



Muthoot Finance

Muthoot Finance Limited

(CIN: L65910KL1997PLC011300)

Registered Office: 2nd Floor, Muthoot Chambers,

Opposite Saritha Theatre Complex, Banerji Road, Ernakulam, Kerala, India - 682 018

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Email: cs@muthootgroup.com

Website: www.muthootfinance.com

POSTAL BALLOT NOTICE

[Pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014]

Dear Shareholder,

Notice is hereby given pursuant to Section 110 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 and General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020 and 10/2021 dated June 23, 2021 issued by the Ministry of Corporate Affairs (hereinafter collectively referred to as "MCA circulars") and other applicable laws, rules and regulations, that approval of the Members of Muthoot Finance Limited (the "Company") through Postal Ballot (voting through electronic means only i.e. e-voting) is being sought in respect of the resolutions set out hereinafter.

A statement pursuant to Section 102 of the Companies Act, 2013 read with the rules framed thereunder pertaining to the said resolutions, setting out material facts and the reasons thereof is appended hereto for your consideration.

Item No: 1

To consider, and if thought fit, to pass the following resolution as an Ordinary Resolution for the appointment of Messrs Elias George & Co., Chartered Accountants (Firm Registration No. 000801S) as one of the Joint Statutory Auditors and to fix their remuneration:

RESOLVED THAT in supersession to the ordinary resolution passed by the Members at the 20th Annual General Meeting of the Company held on 20 September 2017 and pursuant to Circular no. RBI/2021-22/25-Ref.No.DoS.CO.ARG/ SEC.01/ 08.91.001/2021-22 dated 27 April 2021 [(Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs)] issued by the Reserve Bank of India ('RBI Guidelines') and pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act'), and the relevant rules made thereunder; (including any amendment, modification, variation or re-enactment thereof), on the basis of recommendation of the Audit Committee and the Board of Directors of the Company, approval of the shareholders of the Company be and is hereby accorded to the appointment of M/s. Elias George & Co., Chartered Accountants, (Firm Registration No. 000801S) as one of the Joint Statutory Auditors of the Company, to hold office from 19th day of November, 2021 till conclusion of the 25th Annual General Meeting of the Company to conduct audit of accounts of the Company for the financial year ending 31 March 2022, at a remuneration mentioned in the statement annexed herewith pursuant to Section 102 of the Act.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board of Directors of the Company (hereinafter referred to as Board, which term shall be deemed to include any Committee constituted or to be constituted by the Board or any person(s) authorised by the Board in this regard) be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters

and things as it may, in its absolute discretion, deem necessary or desirable for such purpose and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to implementation of the aforesaid resolution including but not limited to determination of roles and responsibilities/scope of work of the Joint Statutory Auditors, negotiating, finalising, amending, signing, delivering, executing, the terms of appointment including any contracts or documents in this regard, without being required to seek any further consent or approval of the Members of the Company.

Item No: 2

To consider, and if thought fit, to pass the following resolution as an Ordinary Resolution for the appointment of Messrs Babu A. Kallivayalil & Co., Chartered Accountants (Firm Registration No. 05374S) as one of the Joint Statutory Auditors and to fix their remuneration:

RESOLVED THAT in supersession to the ordinary resolution passed by the Members at the 20th Annual General Meeting of the Company held on 20 September 2017 and pursuant to Circular no. RBI/2021-22/25-Ref.No.DoS.CO.ARG/ SEC.01/ 08.91.001/2021-22 dated 27 April 2021 [(Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs)] issued by the Reserve Bank of India ('RBI Guidelines') and pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act'), and the relevant rules made thereunder; (including any amendment, modification, variation or re-enactment thereof), on the basis of recommendation of the Audit Committee and the Board of Directors of the Company, approval of the shareholders of the Company be and is hereby accorded to the appointment of M/s. Babu A. Kallivayalil & Co., Chartered Accountants, (Firm Registration No. 05374S) as one of the Joint Statutory Auditors of the Company, to hold office from 19th day of November, 2021 till conclusion of the 25th Annual General Meeting of the Company to conduct audit of accounts of the Company for the financial year ending 31 March 2022, at a remuneration mentioned in the statement annexed herewith pursuant to Section 102 of the Act.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board of Directors of the Company (hereinafter referred to as Board, which term shall be deemed to include any Committee constituted or to be constituted by the Board or any person(s) authorised by the Board in this regard) be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to implementation of the aforesaid resolution including but not limited to determination of roles and responsibilities/scope of work of the Joint Statutory Auditors, negotiating, finalising, amending, signing, delivering, executing, the terms of appointment including any contracts or documents in this regard, without being required to seek any further consent or approval of the Members of the Company.

By Order of the Board of Directors
For **Muthoot Finance Limited**



Rajesh A
Company Secretary
FCS7106

Place: Kochi

Date: November 19, 2021

NOTES:

1. A statement for the proposed resolutions pursuant to Section 102 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 setting out material facts, is annexed hereto and forms part of this Notice
2. In view of the ongoing COVID-19 pandemic and the extant provisions of MCA circulars, the Company would be sending this Postal Ballot Notice only through e-mail to all the Members, whose names appear in the Register of Members/ List of Beneficial Owners as received from Depositories as on Friday, November 19, 2021 (the cut-off date) who have registered their e-mail addresses with the Company/ Depository Participant (DP). The hard copy of this Notice along with postal ballot forms and pre-paid business envelope will not be sent to the Members. Accordingly, the communication of the assent or dissent of the Members would take place through e-voting only.
3. Members holding shares in physical form and who have not yet registered their e-mail addresses are requested to register the same with the Company by sending an e-mail to cs@muthootgroup.com. Members holding shares in electronic form are requested to get their e-mail addresses registered with their respective DP. Thereafter, the Company would endeavour to send the Postal Ballot Notice to such Members to enable them to cast their vote through e-voting.
4. The Postal Ballot Notice is placed at the website of the Company at www.muthootfinance.com, at the websites of the Stock Exchanges at www.bseindia.com, www.nseindia.com and at the website of the E-voting service provider at www.evotingindia.com.
5. The voting rights of the Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date i.e. Friday, November 19, 2021.
6. Inspection of Documents:

During the e-voting period, all documents referred to in this Notice and other relevant documents would be available for inspection by the Members at the Registered Office of the Company on all working days except Sundays and National Holidays between 10:00 a.m. and 12 noon.

The said documents would also be available for virtual inspection on all working days. Members seeking to inspect such documents virtually need to send an e-mail to cs@muthootgroup.com requesting for the said inspection within the aforementioned period.

7. Instructions for e-voting:

In compliance with the provisions of Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), Sections 108 and 110 of the Companies Act, 2013 read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, MCA circulars and the Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India, the Company is providing the e-voting facility to all its Members to enable them to cast their votes on the resolutions listed in this Notice. The e-voting facility is provided by Central Depository Services (India) Limited (“CDSL”).

SEBI vide circular SEBI/HO/CFD/ CMD/CIR/P/2020/242 dated December 9, 2020, has enabled e-voting for all the individual demat account holders by way of a single login credential through their demat accounts and/or website of the depositories/DP, in an attempt to increase the participation of the shareholders as also to improve the efficacy of the voting process.

THE INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING ARE AS UNDER:

- (i) The voting period begins on **28th November 2021 at 10:00 AM** and ends on **27th December 2021 at 5 PM**. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the **cut-off date of 19 November 2021** may

cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (ii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iii) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting for **Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on

	<p>https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

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

(iv) Login method for e-Voting for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- (v) After entering these details appropriately, click on “SUBMIT” tab.
- (vi) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to

share your password with any other person and take utmost care to keep your password confidential.

- (vii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (viii) Click on the EVSN for the relevant Muthoot Finance Limited on which you choose to vote.
- (ix) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (x) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xi) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xiv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xv) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; cs@muthootgroup.com , if they have voted from individual

tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to coimbatore@linkintime.co.in
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting.

If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

8. Dr. C.V. Madhusudhanan, Practising Company Secretary (Membership No. FCS 5367; CP 4408) or failing him Dr. K.S. Ravichandran, Practising Company Secretary (Membership No. FCS 3675; CP 2160), Partners of M/s. KSR & Co., Company Secretaries LLP, Coimbatore having communicated his willingness, has been appointed by the Company to act as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
9. The Scrutinizer shall submit his report on the total votes cast in favour of or against, if any, on each of the resolutions set out in this Notice to the Chairman of the Company or any other person authorised by him, who shall declare the results of the voting forthwith.
10. The results, along with the Scrutinizer's Report, will be announced on **Tuesday, December 28, 2021** and be placed on the website of the Company and CDSL and shall be communicated to BSE Limited and National Stock Exchange of India Limited. The results will also be displayed on the notice board at the Registered Office of the Company.

Subject to the receipt of the requisite number of votes, the resolutions as set out in this Notice shall be deemed to have been passed on the last date for e-voting i.e. **Monday, December 27, 2021**.

Annexure to the Notice

Statement pursuant to Section 102 of the Companies Act, 2013 setting out material facts

Resolution Nos. 1 and 2

M/s Varma & Varma, Chartered Accountants (the “Outgoing Auditors”), were appointed by the members for a term of 5 consecutive years at 20th annual general meeting held on 20 September 2017 and they were to hold office till the conclusion of 25th annual general meeting. Reserve Bank of India, vide its circular dated 27 April 2021, issued Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) (the “Guidelines”/ ”Circular”), mandated NBFCs (including HFCs) with an asset size of Rs. 15,000 crore and above to appoint minimum two audit firms as joint auditors for a continuous period of three years. Further, the Guidelines also specifies that an auditor who has completed a period of 3 years (counted as one tenure) as on the date of the Circular shall not be eligible for re-appointment in the same Entity for six years (two tenures) after completion of one tenure of 3 years. Subsequently, the RBI had also released Frequently Asked Questions (FAQs) dated 11 June 2021, inter alia, clarifying that the existing statutory auditors who have completed 3 years with an entity would not be able to continue as auditors with effect from second half of the financial year 2021- 22, even though they may not have completed their present tenure as approved by the Members of the said entity.

Consequently, in terms of the RBI Guidelines and related FAQs, M/s. Varma & Varma, Chartered Accountants had tendered their resignation on 10 November 2021.

The Audit Committee and Board of the Company noted that the Outgoing Auditors have not raised any concern or issue and there is no reason other than those mentioned in their above said letter. The copy of the said letter which has been filed with stock exchanges is available on the Company’s website at https://www.muthootfinance.com/themes/bartik/uploads/Resignation_of_Auditor.pdf In order to comply with the requirements of the Guidelines, the Board of Directors, based on the recommendation of the Audit Committee, at their meeting held on 19 November 2021, approved the appointment of M/s. Elias George & Co., Chartered Accountants, (Firm Registration No. 000801S) and M/s. Babu A. Kallivayalil & Co., Chartered Accountants, (Firm Registration No. 05374S) as Joint Statutory Auditors for a period of 3 years to conduct statutory audit of the financial statements of the Company for the financial years ended 31 March 2022, 31 March 2023 and 31 March 2024, as under:

First Term	From November 19, 2021 till the conclusion of the 25 th Annual General Meeting, to conduct audit of the accounts of the Company for the financial year ending 31 March 2022.
Second Term	From the conclusion of the 25 th Annual General Meeting till the conclusion of the 26 th Annual General Meeting to conduct audit of the accounts of the Company for the financial year ending 31 March 2023.
Third Term	From the conclusion of the 26 th Annual General Meeting till the conclusion of the 27 th Annual General Meeting to conduct audit of the accounts of the Company for the financial year ending 31 March 2024.

Pursuant to the provisions of Section 139(8)(i) of the Act, the Joint Statutory Auditors appointed vide the resolutions through this Postal Ballot will hold the office till conclusion of the 25th Annual General Meeting of the Company. In line with the provisions of the said section, the Board has initially proposed the ordinary resolutions for the appointment of the Joint Statutory Auditors proposed to be appointed for the First term ending on conclusion of the 25th Annual General Meeting as set out in this Notice. Subsequently, in the Notice convening the 25th Annual General Meeting, the Board of Directors will recommend to the Members passing of the ordinary resolution for appointment of the proposed Joint Statutory Auditors for the Second and Third term ending at 26th and 27th Annual General Meeting, respectively. The proposed Joint Statutory Auditors will effectively hold office for three consecutive terms, ending on conclusion of the 27th Annual General Meeting of the Company and for the three consecutive financial years ending 31 March 2024 in compliance with the Guidelines.

Both the Joint Auditors have confirmed that their appointment, if made, will be within the limit specified under the Act and RBI Guidelines. They have also confirmed that they are not disqualified to be appointed as statutory auditors in terms of the provisions of the Section 141 of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014 and the RBI Guidelines.

As per RBI Guidelines, the Board of Directors of Company, on the recommendation of Audit Committee, have approved a Policy for Appointment of Statutory Auditors which can be accessed at www.muthootfinance.com

Pursuant to Regulation 36 of the SEBI Listing Regulations, the following details are mentioned for the information of Members:

Proposed audit fee payable to auditors	<p>The fees proposed to be paid to the Joint Statutory Auditors for financial year 2021-22 are as under:</p> <p>(a) For the annual Statutory Audit – Rs. 45.50 Lakhs (b) For Limited Review of each quarter - Rs. 6.50 Lakhs</p> <p>The Outgoing Auditor was paid fees as under:</p> <p>(a) For the annual Statutory Audit – Rs. 36.00 Lakhs (b) For Limited Review of each quarter - Rs. 6.50 Lakhs</p> <p>The said fees shall exclude certification fees, applicable taxes, reimbursements and other outlays.</p>
Terms of appointment	<p>Term of Appointment of M/s. Elias George & Co., and M/s. Babu A. Kallivayalil & Co., the Joint Statutory Auditors shall be for a period of three consecutive Financial Years ending 31 March 2022, 31 March 2023 and 31 March 2024.</p> <p>M/s. Elias George & Co., and M/s. Babu A. Kallivayalil & Co., the Joint Statutory Auditors of the Company, shall hold office commencing from November 19, 2021 upto the conclusion of the 25th Annual General Meeting to be held in the year 2022.</p> <p>At the 25th Annual General Meeting to be held in the year 2022, the Joint Statutory Auditors would be further appointed for a period of two consecutive years to hold office 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.</p>
Material change in fee payable	<p>There are no material changes in the audit fee payable to the new Joint Statutory Auditors. The proposed fee payable to the Joint Statutory Auditors will be relatively higher on account of appointment of two Joint Statutory auditors as against sole auditor.</p>
Basis of recommendation and auditor credentials	<p>The Audit Committee and the Board of Directors of the Company based on the credentials of the firm and partners, asset size of the Company, eligibility criteria prescribed under the Companies Act, 2013 and RBI Guidelines and the Policy for Appointment of Statutory Auditors of the Company, recommends the appointment of M/s. Elias George & Co., and M/s. Babu A. Kallivayalil & Co., as Joint Statutory Auditors of the Company.</p> <p>Profile of Statutory Auditors:</p>

M/s. Elias George & Co.

M/s. Elias George & Co., is one of the oldest firms of Chartered Accountants from South India. Established in the year 1970, the firm has over 50 Years of experience in Corporate and Bank Audits. The Firm is one of the panel auditors of RBI, C&AG for more than 4 decades and is also on the panel of LIC, and NABARD. The Firm has over 11 Years of experience in Central Statutory Audit of Banks viz. SBT, SBBJ, SBH & Kerala Gramin Bank, 46 Years of Branch Audit experience, and has been the Statutory Central Auditors of Kerala Financial Corporation and Regional Auditor of KSFE. Currently, the firm has a team strength of 13 Full time partners, 2 CA employees, 66 Professional staff (including Articled Assistants) and 5 Administrative Staffs with offices in Bengaluru and Navi Mumbai.

M/s. Babu A. Kallivayalil & Co

M/s. Babu A. Kallivayalil & Co., Chartered Accountants, is a reputed Category I Audit Firm as per C&AG and RBI classification with an experience of over 30 Years in the field of Audit and Assurance and other related Services. Headquartered in Kochi, Kerala, the firm has a team strength of 53 staffs comprising of 11 Qualified Chartered Accounts with professional expertise in varied fields like audit and accounts, taxation and finance, company law, secretarial practice, management consultancy, information systems and forensic audit, valuation, asset restructuring and insolvency professional services etc. with a well experienced 42 other audit Staffs (Including article Assistants). Firm has handled the Statutory Central Audit of Public Sector Banks and Public Sector Undertakings, Statutory audit of major Corporates, Concurrent Audit and Branch Audit of major Banks and Public Sector Undertakings. Firm has branches in Chennai, Mumbai, and Delhi.

None of the Directors/Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in the resolutions, except to the extent of their shareholding, if any, in the Company. The Board recommends the resolutions set forth in Item Nos. 1 and 2 of the notice for approval of the members.

By Order of the Board of Directors
For **Muthoot Finance Limited**



Rajesh A
Company Secretary
FCS7106

Place: Kochi

Date: November 19, 2021