Note No.38)

Our opinion is not modified in respect of this matter.

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682

Other Information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

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 Companies Act, 2013 with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal 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 place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 issued by the Central Government of India in terms of sub-section (11) of section 143 of The Companies Act 2013, we give in the "AnnexureB",a statement on the matters specified in paragraphs 3 and 4 of the Order.

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.

   c. The Balance Sheet, Statement of Profit and Loss, Statement of Changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the books of account.

   d. In our opinionthe aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with relevant rules issued there under.

   e. On the basis of written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2)of the Act.

   f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

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

i) The company does not have any pending litigations which would impact its financial position.

ii) Thecompany does not have any long-term contracts requiring a provision for material foreseeable losses.

iii) Thecompany does not have any amounts required to be transferred to the Investor Education and Protection Fund.

iv) The company has not advanced or loaned or invested any funds 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, 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 other than those disclosed in the notes to accounts.

v) The company has not received any funds from any persons or entities, 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 other than those disclosed in the notes to accounts

vi) The company has not declared or paid any dividend during the year.

For JVR& ASSOCIATES
Chartered Accountants
(F. R. No. 011121S)

JVR & ASSOCIATES KOCHI 682 016

Amal Varghese
Partner
M.No.244752
UDIN: 22244752AJGFVS3407

Place: Kochi-16
Date:17.05.2022

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ANNEXURE (A)REFERRED TO IN PARAGRAPH 2(f) OF INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF MUTHOOT MONEY LIMITED ON THE FINANCIAL STATEMENTS OF THE COMPANY 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

We have audited the internal financial controls over financial reporting of Muthoot Money Limited as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidencewe have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at March 31, 2022:

1) The migration to the new software is yet to be completed.
2) The scope, coverage & extend of internal audit needs to be improved.
3) The management control over repossession/ sale of hypothecated assets needs to be strengthened.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the possible effects of the material weakness described above on the achievement of the objectives of control criteria, 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.

We have considered the material weaknesses identified and reported above in determining the nature, timing and extent of audit tests in our audit of the financial statements of the Company, and these material weaknesses does not affect our opinion on the financial statements of the Company.

For JVR& ASSOCIATES
Chartered Accountants
(F. R. No. 011121S)

JVR & ASSOCIATES KOCHI 682 016

Amal Varghese
Partner
M.No.244752
UDIN: 22244752AJGFVS3407

Place: Kochi-16
Date:17.05.2022

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ANNEXURE(B) REFERRED TO IN PARAGRAPH 1 OF INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF MUTHOOT MONEY LIMITED ON THE FINANCIAL STATEMENTS OF THE COMPANY FOR THE YEAR ENDED MARCH 31, 2022.

In terms of Companies (Auditor's Report) Order 2020, issued by Central Government of India, in terms of section 143(11) of The Companies Act, 2013, we further report, on the matters specified in paragraph 3 and 4 of the said Order, that: -

1) (i)(a) The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment, which however, needs to be updated.

(i)(b) The Company is maintaining proper records showing full particulars of intangibleasset, which however, needs to be updated.

(ii) The Property, Plant & Equipment have been physically verified by the management at reasonable Intervals.

(iii)The company doesn't have any immovable property.

(iv) The company has not revalued its Property, Plant & Equipment or Intangible assets
during the year.

(v) No proceedings have been initiated against the company for holding benami property under The Benami Transactions (Prohibition) Act, 1988 and rules made there under.

2) (i) The company has not made investments in, provided any guarantee or security granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, LLPs, or any other parties.

3) The company has not given any loans or guarantees/made any investments within the meaning of section 185 & 186 of The Companies Act, 2013.

4) The company has not accepted any deposits from the public in terms of Section 73 to76 or any other relevant provisions of the Companies Act,2013

5) The Central government has not prescribed the maintenance of costs records under section 148(1) of the Act, for any of the products manufactured by the company.

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6) (i) The company is regular in depositing undisputed statutory dues with appropriate authorities.

(ii) According to the records of the company, there are no statutory dues which have not been deposited on account of any dispute.

7) There are no transactions that are not recorded in the books of account to be surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

8) (i) The company has not defaulted in any repayment of dues to any financial institution or bank or debenture holders.

(ii)The company has not been declared as a willful defaulter by any bank or financial institution or other lender.

(iii) The term loans have been utilised for the purposes for which they were obtained.

(iv) The funds raised on short term basis have not been utilised for long term purposes.

(v) 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.

(vi) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

9) (i) The company has not made any initial public offer during the year.

(ii) The company has not made any preferential allotment or private placement of shares or fully or partly or optionally convertible debentures during the year.

10) During the course of our examination of the books and records of the company carried out in accordance with generally accepted auditing practices in India and according to the information and explanations given to us, there have been instances of fraud on the company by its employee amounting to Rs. 0.16 million and by customers amounting to Rs. 5.13 million as included in Note 40 to the financial statements. No fraud by the company has been noticed or reported during the year, nor have we been informed of any such case by the management.

11) The transactions entered into with related parties are in compliance with section 177 & 188 of The Companies Act, 2013 and the details have been disclosed in the financial statements as required by the applicable accounting standards.

12) (i) The scope & coverage of the internal audit system of the Company needs to be improved.

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(ii) The reports of the Internal Auditors for the period under audit has been considered.

13) According to the information &explanations given to us, in our opinion during the year the company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provision of section 192 of the Companies Act 2013 are not applicable to the company.

14) (i) The company has taken registration under section 45-IA of The Reserve Bank of India Act, 1934.

(ii) The Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act 1934.

(iii) The Company is not a Core Investment Company (CIC) as defined under Regulations by the Reserve Bank of India.

(iv) The Group does not have any Core Investment Company as part of the Group.

15) The Company has not incurred cash lossesin financial year and in the immediately preceding financial year.

16) There has not been any resignation of the statutory auditors during the year.

17) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is 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.

18) Matters specified in clauses (ii), (xii), (xx) and (xxi) of paragraph 3 of the Companies (Auditor's Report) Order, 2020 are not applicable to the company.

For JVR& ASSOCIATES
Chartered Accountants
(F. R. No. 011121S)

JVR & ASSOCIATES
KOCHI
682 016

Amal Varghese
Partner
M.No.244752
UDIN:22244752AJGFVS3407

Place: Kochi-16
Date:17.05.2022

Muthoot Money Limited

Kurian Towers, Banerji Road, Ernakulam
CIN: U65910KL1994PLC008454

Balance Sheet as at March 31, 2022

(Rs. in millions, unless otherwise stated)

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
I. ASSETS			
Financial assets			
Cash and cash equivalents	5	61.73	61.65
Bank balance other than above	6	-	183.24
Loans	7	2,010.82	3,562.09
Other financial assets	8	25.41	5.72
Non-financial Assets			
Current tax assets (net)		23.86	22.67
Deferred tax assets (net)		63.62	41.38
Property, plant and equipment	9	43.72	10.15
Other intangible assets	10	0.19	0.30
Other - non financial assets	11	38.73	1.67
Total Assets		**2,268.08**	**3,888.86**
II. LIABILITIES AND EQUITY			
Financial Liabilities			
Payables			
Trade Payables	12		
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		7.08	7.92
Borrowings (other than debt securities)	13	1,186.09	2,739.93
Other Financial liabilities	14	36.46	36.89
Non-financial Liabilities			
Provisions	15	1.09	1.79
Other non-financial liabilities	16	2.15	2.90
Equity			
Equity share capital	17	62.17	62.17
Other equity	18	973.04	1,037.26
Total Liabilities and Equity		**2,268.08**	**3,888.86**

The accompanying notes form integral part of the financial statements

For and on behalf of Board of Directors

George Jacob Muthoot
Director
DIN: 00018235

George M Jacob
Director
DIN :00018955

Vinod Krishna
Chief Executive Officer

Vishakh T V
Company Secretary

As per our report of even date attached

For JVR and Asscociates
Chartered Accountants

Amal Varghese
Partner
M. No. 244752

Place: Kochi
Date : 17-05-2022

Muthoot Money Limited

Kurian Towers, Banerji Road, Ernakulam
CIN: U65910KL1994PLC008454

Statement of Profit and Loss for the year ended March 31, 2022

(Rs. in millions, unless otherwise stated)

Particulars	Notes	Year ended March 31, 2022	Year ended March 31,2021
Revenue from operations			
Interest Income	19	369.47	662.48
Service fees collected		43.00	34.18
I Total Revenue from operations		**412.47**	**696.66**
II Other Income	20	43.11	0.65
III Total Income (I+II)		**455.58**	**697.31**
IV Expenses			
Finance costs	21	127.19	297.54
Fees and commission expense		22.31	25.47
Impairment of financial instruments	22	183.26	136.89
Employee benefit expenses	23	92.01	126.08
Depreciation, amortization and impairment	24	3.23	4.11
Other expenses	25	116.04	65.93
Total Expenses (IV)		**544.04**	**656.02**
V Profit before tax (III-IV)		**-88.46**	**41.29**
VI Tax Expense:			
(1) Current tax	26	-	17.84
(2) Deferred tax		(22.74)	(11.80)
(3) Taxes relating to prior years		-	(2.22)
VII Profit for the year (V-VI)		**-65.72**	**37.47**
VIII Other Comprehensive Income			
Items that will not be reclassified to profit & loss account			
(i) Remeasurements of defined benefit plans		2.00	0.42
(ii) Income Tax relating to items that will not be reclassified to profit or loss account		(0.50)	(0.11)
		1.50	**0.31**
IX Total Comprehensive Income for the year (VII-VIII)		**-64.22**	**37.78**
Earnings per equity share	27		
Basic (Rs.)		(1,057.05)	602.63
Diluted (Rs.)		(1,057.05)	602.63

The accompanying notes form integral part of the financial statements

For and on behalf of Board of Directors

As per our report of even date attached

For JVR and Asscociates
Chartered Accountants

George Jacob Muthoot
Director
DIN :00018235

George M Jacob
Director
DIN :00018955

Amal Varghese
Partner
M. No. 244752

Vinod Krishna
Chief Executive Officer

Visakh T V
Company Secretary

JVR & ASSOCIATES KOCHI

Place: Kochi
Date : 17-05-2022

Muthoot Money Limited

Kurian Towers, Banerji Road, Ernakulam
CIN: U65910KL1994PLC008454

Cash Flow Statement for the year ended March 31, 2022

(Rs. in millions, unless otherwise stated)

Particulars	As at March 31, 2022	As at March 31, 2021
Cash flow from operating activities		
Profit before tax	(88.46)	41.29
Adjustments		
Depreciation, amortisation & impairment	3.23	4.11
Profit on sale of fixed assets	(0.03)	0.53
Impairment on financial instruments	183.26	136.89
Loss on sale of Repossessed Assets	70.63	32.93
Acturial Gains in OCI	2.00	0.42
Finance costs	127.19	297.54
Operating profit before working capital changes	**297.82**	**513.71**
Working capital changes		
Loans	1,297.03	1,296.11
Bank balance other than cash & cash equivalents	183.24	(11.32)
Other financial asset	(19.36)	15.01
Other non financial asset	(37.06)	2.09
Other financial liabilities	(0.43)	21.35
Other non financial liabilities	(0.75)	(3.18)
Trade payables	(0.84)	(2.71)
Provision	(0.70)	(1.75)
Cash generation from operations	**1,718.95**	**1,829.35**
Income tax paid	(1.19)	(53.78)
Net cash flows from operating activities (A)	**1,717.76**	**1,775.57**
Cash flow from investing activities		
Purchase of Plant, Property and Equipment and intangibles	(36.93)	(2.21)
Sale of Plant, Property and Equipment and intangibles	0.28	0.60
Net cash flows from investing activities (B)	**(36.65)**	**(1.61)**
Cash flow from financing activities		
Proceeds from issue of shares	-	-
Finance Cost	(127.19)	(297.54)
Increase / (decrease) in borrowings (other than debt securities)	**(1,553.84)**	**(1,531.74)**
Net cash flows from financing activities (C)	**(1,681.03)**	**(1,829.28)**
Net increase/(decrease) in cash and cash equivalents	0.08	(55.31)
Cash and cash equivalents at the beginning of the period	61.65	116.96
Cash and cash equivalents at the end of the period	**61.73**	**61.65**

The accompanying notes form integral part of the financial statements

For and on behalf of Board of Directors

As per our report of even date attached

For JVR and Asscociates
Chartered Accountants

George Jacob Muthoot
Director
DIN :00018235

George M Jacob
Director
DIN :00018955

Amal Varghese
Partner
M. No. 244752

Vinod Krishna
Chief Executive Officer

Vipakh T V
Company Secretary

Place: Kochi
Date : 17-05-2022

Muthoot Money Limited

Kurian Towers, Banerji Road, Ernakulam
CIN: U65910KL1994PLC008454

Statement of Changes in Equity for the year ended March 31, 2022

(₹ in millions, unless otherwise stated)

A. Equity Share Capital

As at 31st March 2022

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
62.17	-	62.17	-	62.17

As at 31st March 2021

Balance at the beginning of the previous reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity share capital during the previous year	Balance at the end of the previous reporting period
62.17	-	62.17	-	62.17

B. Other Equity

As at 31st March 2022

Particulars	Reserves and Surplus			Other Comprehensive Income	Total
	Statutory Reserve	Securities Premium	Retained Earnings	Remeasurement of defined benefit plans.	
Balance at the beginning of the current reporting period	16.27	955.33	65.52	0.13	1,037.26
Changes in accounting policy/prior period errors	-	-	-	-	-
Restated balance at the beginning of the current reporting period	16.27	955.33	65.52	0.13	1,037.26
Total Comprehensive Income for the current year	-	-	-64.22	-	-64.22
Dividends	-	-	-	-	-
Transfer to retained Earnings	-	-	-	-	-
OCI for the year before income tax	-	-	-2.00	2.00	
Income tax on OCI			0.50	-0.50	
Balance at the end of the previous reporting period	16.27	955.33	-0.20	1.63	973.04

As at 31st March 2021

Particulars	Reserves and Surplus			Other Comprehensive Income	Total
	Statutory Reserve	Securities Premium	Retained Earnings	Acturial gains from remeasurement of defined benefit plans.	
Balance at the beginning of the previous reporting period	8.80	955.33	35.53	-0.18	999.47
Changes in accounting policy/prior period errors	-	-	-	-	-
Restated balance at the beginning of the previous reporting period	8.80	955.33	35.53	-0.18	999.47
Total Comprehensive Income for the previous year	-	-	37.78	-	37.78
Dividends	-	-	-	-	-
Transfer to retained Earnings	7.47	-	-7.47	-	-
OCI for the year before income tax			-0.42	0.42	
Income tax on OCI			0.11	-0.11	
Balance at the end of the previous reporting period	16.27	955.33	65.52	0.13	1,037.26

The accompanying notes form integral part of the financial statements

For and on behalf of Board of Directors

George Jacob Muthoot
Director
DIN: 00018235

George M Jacob
Director
DIN: 00018955

Vinod Krishna
Chief Executive Officer

Visakh T V
Company Secretary

As per our report of even date attached

For JVR and Asscociates
Chartered Accountants

Amal Varghese
Partner
M. No. 244052

JVR & ASSOCIATES KOCHI

Place: Kochi
Date : 17-05-2022

Muthoot Money Limited

Kurian Towers, Banerji Road, Ernakulam
CIN: U65910KL1994PLC008454

Notes to financial statements for the year ended March 31, 2022
(₹ in millions, unless otherwise stated)

1. Corporate Information

Muthoot MoneyLimited(formerly known as Muthoot Money Private Limited) ("the Company") was incorporated as a private limited Company on 13th December, 1994 and was converted into a public limited company on 18.06.2019.The Company is a 100% subsidiary of Muthoot Finance Limited. The Company obtained permission from the Reserve Bank of India for carrying on the business of Non-Banking Financial Institutions on 16-05-2007 vide Regn No. B 16.00063. The Company is presently classified as Systemically Important Non-Deposit Taking NBFC (NBFC-ND-SI). The Registered Office of the Company is at Muthoot Chambers, Opposite Saritha Theatre Complex, Banerji Road, Ernakulam, Kochi - 682 018, India.

2. Basis of preparation and presentation

2.1 Statement of Compliance

The financial statements of the Company have been prepared in accordance with the accounting policies generally accepted in India including Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

For all periods up to and including the year ended 31 March 2018, the Company prepared its financial statements in accordance with requirements of the Accounting standards notified under the Companies (Accounting Standards) Rules,2006 (Indian GAAP or previous GAAP).

2.2. Basis of measurement

The financial statements have been prepared on a historical cost basis, except forcertain assets and liabilities which have been measured at fair value at the end of the reporting period, as explained in the accounting policies below.

2.3 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.

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3. Summary of Significant Accounting Policies

3.1 Recognition of interest income

The Company recognises interest income by applying the effective interest rate 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 amortized cost of the financial asset from initial recognition.

For other credit-impaired financial assets, the company applies effective interest rate to the amortised cost of the financial asset in subsequent reporting periods.

The effective interest rate on a financial asset is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. While estimating future cash receipts, factors like expected behaviour and life cycle of the financial asset, probable fluctuation in collateral valueetcare 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.

3.2 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

3.3 Financial instruments

A. Financial Assets

3.3.1 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.

3.3.2 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 (FVTOCI)***
   A financial asset is measured at FVTOCI 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.

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B. Financial liabilities

3.3.3 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, loans and borrowings including bank overdrafts.

3.3.4 Subsequent Measurement

Financial liabilities are subsequently carried at amortized cost using the effective interest method.

C. Derecognition of financial assets and liabilities

3.3.5 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.

3.3.6 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 profit or 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

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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 and loss.

3.5.1 Overview of the Expected Credit Loss (ECL)model

Expected Credit Loss, at each reporting date, is measured through a loss allowance for a financial asset:

- At an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition.
- At an amount equal to 12-month expected credit losses, if the credit risk on a financial instrument has not increased significantly since initial recognition.

Lifetime expected credit losses means expected credit losses that result from all possible default events over the expected life of a financial asset.

12-month expected credit losses means the portion of Lifetime ECL that represent the ECLs that result from default events on financial assets that are possible within the 12 months after the reporting date.

The Company performs an assessment, at the end of each reporting period, of whether a financial assets credit risk has increased significantly since initial recognition.When making the assessment, the change in the risk of a default occurring over the expected life of the financial instrument is used instead of the change in the amount of expected credit losses.

Based on the above process, the Company categorises its loans into three stages as described below:

<u>For non-impaired financial assets</u>

- Stage 1 is comprised of all non-impaired financial assets which have not experienced a significant increase in credit risk (SICR) since initialrecognition. A 12-monthECL 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 suchthat there is no longer a significant increase in credit risk since initial recognition, then entities shall revert to recognizing 12 months ECL provision.

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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 haveoccurred 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 ofExpected 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 pastyears. For those pools where historical information is not available, the PD/ default rates as stated by external reporting agencies is considered.

Exposure at Default - 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 - 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.

3.5.3 Change in estimate of Expected Credit Loss

The company, considering the actual outcome from the operations during the past years & the developments in the economy & market it operates in, has revised its estimation of PD & LGD. The details are given in Note 34.

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, 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 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 ofprofit 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.

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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 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 as they are considered an integral part of the Company's cash management.

3.8 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 workingcondition for its intended use and estimated costs of dismantling and removing the item and restoringthe site on which it is located.

Advances paid towards the acquisition of fixed assets, outstanding at each reporting date are shown under other non-current 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 itscarrying 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.

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3.8.1 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 are in line with the estimated useful life as specified in Schedule II of the Companies Act, 2013.

The estimated useful lives are as follows:

Particulars	Useful life
Furniture and fixture	10 years
Office equipment	5 years
Computer	3 years
Electrical Fittings incl. UPS & Battery	10 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 de-recognition 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.

3.9 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 usefollowing initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

Subsequent expenditure related to the assetis 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.

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Intangible assets comprising of softwareis 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 or Loss when the asset is derecognised.

3.10 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 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 or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

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3.11 Employee Benefits Expenses

3.11.1 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.

3.11.2 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 & 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 administeredby Life Insurance Corporation of India Limited (LIC).

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 OtherComprehensive Income in the period in which they occur. Re-measurements are not reclassified to profit and loss in subsequent periods.

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3.11.3 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 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.

3.13 Taxes

Income tax expense represents the sum of current tax and deferred tax.

3.13.1 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.