Pappachan muthoot FINCORP
Jab zindagi badalni ho

MFL/SEC/BSE/24-25/60

September 28, 2024

Department of Corporate Services
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai - 400 001
Scrip Code - 948016
Company Code - 10054

Dear Sir/Madam,

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

Ref: 27th AGM Notice and Annual Report of Muthoot Fincorp Limited for the FY 2023-24

We enclosed herewith a copy of the Notice of the 27th AGM and Annual Report of the Company for the FY 2023-24.

Request you to kindly take the above information on records.

Thanking you,

MUTHOOT FINCORP LIMITED
TRIVANDRUM
PUNNEN ROAD

For **Muthoot Fincorp Limited**

Sachu Sivas
Company Secretary
ICSI Membership No. ACS: 60475

PAPPACHAN muthoot FINCORP

Jab zindagi badalni ho

27th ANNUAL REPORT
2023-24

-POWERING THE COMMON MAN WITH PROGRESS

#MuthootBlue

Muthoot Pappachan
Muthoot FINCORP
Jab zindagi badalni ho

YOUR COMPLETE FINANCIAL SOLUTIONS PARTNER

LOANS

- GOLD LOAN
- BUSINESS LOAN
- LOAN AGAINST PROPERTY
- TWO-WHEELER LOAN*^
- USED CAR LOAN*^
- HOME LOAN*^

SAVINGS PRODUCTS

- MUTUAL FUND
- NON CONVERTIBLE DEBENTURES (NCD)

OTHER SERVICES

- MONEY TRANSFER AND REMITTANCE
- FOREX^ & SEND MONEY ABROAD
- BILL PAYMENT SERVICES
- PAN CARD SERVICES
- INSURANCE - GENERAL, HEALTH & LIFE*^

*Products offered by Muthoot Pappachan Group Companies. ^Available at select branches

#MuthootBlue

The Real progress of a country is in the transformation of the life of its common man

Founder
Pappachan Muthoot
(1927 - 2004)

Shri. Pappachan Muthoot was a simple and devout man, who espoused a nine point formula that stood by him in realising his goals. These points are: love, happiness, peace, patience, kindness, goodness, faithfulness, humility and self-control. At Muthoot Pappachan Group, these values are quintessential to our being and act as a source of constant guidance.

PAPPACHAN muthoot
Blue is Belief

Financial Services | Hospitality | Automotive | Real Estate | IT Services
Precious Metals | Alternate Energy | Sports | Muthoot Pappachan Foundation

#MuthootBlue

Muthoot Pappachan FinCorp | one

One App

For All Your Financial Solutions

Choice.

Convenience.

Credibility.

Get it all on the
Muthoot FinCorp One App.

*T&C apply.

Gold loan | Two - Wheeler loan | Vyapar Mitra Business Loan
Loan Against property | Insurance | Mobile Recharge

www.muthootfincorp.com | www.muthoot.com | /muthootindia

Scan to
download the app

Muthoot Pappachan FinCorp | one

Muthoot FinCorp ONE

In FY 2023-2024, Muthoot FinCorp ONE has been pivotal in driving our strategic vision forward. We launched the new Muthoot FinCorp ONE platform while sunsetting the older Blue Muthoot app. With expanded offerings and elevated user experience, our focused efforts strengthened our technological position while delivering improved financial results, affirming the success of our strategic direction.

During the last fiscal year, Muthoot FinCorp ONE launched and scaled the new mobile app to 9.5L customers, with close to 4.3L active monthly in March '24 underlining a good fit with core consumer groups.

Super App for Financial Services

Our efforts in developing Muthoot FinCorp ONE as a super app have significantly enhanced service integration and reach to consumers for Muthoot Fincorp's product suite across major verticals, the app now offers journeys across:

1. **Loans -** Gold Loans, 24x7 EGL Top Up Loans, Vyapar Mitra Business Loans, Loans against property, Housing Loans, Two-Wheeler Loans and Used Car Loans
2. **Investments & Savings -** eSwarna Digital Gold, Swarnavarsham and Swethawarham savings schemes, NCD investments for Muthoot FinCorp NCD issues
3. **Insurance -** Enrolments in Muthoot Dhan Suraksha and Muthoot Health Guard Insurance schemes
4. **Payments -** Forex Services, Bill and Utility payments, Domestic Money Transfer services, Indo-Nepal money transfer services, etc.

All of these services are available on the app and web platforms as either application, repayment or service journeys helping our customers to interact as needed and know more about products as per their needs and interests.

These advancements not only enhance the customer experience but also contribute to long-term profitability and improved market positioning for Muthoot FinCorp Ltd.

Creating Convenience for Consumers

Our phygital strategy ensures that the Muthoot Fincorp ONE platform continues to keep customers' convenience at the core of all new products and services being developed, some of the key successes in this regard have been:

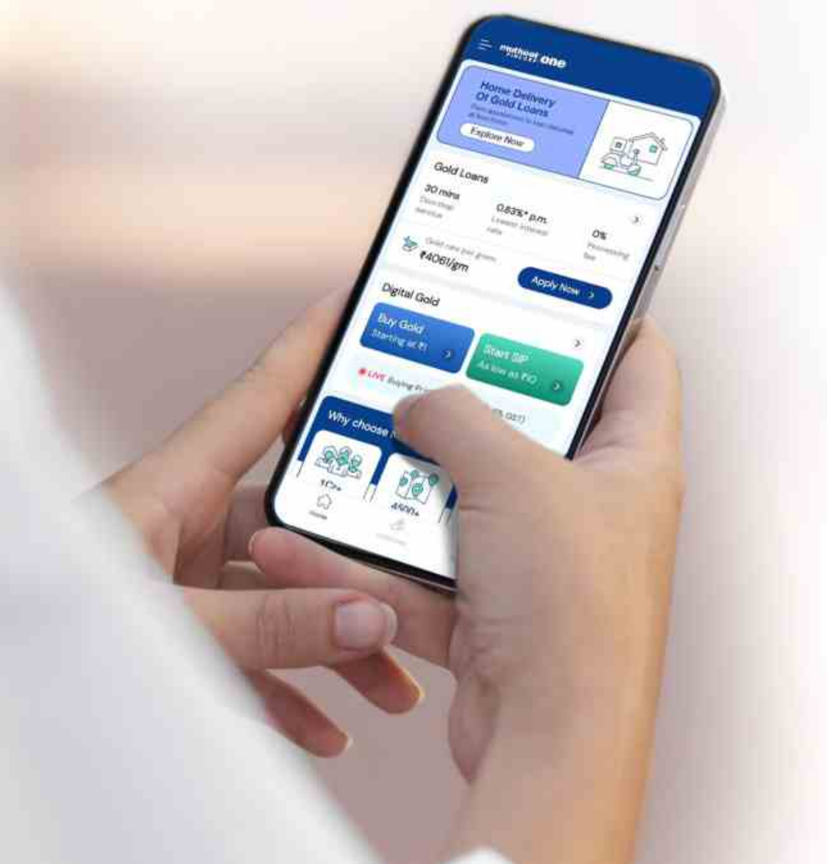
- **Scaling up of Gold Loan from Home operations:** This unique service was scaled up from 6 cities to 40 cities in FY 24 with a total disbursal value of INR 201 Cr. and asset size (AUM) of INR 120 Cr.
- **Customer service enhancements:** Many of the customer support requirements are now supported with self-serve journeys, like – account statements, top-up applications, the addition of bank accounts or UPI IDs, etc. to make our customers' lives simpler and save them trips to the branch for simple transactions
- **Digital Onboarding:** Customer onboarding and basic UCIC generation have been introduced on the MFL ONE platform and is used by customers for self-onboarding and field teams to onboard customers on the go.

These initiatives were designed to enhance customer convenience and increase customer satisfaction by empowering them to consume MFL services as per their needs.

Productivity in Overall Operations

A core focus for MFL ONE has been on enhancing overall operations efficiency across MFL, some of the key focus areas here have given early positive results:

- **Driving Digital Repayments:** As of 31st March 2024 – a total of 6% of all GL repayments and 24% of all Vyapar Mitra loan repayments were being made from the MFL ONE platform, these have increased exponentially – and are aiding a thrust towards digital payments across the MFL ecosystem, freeing up bandwidth in our branches from collections and streamlining the entire accounting journeys.
- **Operational efficiency driven via Branch Integration:** Effective integration between digital and physical channels ensures service consistency and is helping drive higher customer retention rates – almost all throughput generated on the app is attributed to branch scorecards, which helps employees in our branches promote the app with all our customers



Promoting Inclusion through Digital MSME Loans

Muthoot FinCorp ONE's introduction of new QR code-based digital MSME loans reflected our commitment to tapping into core but underserved market segments, which not only served a social purpose but also opened a new revenue stream via -

- **Scalable Innovation:** The QR-based lending model allows for efficient scaling, with minimal operational costs, enhancing our profitability.
- **Market Expansion:** Partnerships with major payment platforms facilitated market penetration, driving revenue growth and increasing the platform's market share.

These initiatives are strategically aligned with our objective of sustainable growth, offering long-term value creation for our shareholders.

Looking Ahead: Vernacular App & Loyalty Program relaunch

Looking ahead we are building

- **Vernacular options on the App:** Expanding our platform's accessibility through vernacular language support is expected to drive user growth in untapped market segments and will help more and more users to start using the app services.
- **Loyalty Program:** The upgraded Muthoot Blue Rewards Program, with its tiered structure, is designed to deepen customer engagement, leading to increased transaction volumes and higher revenue retention.

Looking back at the years gone by, we truly believe that we have strived towards the Muthoot Pappachan Group's commitment to providing best-in-class financial services and contributing to the well-being and prosperity of all our customers.

READ INSIDE

#Purposemuthootblue

To transform the life of the common man by improving their financial well-being

VISION

To be the most trusted financial service provider, at the doorstep of the common man, satisfying him immediately with easy and simple products.

MISSION

To provide timely small credit to millions of ordinary people, and also provide them with simple options to save their hard earnings.

VALUES

We will do everything to gain and maintain the trust of all the stakeholders and will not do anything to lose their trust.

OUR CORE VALUES

- INTEGRITY
- COLLABORATION
- EXCELLENCE

CULTURE CODES

- HONESTY
- EMPOWERMENT
- FRESH THINKING & CONTINUOUS RENEWAL
- HUMILITY
- AGILITY
- INCLUSION
- EMPATHY
- OWNERSHIP
- WORK-LIFE BALANCE

ABOUT MUTHOOT FINCORP

Muthoot FinCorp, the flagship Company of 137-year-old business conglomerate Muthoot Pappachan Group, is India's leading Non-Banking Financial Company (NBFC) with an aim to transform the lives of common man by ensuring their financial wellbeing through an array of varied products and services. With over 3600 branches across the country, we aspire to serve the underbanked, to be their most trusted financial partner, and ensure financial inclusion of every household in India. Muthoot FinCorp's long-standing experience, expertise and stronghold in the semi urban and rural areas has enabled the Company to provide quick and customized finance options to the public.

Highlights - Fiscal 2024

Total Disbursements *(Including Co-Lending)*

₹ **50167.12** Crores

Total number of Customers Served

42.98 Lakhs+

Number of Branches

3,683

Total Employees

22,500

MAJOR MILESTONES AT A GLANCE

1887 Started by Shri. Ninan Mathai with wholesale trade of grains

1979 Opened 1st office at Trivandrum as a partnership entity in the name of Muthoot Bankers

1997 Incorporation of Muthoot Debt Management Services Limited (MDMSL)

2002 Change of name from MDMSL to Muthoot FinCorp Limited (MFL) and Registration of MFL with RBI as a non deposit taking NBFC

2005 Expanded its presence to other states in South and West

2011 Muthoot Pappachan Group starts microfinance business as a division of the flagship company Muthoot FinCorp Limited (MFL)

2012 Opened 1000+ branches

2024
Muthoot FinCorp received 200 licenses from RBI for new branches

2023
Muthoot Microfin ventured into stock market

2022
Started Secured and Unsecured Lending Business (SULB)

Launched Muthoot FinCorp ONE, a Strategic Business Unit

2021
Company issued CCPS of ₹ 150 Crores

2020
Title Sponsor for IPL Team Royal Challengers Bangalore (RCB)

2015
Receives NBFC-MFI license from RBI and hives off Microfinance division into a company Muthoot Microfin Ltd. (MML)

2014
Launched the 1st NCD Public Issue

2013
Recognised as one among the Global Growth Companies by World Economic Forum

In our 2022-23 Annual Report, we provided a glimpse into how Muthoot FinCorp has created opportunities for the common man. Continuing this mission, this year's report is dedicated to highlighting our team's efforts in empowering or 'M-Powering' individuals, enabling them to turn these opportunities into progress.

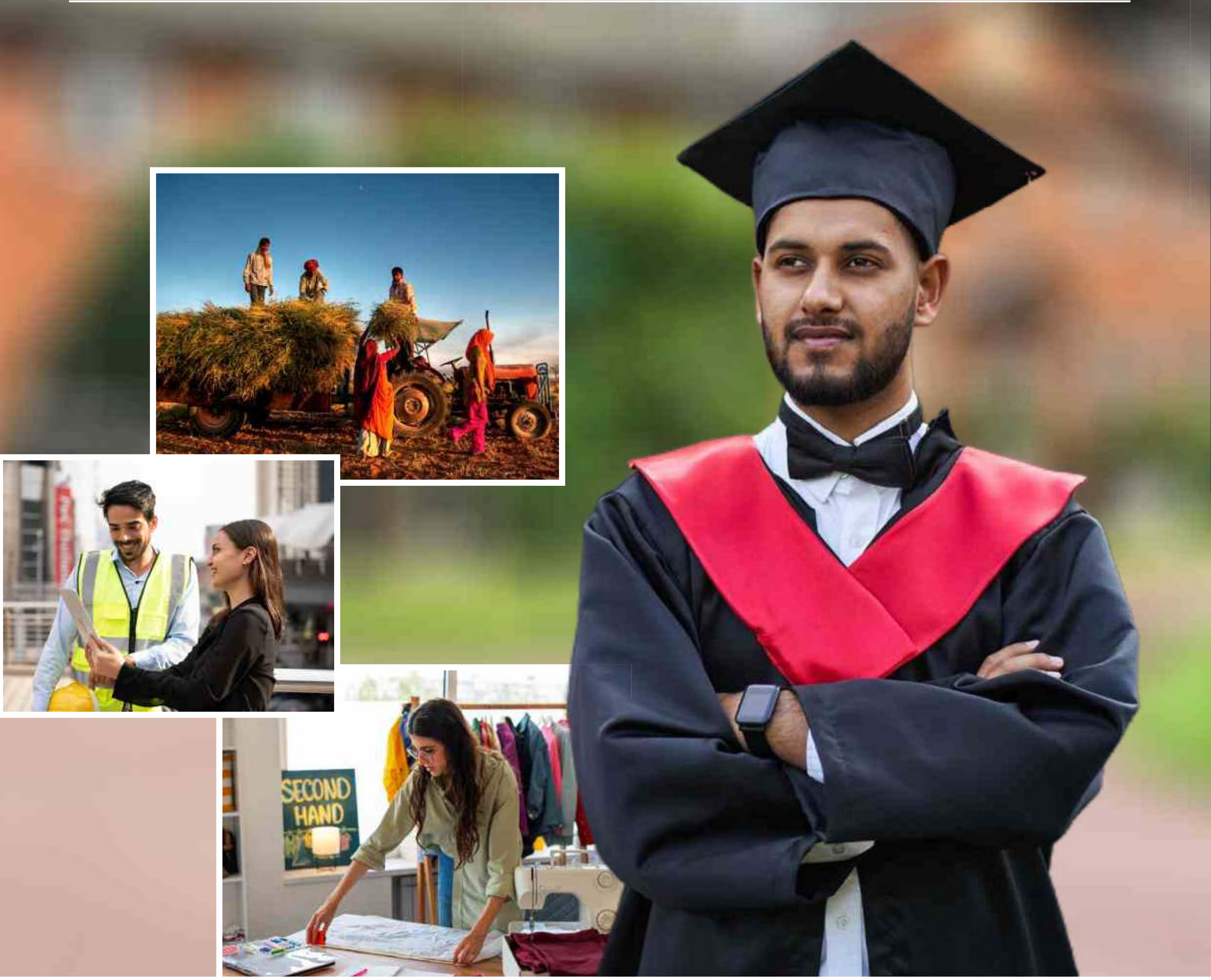
‘Jab Zindagi Badalni Ho’

-POWERING THE COMMON MAN WITH PROGRESS

Indeed, unlocking opportunities is only the first milestone in the path to prosperity. The next step for us is to provide customers with enriching financial services that facilitate the realization of their aspirations.

Rooted in our core values, the Muthoot Pappachan Group remains dedicated to uplifting those in need. This unwavering mission has been upheld for over a century, and here at Muthoot FinCorp, we are proud to carry on this legacy. Our flagship product, Gold Loan, is a testament to our commitment to serving our community.

Our motto **'Jab Zindagi Badalni Ho'** embodies our impact on the nation's ecosystem. We have transformed millions of lives through our financial services and we are gratified that our customers have positioned us as one of India's leading financial service providers.



-POWERING CUSTOMERS

Trusted Ally Across Every Stage of Life

Over 93 lakh customers (consolidated) served in FY 2023-24

Total customers served by Muthoot FinCorp Limited stood at 42,98,445

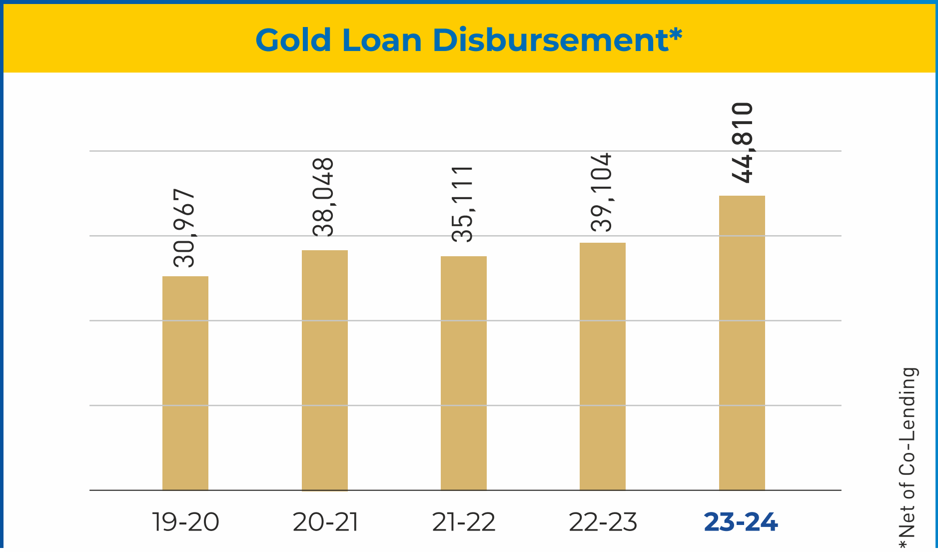
At Muthoot FinCorp, we believe in being more than just a financial service provider - we strive to be a trusted partner in every step of our customers' financial journey. With a diverse range of products tailored to meet the evolving needs of our customers, we are committed to supporting them through all of life's milestones. From securing the future with our Gold Loans to helping realize dreams through Business Loans and Loan against Property, Muthoot FinCorp is there every step of the way, empowering our customers to achieve their aspirations with confidence and ease.

Our unwavering commitment to empowering customers is reflected in our holistic approach to financial solutions. By offering products that cater to life's every requirement, we enable our customers to navigate their financial paths with the assurance that Muthoot FinCorp is there to support them - every time, in every way.

-POWERING PERFORMANCE

Charting Growth, Fueling Empowerment.

(₹ in Crores)



In FY 2024, Muthoot FinCorp achieved remarkable growth, elevating our fiscal performance to unprecedented heights. Our robust fundamentals remained the cornerstone of our success, reinforcing our position as a dependable business entity. The figures speak for themselves, showcasing our relentless commitment to delivering excellence and driving sustainable growth. At Muthoot FinCorp, empowering performance isn't just about meeting targets - it's about surpassing them and setting new benchmarks for success.

With the presence of 120 offices across India, Muthoot Housing Finance Company registered a robust growth of 36.18% at ₹ 2,070.39 Crores (comprises of Housing Loan ₹ 1,470.54 Crores and Non-Housing Loans ₹ 599.85 Crores).

Muthoot Mircofin ventured into stock market on 2023. The total income for the FY increased by 58.02% YoY from ₹ 1,446.34 Crores.

-POWERING CONNECT

Connecting through Phygital Excellence

3,683 branches as of March 31, 2024.

78% of our branches located in non-metro areas, bringing us closer to our customers

PHYGITISATION : Perfect combination of digital and physical interfaces

At Muthoot FinCorp, our unwavering commitment to being customer-focused drives us to ensure that our financial solutions are within easy reach of everyone who needs them. With an extensive network of branches spanning the entire country, we are dedicated to making our services accessible to all, offering hassle-free financial solutions wherever they are needed. Our ongoing expansion efforts have seen the addition of new branches across various states, further strengthening our presence and accessibility.

In addition to our physical branches, we have developed the robust Muthoot FinCorp One app, which serves as a virtual branch for over 1 million users. This digital platform allows customers to access a wide range of services with the same convenience and efficiency they would experience in person.

We also offer the Gold Loan from Home service, which allows customers to pledge their gold from the comfort of their homes, combining convenience with the reliability Muthoot FinCorp is known for. By empowering connect through multiple channels - physical, digital, and doorstep - we ensure that our customers can engage with us in the way that best suits their needs, reinforcing our commitment to accessibility and customer satisfaction.

M-POWERING PORTFOLIO

Trusted Financial Solutions Partner

New services: PAN Card Services in partnership with NSDL Protean. Credit Report Facility was introduced as well.

New service launched under Secured and Unsecured Lending Business Division - Supply Chain Finance

New products: Muthoot Dhan Suraksha-Credit Shield Insurance & Muthoot Jeevan Suraksha Credit-Life Insurance

One of our greatest strengths is our ability to address the genuine needs of the market. While our Gold Loan remains a flagship product, Muthoot FinCorp offers a comprehensive range of financial solutions under one umbrella. We cater to diverse financial needs through our extensive portfolio, which includes loans, savings and investments, insurance, and payment facilities.

We are also expanding our product portfolio to anticipate and meet the future needs of aspiring Indians.

To further enhance our service offerings, we have established a dedicated Wealth Management division. This new division is designed to provide specialized expertise and personalized support, ensuring that we deliver exceptional value and tailored financial strategies to help you achieve your goals.

-POWERING WOMEN

Championing Women's Financial Independence

10 lakh+ women customers have been served, contributing to a total of 42 lakh+ customers overall.

Over 9,000 Muthoot FinCorp employees are women, reflecting our commitment to equality and inclusion.

India has gloriously emerged as one of the fastest - developing countries in the world. We strongly believe that women's participation is crucial to this progress and our future.

At Muthoot FinCorp, we have been both witnesses and contributors to the growing financial independence of women in India. We take immense pride in being one of the few significant organizations in the country that truly embodies women empowerment.

We are grateful for the exceptional contributions of the women in our workforce. Their dedication, expertise, and innovative spirit drive our success and inspire us every day. Their commitment not only enriches our work environment but also sets a standard of excellence and resilience.

-POWERING EMPLOYEES

Fostering growth through Learning and Recognition

Our mobile-friendly Learning Management System enables our team to learn on the go

Wide range of training modules covering sales skills, leadership, management, professional proficiency, and more.

Special Certificate course to develop Mortgage Professionals, covering both secured and unsecured lending.

At Muthoot FinCorp, we recognize that our greatest asset is our people. We are committed to empowering our employees by fostering a supportive and dynamic work environment where they can thrive. Through continuous training, development programs, and career growth opportunities, we invest in our employees' personal and professional development. By nurturing talent and encouraging innovation, we ensure that our team is well-equipped to contribute to our success and drive our mission forward.

-POWERING TECHNOLOGY

Limitless Imagination

85% customers were onboarded digitally in FY 23-24

1 million app downloads in FY23-24

With a seamless blend of both internal and vendor capabilities, the company has made substantial investments in creating two distinctive capabilities - one on applications and infrastructure namely Muthoot Pappachan Technologies (MPT) and another where we are focused on digital innovation and technologies including our mobile app - Muthoot FinCorp ONE. We have the best of the management consultants to create data lake and we have utilised machine learning models to analyse the data to create custom made personalised offers to consumers while supporting significant business decisions and process improvisations.

We serve the country's Lower Middle-Income segment (LMI) and technology has enabled seamless integration of both physical and digital mode of services to the customers enabling higher customer satisfaction. Almost a million customers have migrated to mobile app and larger share of customers today are doing digital transactions.

OUR KEY SUBSIDIARIES

Muthoot Microfin Limited

Nature of Business:
Providing Micro Credit Facility

Shareholding by MFL
50.21%

Total Revenue (₹ in lakhs)
2,28,549.06

Profit After Tax (₹ in lakhs)
44,958.32

Muthoot Housing Finance Company Limited

Nature of Business:
Providing Housing Loans

Shareholding by MFL
81.71%

Total Revenue (₹ in lakhs)
29,272.82

Profit After Tax (₹ in lakhs)
3,472.61

Muthoot Pappachan Technologies Limited

Nature of Business:
Providing IT Services

Shareholding by MFL
85.93%

Total Revenue (₹ in lakhs)
2,277.37

Profit After Tax (₹ in lakhs)
85.93

BOARD OF DIRECTORS

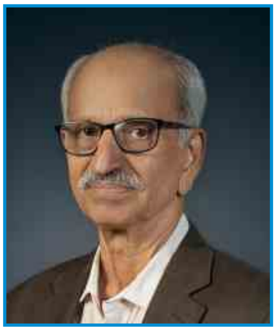
Mr. Thomas John Muthoot
Chairman & Managing Director

Mr. Thomas George Muthoot
Director

Mr. Thomas Muthoot
Executive Director and
Chief Financial Officer

Mrs. Preethi John Muthoot
Director

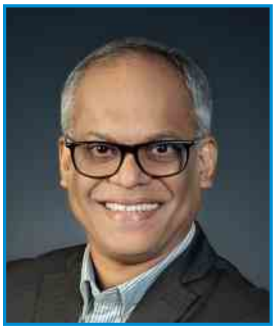
Mr. A. P Kurian
Independent Director



Mr. A. Vikraman
Independent Director

Mr. Badal Chandra Das
Independent Director

Mr. Ravi Ramchandran
Independent Director



Dr. Anthony A Thomas
Independent Director
(w.e.f 11.11.2023)

LEADERSHIP TEAM

Shaji Varghese
Chief Executive Officer

Mr. Chandan Khaitan
Chief Executive Officer-
Muthoot FinCorp One

Mr. Suresh Kumar Sivaraj
Chief Human Resources
Officer

Mr. Joseph Oommen
Head - Finance & Accounts

Mr. Ajay Kanal
Head - Operations &
Change Management

Mr. Vinodkumar Kola
Chief Business Officer
(Territory I)

Mr. Nihar Malde
Chief Business Officer
(Territory II)

Mr. Vinod Reddy
Head - Secured & Unsecured Lending Business

Mr. K. Hariharan
Head - Need Based Products & Services

Mr. Rajesh Kumar Banerjee
Head – Wealth Management & Corporate Strategy

Mrs. Devika R.
Chief Compliance Officer

Mrs. G. K. Maya
Chief Risk Officer

Mr. Sachu Sivas
Company Secretary & Compliance Officer

Mr. Prashant Kumar
Head - Legal

Mr. Nadanasabapathy R.
Head - Treasury

Mr. Danish Pavithran Valoth
Head - Infrastructure & Procurement

Mr. Nishit Shrivastava
Chief Technology Officer & Chief Information Officer

Mr. Sam Abraham
Chief Information Security Officer

Mr. Rajesh Balachandran
Chief Marketing Officer

Statutory Auditors

Joint Statutory Auditor 1

M/s Krishnan Retna & Associates
Chartered Accountants
201 Block A, Nandini Gardens, Fort,
Thiruvananthapuram, Kerala - 695023

Joint Statutory Auditor 2

M/s Rangamani & Co.
Chartered Accountants
Rose Gardens, North of Iron Bridge,
Alappuzha, Kerala - 688011

Secretarial Auditors

M/s SEP & Associates
Company Secretaries

Internal Auditors

M/s Thomas Jacob and Company
Chartered Accountants

Lawyers for Debt Issues

Khaitan & Co, Advocates

Legal Advisors

Wadia Ghandy and Company, Advocates

Security Advisor

Mr. Raman Srivastava IPS (Rtd)

Debenture Trustees

Vistra ITCL (India) Limited
(Formerly IL & FS Trust Company Limited)
The IL&FS Financial Centre,
Plot C - 22, G Block, Bandra Kurla Complex,
Bandra(E), Mumbai - 400051

Catalyst Trusteeship Limited
GDA House, Plot No 85, Bhusari Colony (Right)
Paud Road, Pune - 411 038, Maharashtra

CA Mathew Philip, FCA
Second Floor, PTC Towers,
Thampanoor, Trivandrum - 695001

SBI CAP Trustee Company Limited
Mistry Bhavan, 4th Floor, 122 Dinshaw Vachha Road,
Churchgate, Mumbai - 400 020

Vardhman Trusteeship Private Limited
The Capital, A Wing, 412A, Bandra Kurla Complex,
Bandra (East), Mumbai - 400051

Registrar & Transfer Agent

Integrated Registry Management Services Private Limited
IInd Floor, Kences Tower, No:1 Ramakrishna Street,
North Usman Road, T Nagar, Chennai - 600017

Bankers

1 Axis Bank Ltd
2 Bank of Baroda
3 Bank of India
4 Bank of Maharashtra
5 Canara Bank
6 Central Bank of India
7 Federal Bank
8 IDBI Bank Ltd
9 Indian Bank
10 Indian Overseas Bank
11 IndusInd Bank
12 Karnataka Bank
13 Karur Vysya Bank
14 Punjab and Sind Bank
15 Punjab National Bank
16 South Indian Bank
17 State Bank of India
18 Tamilnad Mercantile Bank
19 Union Bank of India
20 UCO Bank
21 Ujjivan Small Finance Bank
22 DCB BANK
23 DBS BANK
24 HDFC Bank
25 Bandhan Bank
26 YES Bank Ltd

NBFC

1 Bajaj Finance Ltd
2 Nabkisan Finance Ltd

Registered Office

Muthoot Centre, TC No 27/3022, Punnen Road, Thiruvananthapuram - 695 001
Ph: + 91 471 2331427 / 4911400 | Fax: + 91 471 2331560
Email: muthoot@muthoot.com | Website: www.muthoot.com
CIN: U65929KL1997PLC011518

MESSAGE FROM THE CHAIRMAN AND MANAGING DIRECTOR

Mr. Thomas John Muthoot
Chairman & Managing Director

Dear Esteemed Stakeholders,

With profound gratitude for the Grace of the Almighty and with utmost humility, we present to you the 27th Annual Report for the fiscal year 2023-24.

The Indian economy exhibited resilience during 2023-24, notwithstanding persistent headwinds from subdued external demand, protracted geopolitical tensions and volatile global financial markets. Real GDP growth was sustained at 7% and above for the third successive year, supported by robust growth in fixed investment driven by the Government's focus on capital expenditure. The Government's emphasis on capital expenditure is beginning to stimulate private investment, setting the stage for the next phase of growth.

The financial sector is crucial and indispensable for any nation-state that aims to achieve robust economic growth. This applies to India as well. Banks and Non-Banking Financial Companies (NBFCs) in India are well positioned to play that role. With strong loan growth and low levels of bad loans as of FY2024, banks and NBFCs can look forward to investing in creating new products, delivery channels and outreach to serve the increasing financial services needs of India.

NBFCs have become key players in India's financial sector, supplementing banks by filling the credit gap for under-served segments and Micro, Small, and Medium Enterprises (MSMEs). With a deep understanding of local markets and a strong drive for innovation, NBFCs have advanced credit dissemination, offering customised products and services at a reasonable cost.

As you are undoubtedly aware, NBFCs have notably risen as the principal source of financing for a vast section of the population, encompassing small and medium-scale enterprises, as well as economically underserved families. These financial institutions have adeptly catered to the varied needs of Indian families, through a skillful and expedient service, leveraging their extensive geographical reach, keen understanding of individuals' financial requirements, and impressively swift processing capabilities. Consequently, non-bank lenders have played a pivotal role in advancing the cause of financial inclusion, fostering the growth of myriad MSMEs and self-employed individuals. Beyond this, NBFCs have also been instrumental in contributing to the development of the nation's critical infrastructure.

Moreover, the capital adequacy of NBFCs is comfortable, and asset quality improved by the end of September 2023. This indicates that NBFCs remain healthy, supporting the growth in credit and domestic activity in the nation.

I am pleased to inform you that our Company has achieved record-breaking disbursals, collections, and profitability during the current fiscal, alongside the steady investments in new businesses. Our loan book growth is strong, surpassing industry growth. While we continue to grow our businesses, your Company also cares deeply about Environmental, Social and Governance (ESG) practices. Our ESG framework covers corporate governance, financial inclusion, environmental conservation and protection, social empowerment, customer orientation, human capital management, cyber security, and stakeholder management.

Our Company, underpinned by a culture of resilience and innovation, has remained strong in the face of adversity. In FY2024, the Company undertook impactful initiatives and launched new businesses to help navigate the future, such as the MFL One App for digital businesses, QR Based Digital Lending and supply chain financing under the umbrella of Secured and Unsecured Lending Business. The Company has also implemented paperless loan process for gold loans in over 1500 branches and is in the process of completing it in other branches. This has substantially reduced the time and effort for both the customers and branch staff.

Our commitment to providing tailored financial solutions and our steadfast focus on digitalisation have continuously elevated the standard of customer experience. The customer relations nurtured over the years have positioned us as their preferred financial service provider in a competitive market. Compared to the previous year, our loan products have delivered exceptional performance, driving our Assets Under Management (AUM) up by 23.26% in FY 2023-24. This success reflects our ability to execute our plans, expand our branch network and benefit from sustained investments in Digital Transformation, which are now yielding tangible results.

It gives me immense pleasure to share with you the announcement of Shah Rukh Khan as the newest brand ambassador of Muthoot Pappachan Group (MPG). This strategic collaboration represents a significant milestone for MPG, reinforcing our brand presence and creating a renewed way of connecting with a diverse audience across India. As we move towards heralding a future where financial inclusion is within reach for all, having Shah Rukh Khan as our new brand ambassador will play a significant role in achieving this milestone.

During the fiscal year, the Company appointed Dr. Anthony Abraham Thomas as an Independent Director. Dr. Anthony is a luminary in the field of Technology Leadership, Digital Transformation and Innovative Industrialization. His vast experience in technology and digitalization will significantly contribute to the Company in the years to come.

In line with its expansion strategy, the Company has steadily grown its branch network, establishing a wide and robust presence across various regions in India. The Company's extensive reach allows it to serve customers in both urban and rural areas, contributing to financial inclusion in the country. In this fiscal year, the Company expanded its geographical presence by opening 64 new branches in various locations.

During the fiscal year, we have strengthened our product offerings by rolling out new products and services for our customers and reported the highest ever loan disbursements with consolidated disbursement of ₹ 61,703.26 crores up by 18.60% compared to the previous year.

Alongside our flagship gold loan services, we are focused on strengthening our offerings through other loans and services. Our endeavour is to become the Company of Choice for the common man, and we will continue our drive to move from product to segment ensuring that we meet the lifecycle needs of our customers.

Our dedication is unwavering towards our purpose: "To transform the life of the common man by improving their financial well-being."

Your Company had another strong year reflected in superior financial results for FY2024 as follows:

- Disbursement during the year were ₹ 47,564.24 crore, compared to ₹ 40,039.83 crore in the previous year (Net of Co-Lending)
- The Total Loan Assets reached ₹ 21,712.34 crore, compared to ₹ 17,615.07 crore in the previous year
- The Total income stood at ₹ 4,015.77 crore, compared to ₹ 3,491.26 crore the previous year
- The Net Interest Income (NII) was ₹ 1,910.02 crore, up by 4.76%
- Profit Before Tax (PBT) was ₹ 786.81 crore, up by 26.41% compared to the previous year
- Profit After Tax (PAT): ₹ 562.81 crore, increased by 22.40%
- During fiscal 2024, the GNPA reduced to 1.50% from 2.11% in the previous year
- NNPA marginally increased to 0.64% from 0.58%
- Capital adequacy ratio as of March 31, 2024 stood at 20.01%, with Tier I Capital at 15.87%
- Return on Average Assets (ROA) was 2.65% in fiscal 2024, up from 2.42% in fiscal 2023.
- Return on Average Equity (ROE) was 18.39% in fiscal 2024, up from 17.28% in fiscal 2023.

The FY2023-24 PAT of 562.81 crores was the highest since inception, reflecting the Company's strong performance. In view of the consistent growth and profitability, the Board of Directors has recommended a final dividend on the equity shares at the rate of 57.50% (i.e., 5.75/- per equity share) of face value of ₹ 10/- each for the financial year ending March 31, 2024

The Customer Relationship Management (CRM) platform implemented by the Company in the previous year has scaled up as a critical business and service enabler for our branches and call centres, supporting both new customer acquisition and expanding existing customer relationships. The CRM platform is being enhanced with a Customer Service module to enable all service functions-branches, call centres and others-to have a 360° view of the customer, thereby delivering a superior service experience.

The People & Culture (P&C) structure of the Company has been aligned to the evolving business structure for seamless execution on the ground. The P&C structure now specialises based on business units such as Branch Business, Secured & Unsecured Lending Business (SULB), Wealth Management, Non-Banking Payments & Services (NBPS), Business Development

Channel, Corporate HR and Muthoot Fincorp One. The total workforce of the Company was 22,500 as of March 31, 2024.

As mentioned last year, the Company has made significant strides in its digital venture and strategic business unit, 'Muthoot FinCorp One.' This innovative platform enables customers to apply for loans online, streamlining the process and making it more convenient. This strategic move is poised to resonate particularly well with a younger, tech-savvy customer base. Moreover, the Company has emerged as a key player in financial intermediation, not only complementing and competing with banks, but also infusing the financial ecosystem with heightened efficiency and greater diversity of offerings.

Our impactful key initiatives encompass:

1) **Muthoot FinCorp One App**

   The Super App of MFL was launched in May 2023 and manages the digital businesses with over 18 Lacs+ Downloads and 6 Lacs+ active App users.

2) **Digital Lending**

   Launched QR code based Digital Lending through the Muthoot FinCorp One platform, disbursing over ₹ 400 Crores.

3) **Gold Loan Schemes**

   Nine new Gold Loan Schemes were introduced to cater to the needs of the various segments, including Udaan, aimed at fostering financial inclusion.

4) **Supply Chain Financing**

   We launched the newest product under the umbrella of the MSME Business in March 2024 and started disbursing loans.

5) **Product Recommendation through Machine Learning (ML)**

   Launched in October 2023, ML-driven product recommendation supports the branches in recommending curated, customized product offerings for customers.

6) **Acquisition and Retention Unit (ARU)**

   The ARU was set up to facilitate effective communication with prospective and existing customers. Today, we reach out to approximately 1.25 crore customers per month.

7) **Employee Engagement Survey**

Over the past years, the Company has been on a growth trajectory, and we expect to see continued success in the coming years with the diversification of products and services, improved customer access, and operational efficiency.

Recognising that our journey extends far beyond our financial achievements, our commitment to societal well-being and environmental stewardship is vividly reflected through our Corporate Social Responsibility (CSR) initiatives. These endeavours come to life through the Muthoot Pappachan Foundation, through which we direct our efforts to create impactful and meaningful change.

As we draw this chapter to a close, our heartfelt gratitude extends far and wide. To the regulatory authorities, your invaluable guidance has served as the keystone of our progress; to our esteemed board members, your sagacious counsel has deftly steered our path; and to our dedicated team, your unwavering dedication has remained our propelling force. To every stakeholder who has entrusted us with their belief, we extend our profound appreciation.

Moving forward, we acknowledge that our journey is guided by the collaborative efforts of our team. We recognise the Divine Grace that has illuminated our achievements and invoke it to light up our future endeavours.

With sincere modesty and heartfelt gratitude, we stride confidently into a future, abounding with boundless possibilities.

Yours sincerely,

Thomas John Muthoot
Chairman & Managing Director

Mr. Thomas Muthoot
Executive Director and Chief Financial Officer

MESSAGE FROM THE EXECUTIVE DIRECTOR & CHIEF FINANCIAL OFFICER

Dear Stakeholders,

It is with immense pleasure and a sense of honor that I address you as the Executive Director & Chief Financial Officer of the Company, presenting the annual report for the fiscal year 2024.

Over the past decade, the gold loan sector has seen remarkable growth, with various organised players like private, public banks, small finance banks, cooperatives and NBFCs contributing significantly. India Gold Loan Market size was valued at USD 62.30 Billion in 2023, and the total India Gold Loan Market is expected to grow at a CAGR of 12.22% from 2024 to 2030, reaching nearly USD 139.64 Billion. An interesting trend can be observed in the increasing share in gold credit of NBFCs in the recent years, on account of their specialisation in gold loans, customer reach, and strategic flexibility.

NBFCs have enhanced their process efficiency, expanded their branch networks and adopted digital platforms, making loans more accessible. Strategic initiatives, including aggressive marketing, partnerships and innovative loan products tailored to the customers' needs have also played a crucial role in increasing the gold credit of NBFCs.

Current market penetration of gold loan in India is 5.6%. This indicates that there is a huge potential to be unearthed in household gold which can create a larger market for penetration of gold loans. Looking at the way market has grown historically, there is a scope for new players to enter the gold loan market.

Looking back at the year, I am delighted to present to you the major highlights of the performance of the Company for the fiscal year 2024. The Company has witnessed remarkable growth in its financial as well as operational performance. We ended the year with the highest ever disbursements of ₹ 50.167.12 crores. The total loan assets of the Company reached ₹ 21,712.34 crore, compared to ₹ 17,615.07 crore in the previous year and the total income stood at ₹ 4,015.77 crore, compared to ₹ 3,491.26 crore the previous year. The profit after tax increased by 22.40% and reported ₹ 562.81 crore.

Muthoot FinCorp's strategic endeavor has always been to elevate the customer experiences by way of digital transformation by leveraging digital tools to create seamless, personalized and user-friendly interactions for customers. Muthoot FinCorp ONE app promises Choice, Convenience and Credibility. The app launched in May 2023 has crossed 1 million downloads. The Company's QR based EDI business which went live in the month of February 2024, crossed AUM of ₹ 80 crores as on March 31, 2024.

Updates about subsidiaries

Muthoot Microfin Limited (MML) is the microfinance arm of Muthoot Pappachan Group and a subsidiary of Muthoot FinCorp Limited. MML is one of the leading and fast-growing microfinance institutions (NBFC-MFI) in India. MML is focused on providing micro-loans to women entrepreneurs with a focus on rural regions of India. Our microfinance operations are designed to promote entrepreneurship among women and inclusive growth. We provide financial assistance through micro loans such as income generating loans to women engaged in small businesses.

Fiscal Year 2024 has been a remarkable year for MML, as it launched its Initial Public Offering (IPO) in December 2023. The IPO was highly oversubscribed i.e., 11.52 times. This record-breaking achievement-the strongest among the listed peers-reflected the profound investor confidence in MML.

MML achieved record breaking loan disbursements, disbursing a staggering 24.32 lakh loans valued at ₹ 10,662 crore in FY2024. The Asset Under Management (AUM) of MML reached new heights to ₹ 12,193.50 crore, with North India surpassing ₹ 2,800 crore and Tamil Nadu exceeding ₹ 3,100 crore. The total income of MML grew by a remarkable 58.02% amounting to ₹ 2,285.49 crore for the fiscal year ending on March 31, 2024, as compared to ₹ 1,446.34 crore in the preceding financial year. At the same time MML recorded its ever-highest profit of ₹ 449.58 crore, it is a 174.32% surge in net profit, as compared to ₹ 163.89 crore in the preceding financial year.

One of the other Group Company, Muthoot Housing Finance Company Limited (MHFCL), is a subsidiary of Muthoot FinCorp Limited. MHFCL caters mainly to the housing finance requirements of customers in the middle and lower-income category. MHFCL has presence in 120 locations across 12 states in India with 2,60,000+ disbursements. As on March 31, 2024, the AUM of MHFCL is ₹ 2,070.39 crore. In FY2024 MHFCL has made a loan disbursement of ₹ 874.53 crore as against loan disbursement of ₹ 480.72 crore in previous year with a growth rate of 81.92%. MHFCL has reported a total income of ₹ 292.73 crore during the year vs ₹ 221.68 crore in previous year, registering a growth of 32.05%. The profit after tax of MHFCL is ₹ 34.73 crore as on March 31, 2024.

In conclusion, I would like to express deep gratitude to our shareholders, customers, business partners, and our dedicated employees for their unwavering support. Together, we will build upon our achievements and create a brighter future.

Warm regards,

Thomas Muthoot
Executive Director & Chief Financial Officer

Mr. Shaji Varghese
Chief Executive Officer

MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

Dear All,

These are exciting times and I'm happy to share a glimpse of our growth and progress we have achieved in the financial year 2023-2024. While there were geopolitical challenges and other economic factors that affected the markets globally, Indian economy remained resilient and continues to stay strong as the 5th largest economy in the world, and with aspiration to become the 3rd largest soon.

FY 2023-2024 was a gratifying year for Muthoot FinCorp Limited where we could broadly execute our plans and achieved new highs for most vectors.

We reported highest ever loan disbursements in FY24 with consolidated disbursement at ₹61,703.26 cr, up by 18.60%. The AUM stood at ₹33,359.30 cr, up by 26.94%, with net profit at ₹1047.98 crore, an increase of 62.12 % over the preceding fiscal while serving more than 93lakh customers across the country. As standalone, Muthoot FinCorp reported disbursements at ₹50167.12 cr, 15% per cent YoY from ₹43443.26 cr in the previous year. The PAT increased to ₹562.81 crores, up by 22.40%, compared to ₹459.81 crores in FY 23. The Assets under Management (AUM) stood at ₹21712.34 cr, up by 23.26 per cent compared to ₹17615.07 cr in the corresponding previous year.

Charting Growth. Fueling Empowerment.

FINANCIAL HIGHLIGHTS CONSOLIDATED AS ON MARCH 31, 2024			
Disbursement during the year	₹61,703.26 cr	18.60%	↑
Loan AUM	₹35,543.37 cr	25.95%	↑
On Book Loan Assets	₹33,359.30 cr	26.94%	↑
Revenue	₹6,584.52 cr	27.82%	↑
Net NPA	0.70%	3bps	↓
PAT	₹1,047.98 cr	62.12%	↑
Branches	5309		↑

FINANCIAL HIGHLIGHTS STANDALONE AS ON MARCH 31, 2024			
Disbursement during the year (including Co-ending)	₹50,167.12 cr	15%	↑
Loan AUM	₹21,922.70 cr	22.51%	↑
On Book Loan Assets	₹21,712.34 cr	23.26%	↑
Revenue	₹4,015.77 cr	15.02%	↑
Net NPA	0.64%	6bps	↑
PAT	₹562.81 cr	22.40%	↑
ROE	18.39%	111bps	↑
Number of customers served during the year	42,98,445	14%	↑
Digital Onboarding	85%		
Women Employees	9503	42% of total workforce	
Branches	3683		

We strengthened our product offerings in the previous year with setting up two businesses units and are happy to share that 11% of our revenue came from non-gold business in FY24.

We received 200 licenses from RBI in two tranches during the year and branch openings across the country are in progress. We created employment opportunities across the country including the hinterlands and the net job creation in FY24 stood at 4692 while the total workforce stood at 22,500 as on 31st March 2024 for Muthoot FinCorp.

In addition to our flagship gold loans, the two Strategic Business Units (SBUs) which we started in the previous year in Chennai and Bangalore have made good progress as envisaged. While the SBU of Secured Unsecured Lending Business (SULB) in Chennai is leading our company's journey to move from product to segment, the facility in Bangalore namely Muthoot FinCorp One is leading our digital business initiatives. . Muthoot FinCorp One app has made substantial progress with 1 million+ app downloads in the previous year and added more products to the app where the customers can access and avail our financial services at the comfort of their homes with the click of a button.

We are migrating smoothly to a phygital mode – from being a provider of services through physical branches, today we have incorporated both digital (mobile app) and doorstep services to our customers across the country. Our Gold Loan from Home services have gained much popularity, and the services are offered to our customers in 50+ cities in India. Customers can avail loans at their own homes and the entire process is completed within minutes, saving time and ensuring convenience.

With an intent to connect further with our diverse audience across India and in our constant endeavor to reach the millions across the nation, we onboarded noted Bollywood actor Shah Rukh Khan as our brand ambassador in FY24. I believe he connects with our target audience as an ordinary individual who dreamed big and turned his dreams into reality.

We are associated with 27 lending institutions including an additional relationship built in FY24. We completed 4 NCD Public Issues including NCD Secured Pvt placements with 2 issues, the PDI and Sub Debt with 3 issuances each, during FY 24.

We at Muthoot FinCorp believes that a nation can progress only if its women are part of the economic activity, and we are happy to set an example in the industry with more than 40% of our workforce (9000+) are women. Also, we serviced more than 10lakh women customers in the last year helping them to be part of the formal banking sector while being their financial partner to realise their dreams.

Our subsidiaries have grown further with Muthoot Microfin Limited entering the stock exchange during this financial year. Muthoot Housing Finance exhibited good progress with an AUM growth of 36.18% percent in FY24 at Rs.2,070.39 crore. We will continue to focus to strengthen our product offerings across loans, savings, and services to our customers ensuring to meet their lifecycle requirements.

2023-2024 was a gratifying year for Muthoot FinCorp Limited as we rolled out new product offerings and new initiatives strengthening our positioning, all while ensuring to meet the lifecycle needs of our customers. We thank our Muthootians for their dedication & passion and our customers across India for their unwavering trust and continued faith in us. The support from our banking partners, regulators and other stakeholders have been immense. We will constantly continue to strive to ensure financial inclusion of India's common man. Coupled with our Purpose of transforming the lives of the common man by improving his financial well-being and being a responsible citizen we have a significant contributory role to play while the country plans to be a developed nation or Viksit Bharat by 2047.

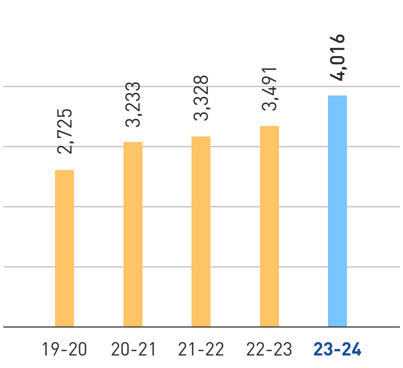
Thank you,
Warm regards,

Shaji Varghese
Chief Executive Officer

FINANCIAL HIGHLIGHTS FOR THE FY2023-24

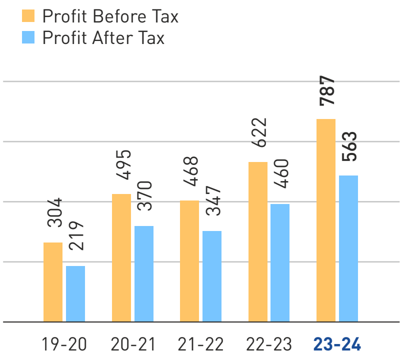
(in crores)

Gross Income

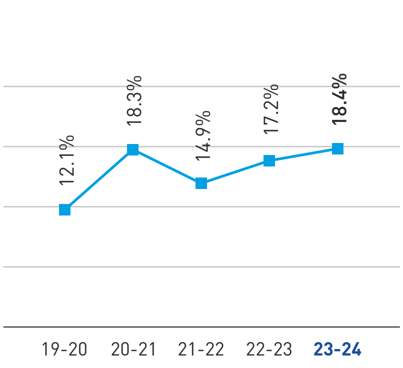


(in crores)

PBT vs PAT

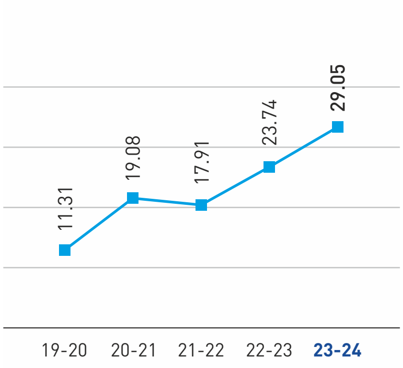


Return on Equity

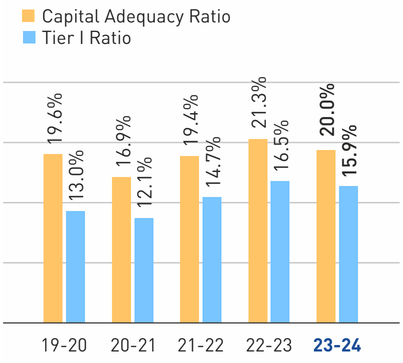


(times)

Earnings per Share

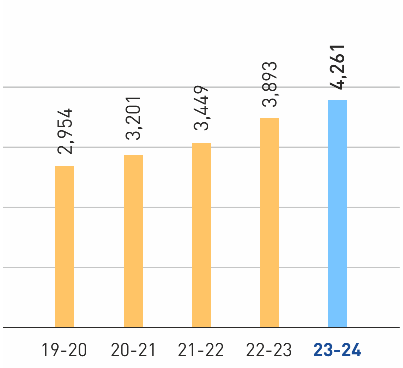


CRAR



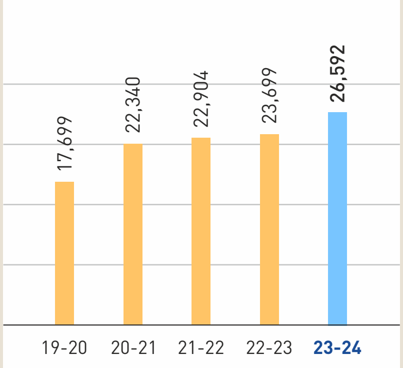
(in crores)

Networth



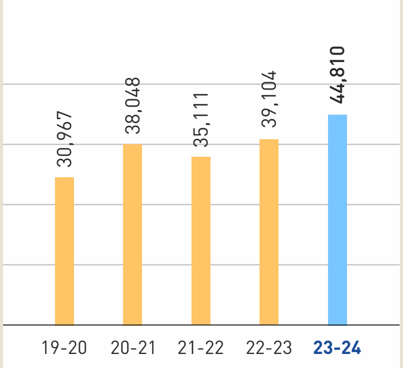
(in crores)

Total Assets



(in crores)

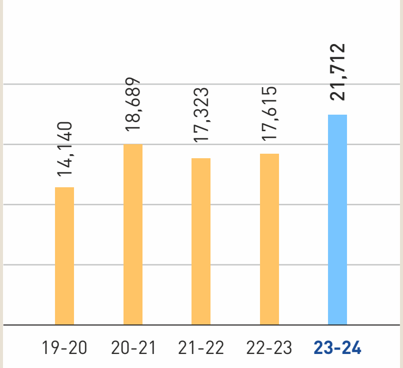
Gold Loan Disbursement*



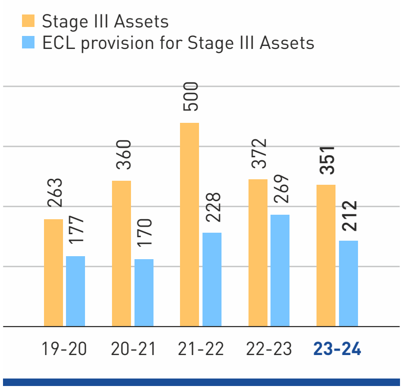
* Net of Co-Lending

(in crores)

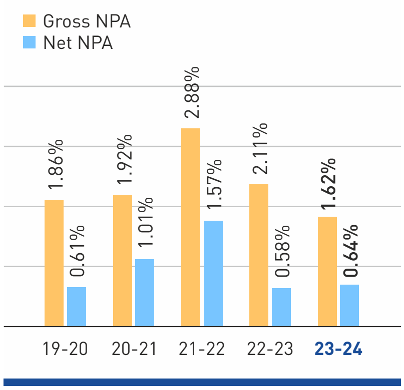
Loan Receivables



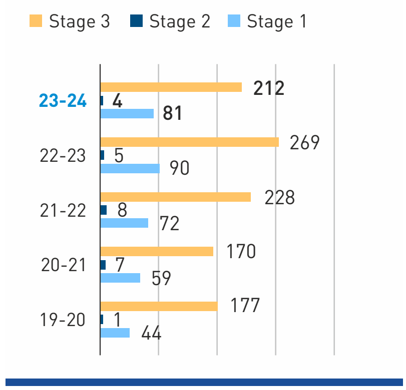
Stage III Assets



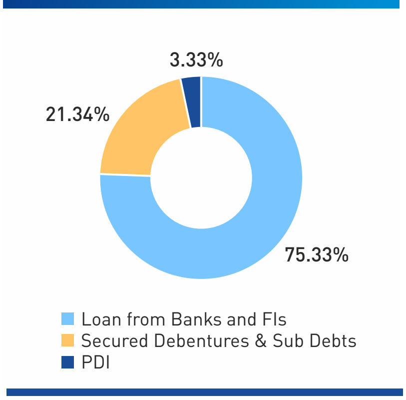
NPA Ratios



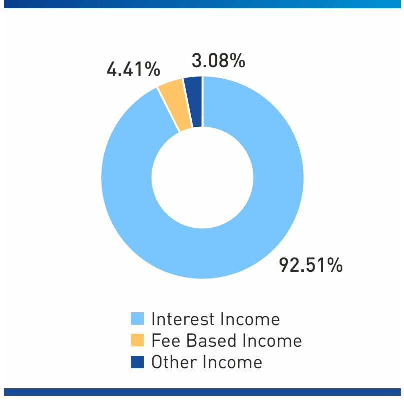
ECL Provision



Sources of Fund

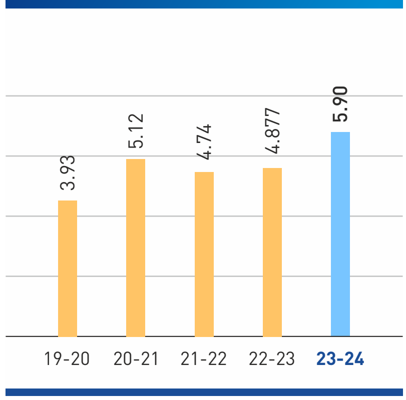


Sources of Income



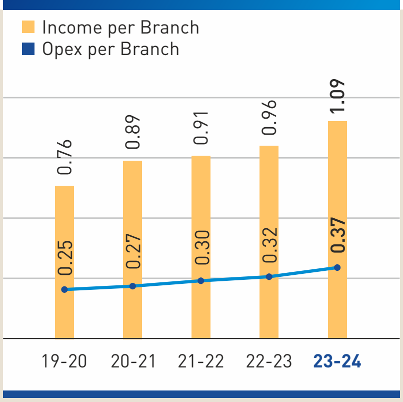
(in crores)

AUM per Branch



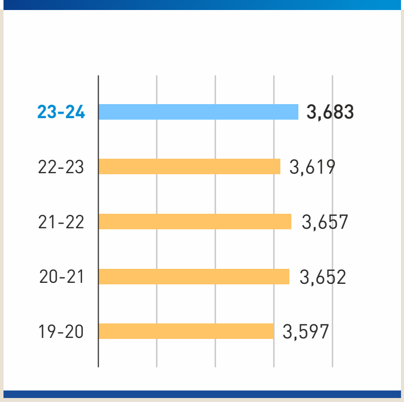
(in crores)

Income Per Branch



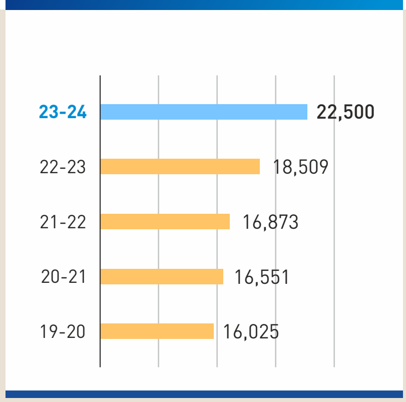
(nos)

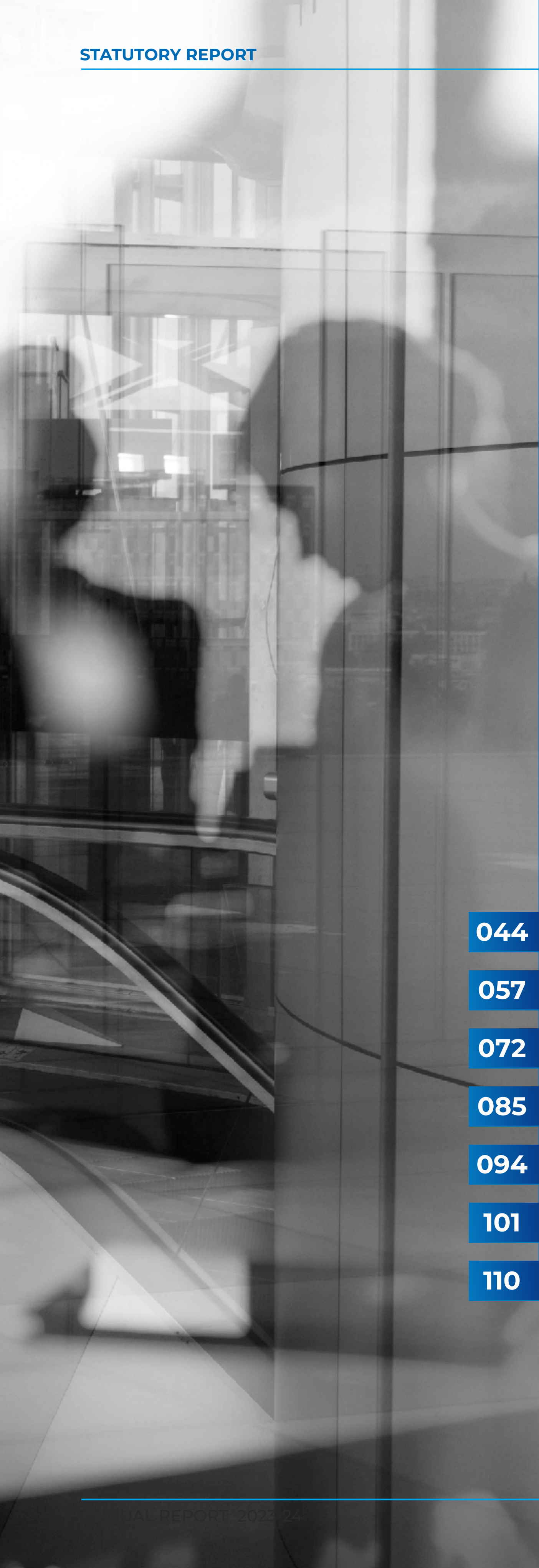
Pan India Reach



(nos)

Talent Pool





STATUTORY REPORTS

Jab zindagi badalni ho

MUTHOOT FINCORP LIMITED

(CIN: U65929KL1997PLC011518)

Registered Office: Muthoot Centre, TC No. 27/3022, Punnen Road, Thiruvananthapuram, Kerala, India - 695 001
Tel: +91 471- 2331427, 4911400, **Fax:** +91 471 2331560, **Email:** cs@muthoot.com, **Website:** www.muthootfincorp.com

Notice to Members

Notice is hereby given pursuant to Section 96 and 101 of the Companies Act, 2013 ("Act") that the 27th Annual General Meeting ("AGM") of the members of Muthoot Fincorp Limited ("MFL or the Company") will be held on Monday, September 30, 2024, at 10.30 A.M. (IST) at the Registered Office of the Company at Muthoot Centre, TC No 27/ 3022, Punnen Road, Thiruvananthapuram, Kerala, India - 695 001 to transact the following businesses:-

ORDINARY BUSINESS:

Item No. 1: Adoption of financial statements

To receive, consider and adopt:

a) The Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2024, together with the Reports of the Board of Directors and the Auditors thereon; and

b) The Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2024, together with the Report of the Auditors thereon.

Item No. 2: Declaration of final dividend on equity shares for the financial year ended March 31, 2024:

Declaration of final dividend on equity shares at the rate of 57.50% [i.e., ₹ 5.75 per equity share] per equity share of face value of ₹10/- each (Rupees Ten Only) for the financial year ended March 31, 2024.

Item No. 3: Appointment of Mr. Thomas Muthoot as a director, liable to retire by rotation

To appoint a director in place of Mr. Thomas Muthoot (holding DIN: 00082099), who retires by rotation at the Annual General Meeting and being eligible, offers himself for re-appointment: -

Members are requested to consider and if thought fit, pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. Thomas Muthoot (holding DIN: 00082099), who retires by rotation at this meeting, pursuant to the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, and being eligible, has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.**"**

Item No. 4: Appointment of M/s Isaac & Suresh, Chartered Accountants, Trivandrum as Joint Statutory Auditors - 1 of the Company

To appoint M/s Isaac & Suresh, Chartered Accountants, Trivandrum (ICAI Firm Registration No. 001150S) as Joint Statutory Auditors-1 of the Company and to fix their remuneration: -

Members are requested to consider and if thought fit, pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139, 141, 142 and all other applicable provisions, if any, of the

Companies Act, 2013 ("the Act"), the Companies (Audit and Auditors) Rules, 2014 and Circular No. RBI/2021-22/25-Ref. No.DoS.CO.ARG/SEC.01/ 08.91.001/2021-22 dated April 27, 2021 ("RBI Guidelines") issued by the Reserve Bank of India ("RBI") (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof for the time being in force), and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, approval of the members of the Company be and is hereby accorded, for the appointment of M/s Isaac & Suresh, Chartered Accountants, Trivandrum (ICAI Firm Registration No. 001150S) as Joint Statutory Auditors-1 of the Company to hold office from the conclusion of 27th Annual General Meeting till the conclusion of 30th Annual General Meeting of the Company to be held in the year 2027, to conduct the audit of accounts of the Company for the financial year ending March 31, 2025, March 31, 2026, March 31, 2027, on such remuneration plus out of pocket expenses, if any, as may be mutually agreed upon between the Board of Directors of the Company and the Joint Statutory Auditors.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof), be and is hereby authorized to do all such acts, deeds, matters, and things as may be considered necessary, desirable, or expedient to give effect to this resolution."

Item No. 5: Appointment of M/s Vishnu Rajendran & Co., Kochi as Joint Statutory Auditors - 2 of the Company

To appoint M/s Vishnu Rajendran & Co, Kochi (ICAI Firm Registration No. 004741S) as Joint Statutory Auditors-2 of the Company and to fix their remuneration: -

Members are requested to consider and if thought fit, pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139, 141, 142 and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), the Companies (Audit and Auditors) Rules, 2014 and Circular No. RBI/2021-22/25-Ref. No.DoS.CO.ARG/SEC.01/ 08.91.001/2021-22 dated April 27, 2021 ("RBI Guidelines") issued by the Reserve Bank of India ("RBI") (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof for the time being in force), and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, approval of the members of the Company be and is hereby accorded, for the appointment of M/s Vishnu Rajendran & Co., Kochi (ICAI Firm Registration No. 004741S) as Joint Statutory Auditors-2 of the Company to hold office from the conclusion of 27th Annual General Meeting till the conclusion of 30th Annual General Meeting of the Company to be held in the year 2027, to conduct the audit of accounts of the Company for the financial year ending March 31, 2025, March 31, 2026, March 31, 2027 on such remuneration plus out of pocket expenses, if any, as may be mutually agreed upon between the Board of Directors of the Company and the Joint Statutory Auditors.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof), be and is hereby authorized to do all such acts, deeds, matters, and things as may be considered necessary, desirable, or expedient to give effect to this resolution."

SPECIAL BUSINESS:

Item No. 6: Change in Designation of Mr. Thomas George Muthoot from Non - Executive Director to Whole Time Director designated as Joint Managing Director

To approve the change in designation of Mr. Thomas George Muthoot (holding DIN: 00011552) from Non - Executive Director to Whole Time Director designated as Joint Managing Director: -

Members are requested to consider, and if thought fit, to pass with or without modification(s), the following resolution as Ordinary Resolution:

"RESOLVED THAT in accordance with the provisions of Section 196, 197, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and Regulation 17(6) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, and pursuant to the approval of the Nomination and Remuneration Committee and the Board of Directors of the Company, the approval of members of the Company be and is hereby accorded to change the designation of Mr. Thomas George Muthoot (holding DIN: 00011552), from Non - Executive Director to Whole Time Director, designated as Joint Managing Director, with effect from October 01, 2024 till January 31, 2027.

RESOLVED FURTHER THAT Mr. Thomas George Muthoot (holding DIN: 00011552) in his capacity as Whole Time Director, designated as Joint Managing Director, be entitled to remuneration at 3% of the net profits of the Company with effect from October 01, 2024.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profit in any financial year, Mr. Thomas George Muthoot shall be paid minimum remuneration as per the provisions of Section II, Part II of Schedule V to the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors of the Company (including the Nomination and Remuneration Committee) be and is hereby authorized to alter and vary the terms and conditions of appointment and/ or remuneration within the aforesaid monetary limits and the same shall not exceed the limits specified under Section 197, read with Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactments(s) thereof, for the time being in force)."

Item No. 7: Approval for revision in the terms of remuneration of Mr. Thomas John Muthoot, Managing Director

To approve revision in the terms of remuneration of Mr. Thomas John Muthoot (holding DIN: 00011618): -

Members are requested to consider, and if thought fit, to pass with or without modification(s), the following resolution as Ordinary Resolution:

"**RESOLVED THAT** pursuant to the recommendation of the Nomination and Remuneration Committee and the approval of the Board of Directors and pursuant to the provisions of Section 196, 197 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, read with Schedule V of the Act (including any statutory modification(s) or re-enactments(s) thereof), and in partial modification to the resolution passed by the members of the Company at the Extraordinary General Meeting held on March 28, 2022, in respect of the re-appointment and remuneration of Mr. Thomas John Muthoot (holding DIN: 00011618), as Managing Director, the approval of the members of the Company be and is hereby accorded to revise the terms of remuneration of Mr. Thomas John Muthoot from 5% of net profits to 4% of net profits of the Company with effect from October 01, 2024, for the remaining period of his present term of appointment.

RESOLVED FURTHER THAT effective from October 01, 2024, the above terms of remuneration shall be deemed to have been included to the terms and conditions of the appointment and remuneration of Mr. Thomas John Muthoot (holding DIN: 00011618), Managing Director, and the employment agreement shall be amended accordingly.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profit in any financial year, Mr. Thomas John Muthoot shall be paid minimum remuneration as per the provisions of Section II, Part II of Schedule V to the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors of the Company (including the Nomination and Remuneration Committee) be and is hereby authorized to alter and vary the terms and conditions of appointment and/ or remuneration within the aforesaid monetary limits and the same shall not exceed the limits specified under Section 197, read with Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactments(s) thereof, for the time being in force)."

Item No. 8: Approval for revision in the terms of remuneration of Mr. Thomas Muthoot, Whole Time Director designated as Joint Managing Director

To approve revision in the terms of remuneration of Mr. Thomas Muthoot (holding DIN: 00082099): -

Members are requested to consider, and if thought fit, to pass with or without modification(s), the following resolution as Ordinary Resolution:

"**RESOLVED THAT** pursuant to the recommendation of the Nomination and Remuneration Committee and the approval of the Board of Directors and pursuant to the provisions of Section 196, 197 and other applicable provisions, if any, of the

Companies Act, 2013 and the Rules made thereunder, read with Schedule V of the Act (including any statutory modification(s) or re-enactments(s) thereof), and in partial modification to the resolution passed by the members of the Company at the Extraordinary General Meeting held on March 28, 2022, in respect of the re-appointment and remuneration of Mr. Thomas Muthoot (holding DIN: 00082099), as Whole Time Director, the approval of the members of the Company be and is hereby accorded to revise the terms of remuneration of Mr. Thomas Muthoot from 5% of net profits to 3% of net profits of the Company with effect from October 01, 2024, for the remaining period of his present term of appointment.

RESOLVED FURTHER THAT effective from October 01, 2024, the above terms of remuneration shall be deemed to have been included to the terms and conditions of the appointment and remuneration of Mr. Thomas Muthoot (holding DIN: 00082099), Whole Time Director designated as Joint Managing Director, and the employment agreement shall be amended accordingly.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profit in any financial year, Mr. Thomas Muthoot shall be paid minimum remuneration as per the provisions of Section II, Part II of Schedule V to the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors of the Company (including the Nomination and Remuneration Committee) be and is hereby authorized to alter and vary the terms and conditions of appointment and/ or remuneration within the aforesaid monetary limits and the same shall not exceed the limits specified under Section 197, read with Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactments(s) thereof, for the time being in force)."

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

Sd/-
Sachu Sivas
Company Secretary
ACS: 60475

Place: Trivandrum
Date: September 19, 2024

NOTES:

1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company. Proxies, in order to be valid, must be duly filled in, signed and deposited at the Registered Office of the Company at least 48 hours before the commencement of the Meeting. A proxy form (Form MGT - 11) is annexed to this notice.

   A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten per cent of the total share capital of the Company carrying voting rights. A member holding more than ten per cent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send the Company a certified copy of the board resolution authorising their representative to attend and vote on their behalf at the Meeting.

3. An explanatory statement pursuant to Section 102 of the Companies Act, 2013, setting out the material facts relating to the business under Item Numbers 4 to 8 to be transacted at the meeting, is annexed hereto and forms part of this Notice.

4. Members/Proxies are requested to bring the attendance slip (annexed to this notice) duly filled in for attending the meeting.

5. Members holding shares in dematerialized form are requested to write their client ID and DP ID Numbers in attendance slip and in all their correspondence with the Company. Those who hold shares in physical form are requested to write their folio number in the attendance slip.

6. Members are requested to intimate changes, if any, in the registered addresses to the Company in case of shares held in physical form and to their respective Depository Participant (DP) for the shares held in dematerialized form.

7. Members may kindly update regularly the changes in bank account with the following information in your DP account for the shares held in dematerialized form and with the Company in case of shares held in physical form:

   - Bank account number in full,
   - MICR Code,
   - IFS Code,
   - Full name of the Bank and address of the branch,
   - email address.

   The correct and complete particulars will help us to serve you better by timely credit of your future dividends immediately on payment by means of electronic credit.

8. The Register of Directors and their shareholding, maintained u/s 170 of the Companies Act, 2013 and Register of Contracts or Arrangements in which Directors are interested maintained u/s 189 of the Companies Act, 2013 and all other documents referred to in the notice and explanatory statement, will be available for inspection by the members of the Company at the Registered office of the Company during business hours 10:00 A.M. to 06:00 P.M. (except Saturday and Sunday) up to the date of Annual General Meeting and will also be available during the Annual General Meeting.

9. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.

10. Members who would like to ask questions on Accounts are requested to send their questions to the Registered Office of the Company before the Annual General Meeting to enable the Company to prepare suitable replies to such questions.

11. Electronic copy of the Annual Report for the FY 2023-24 and Notice of the 27th AGM of the Company along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/ Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same.
12. Members may also note that the notice of the 27th AGM and the Annual Report for the FY 2023-24 will be available on the Company's website, www.muthootfincorp.com. Members who require physical copy of the same, may write to us at cs@muthoot.com.
13. The route map and prominent landmark of the venue of the meeting is provided in this Notice.
14. The Annual General Meeting is called at a shorter notice, hence the consent form may be filled and returned for calling the Annual General Meeting at shorter notice under Section 101(1) of the Companies Act, 2013.

Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013

The following statement sets out all material facts relating to ordinary and special businesses mentioned in the accompanying Notice:

Item No. 4 & 5

The Members of the Company at the 25th Annual General Meeting held on September 28, 2022 appointed M/s Krishnan Retna & Associates, Chartered Accountants, Trivandrum as Joint Statutory Auditors-1 and M/s Rangamani & Co., Chartered Accountants, Alleppey as Joint Statutory Auditors-2 of the Company, for a period of 3 years, to hold office from the conclusion of 25th Annual General Meeting till the conclusion of 27th Annual General Meeting of the Company.

Further, the Reserve Bank of India's circular dated April 27, 2021 on Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs, and NBFCs (including HFCs) (the "Guidelines"/"Circular"), stipulates that an audit firm would not be eligible for reappointment in the same regulated entity for six years (two tenures) after the completion of full or part of one term of the audit tenure.

The Audit Committee of the Company at their meeting held on September 19, 2024, has reviewed the eligibility of the proposed Joint Statutory Auditors and has recommended their appointment. Accordingly, the Board of Directors of the Company, based on the recommendation of the Audit Committee, at their meeting held on September 19, 2024, has approved and recommended to the Members of the Company the appointment of M/s Isaac & Suresh, Trivandrum (ICAI Firm Registration No.001150S) as Joint Statutory Auditors-1 and M/s Vishnu Rajendran & Co., Chartered Accountants, Kochi (ICAI Firm Registration No.004741S) as Joint Statutory Auditors-2 for a period of 3 years to conduct the statutory audit of the financial statements of the Company for the financial years ended March 31, 2025, March 31, 2026, and March 31, 2027, as under, on such remuneration plus out of pocket expenses, if any, as may be mutually agreed upon between the Board of Directors of the Company and the said Joint Statutory Auditors:

First Term	From the conclusion of the 27th Annual General Meeting till the conclusion of 28th Annual General Meeting, to conduct the statutory audit of the accounts of the Company for the financial year ending March 31, 2025.
Second Term	From the conclusion of the 28th Annual General Meeting till the conclusion of the 29th Annual General Meeting to conduct the statutory audit of the accounts of the Company for the financial year ending March 31, 2026.
Third Term	From the conclusion of the 29th Annual General Meeting till the conclusion of the 30th Annual General Meeting to conduct the statutory audit of the accounts of the Company for the financial year ending March 31, 2027.

Both the Joint Statutory Auditors have confirmed that their appointment if made, will be within the limit specified under the Companies Act, 2013 ("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 Section 141 of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014 and the RBI Guidelines. Consent letters issued by the Joint Statutory Auditors are available at the registered office of the Company for inspection by any member of the Company.

Particulars	Details
Proposed statutory audit fee of Joint Statutory Auditors	Audit fees of Joint Statutory Auditors shall be fixed by the Board of Directors as may be mutually agreed upon between the Board of Directors of the Company and the said joint Statutory Auditors. The proposed audit fee commensurate with various parameters including the volume, scale, complexity, scope of work, activities, and functions of the joint statutory auditors for conducting the statutory audit of accounts of the Company for the financial years 2024-25, 2025-26, and 2026-27
Term of appointment	The Joint Statutory Auditors of the Company, shall hold office commencing from the conclusion of the 27th Annual General Meeting up to the conclusion of the 30th Annual General Meeting to be held in the year 2027 to conduct the audit of accounts of the Company for the financial year ending March 31, 2025, March 31, 2026, and March 31, 2027 on such terms and conditions as may be agreed upon between the Joint Statutory Auditors and the Board of Directors of the Company.
Basis of recommendation and auditor credentials	The Audit Committee and the Board of Directors of the Company based on the credentials of the firm and partners, statutory audit experience, capability, assessment of independence, the 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 Isaac and Suresh, Chartered Accountants, Thiruvananthapuram (ICAI Firm Registration No: 001150S), and M/s Vishnu Rajendran & Co., Chartered Accountants, Kochi (ICAI Registration No: 004741S) as Joint Statutory Auditors of the Company. **M/s Isaac & Suresh, Chartered Accountants** M/s Isaac and Suresh, Chartered Accountants is a leading professional firm providing Chartered Accountancy service in India. The firm comprises of a team of 10 professionally qualified and experienced partners with a staff strength of 104 members who are dedicated in bringing more value to clients in matters of compliance, assurance, taxation and consultancy. The firm was established in the year 1986 at Trivandrum. Firm's profile of assignments include statutory audits, internal audits, and wide range of services, including financial and business advisory, audit and assurance, project management and consultancy, tax and regulatory, risk advisory services under one roof. **M/s Vishnu Rajendran & Co., Chartered Accountants** Vishnu Rajendran & Co. is a firm of Chartered Accountants established in 1987. The firm operates with 7 partners. The Corporate Head Office is located at Kochi, Kerala. In addition to the Head Office, the firm has its offices at Bangalore, Trivandrum, Kottayam, Ettumanoor, Chennai & Kannur. This firm with excellent track record and team of professional provides audit and assurance, legal & taxation and management services.

None of the Directors or Key Managerial Personnel and their relatives are concerned or interested (financially or otherwise) in this Resolution.

The Board recommends the Ordinary Resolution as set out in Item Nos. 4 & 5 for the approval of the Members.

Item No. 6

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors has approved the change in designation of Mr. Thomas George Muthoot from Non-Executive Director to Whole Time Director, designated as

Joint Managing Director, in its meeting held on September 19, 2024, upon the terms and conditions set out in the draft agreement to be entered into by the Company with Mr. Thomas George Muthoot.

As per Para 97 of the Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 dated October 19, 2023 ('RBI Directions, 2023'), 'except for directorship in a subsidiary, Key Managerial Personnel (KMP) shall not hold any office (including directorships) in any other NBFC-ML or NBFC-UL'. To comply with the said directions on or before October 01, 2024, it has become necessary to reconstitute the directorships within the Non-Banking Financial Companies (NBFCs) of Muthoot Pappachan Group (MPG).

Considering the restructuring of directorships across the NBFCs in the Group, it has been proposed to designate Mr. Thomas George Muthoot and Mr. Thomas Muthoot (presently Whole Time Director) as Joint Managing Directors of the Company.

Rationale for Appointing Joint Managing Directors (JMDs)

As MFL's NBFC subsidiaries and Strategic Business Units (SBUs) continue to grow, the complexity of managing these entities has also increased. To ensure that MFL maintains strong oversight, strategic direction, and operational control, the appointment of Joint Managing Directors (JMDs) is a strategic move to enhance leadership capabilities across the organization. This, alongside the expanded role of the Managing Director (MD), will strengthen governance and drive long-term growth.

i. Enhanced Oversight and Governance:

With MFL's NBFC subsidiaries and SBUs growing rapidly, enhanced oversight is necessary to manage the increased complexities in regulatory compliance, financial stability, and risk management. The JMDs will ensure that each subsidiary and SBU adheres to these key governance areas, providing the leadership required to maintain high standards. This structure will allow the MD to focus on ensuring strategic alignment and strong governance across the core businesses and SBUs.

ii. Strategic Direction and Decision-Making:

The growth of subsidiaries and SBUs requires significant strategic decisions regarding scaling, market expansion, and resource optimization. The appointment of JMDs alongside the MD will ensure shared leadership, promoting balanced and informed decision-making. This structure will allow decisions to be made more efficiently, enabling MFL to capitalize on market opportunities quickly and effectively.

iii. Operational Efficiency Across Entities:

Thomas George Muthoot (TGM), as Joint Managing Director, will take on the responsibility of overseeing group businesses with a focus on strategically leveraging synergies across MFL, its subsidiaries, and other companies within the Muthoot Pappachan Group (MPG). One of TGM's key roles will be driving cross-selling initiatives by utilizing MFL's vast branch network and SBUs, enabling a more integrated approach to delivering the full suite of group company products and services to customers. His leadership will ensure that the branches and SBUs are optimized for cross-selling opportunities, improving customer engagement and delivering greater value across the portfolio.

TGM will focus on using data analytics and phygital (physical + digital) strategies to unlock the full potential of MFL's customer base. By leveraging live and historical data, he will ensure development of analytical tools to identify customer preferences and behaviours, enhancing the company's ability to cross-sell and tailor its offerings. His strategy will ensure that MFL's digital platforms and physical branches are well-integrated, increasing accessibility to the Company's products, improving customer retention, and driving acquisition.

As part of the overall strategy TGM will also explore new business lines, identifying untapped markets and growth areas. His leadership will be critical in forming strategic partnerships, alliances, and third-party collaborations, particularly with fintech companies and other financial institutions. These partnerships will expand MFL's product portfolio and market reach, ensuring the introduction of innovative solutions that meet evolving customer needs.

TGM will oversee public relations (PR), marketing, and communications, shaping MFL's marketing strategy to strengthen the Company's brand visibility and positioning. He will manage the marketing budget, ensuring resources are allocated effectively to maximize the impact of marketing campaigns and support the Company's growth objectives. Through targeted outreach, digital campaigns, and customer-focused initiatives, TGM will work to enhance MFL's market position and create new revenue streams.

Thomas Muthoot (TM), as Joint Managing Director, will oversee MFL's two NBFC subsidiaries i.e., Muthoot Microfin Limited (MML) and Muthoot Housing Finance Limited (MHFL). Both subsidiaries are rapidly growing and contributing significantly to MFL's portfolio and profitability. Given the Company's substantial stake in these entities, TM's leadership will be critical in ensuring they continue to deliver value and align with MFL's strategic objectives.

TM's previous experience as Managing Director of these subsidiaries gives him deep insights into their operations, allowing for effective oversight. His role will focus on corporate governance, regulatory compliance, and operational efficiency, ensuring that MML and MHFL adhere to high standards while managing the unique challenges each subsidiary faces.

TM will ensure that these subsidiaries remain aligned with MFL's broader strategic objectives, contributing to the group's vision of financial inclusion and innovation. His role will also involve formulating strategic initiatives to ensure both subsidiaries continue to grow and create value for MFL, positioning them as key growth drivers in the portfolio.

iv. Core Business and SBU Management:

Thomas John Muthoot (TJM), as Managing Director, will continue to oversee all core businesses of MFL, with an expanded role that includes supervising the three SBUs. TJM will ensure that MFL's core financial products such as gold loans, small business loans, loans against property, and other retail financial services are performing optimally. His leadership will provide strategic direction across SBUs, including digital verticals (MFLOne), mortgage loans (SULB), and wealth management. TJM will ensure that all units align with MFL's broader vision and long-term objectives.

TJM's responsibilities will include overseeing operational control, financial performance, product innovation, and strategic alignment across MFL's core businesses. He will focus on driving operational excellence, maintaining competitiveness, delivering value to customers, and enhancing overall profitability. Additionally, TJM will be responsible for ensuring that all regulatory, governance, and sustainability requirements are met, contributing to the long-term sustainability of MFL's operations.

TJM will also ensure that the SBUs streamline operations and improve cost efficiency, ensuring that these units contribute meaningfully to MFL's growth by delivering innovative financial solutions that meet evolving market demands.

This clear division of leadership responsibilities will allow JMDs to focus on growth areas and subsidiary management, while TJM maintains strategic oversight over core businesses and SBUs, providing balanced leadership across key business functions.

v. Business Continuity and Succession Planning:

The appointment of JMDs strengthens MFL's approach to business continuity and succession planning, spreading leadership responsibilities across multiple individuals to reduce risks associated with reliance on a single leader. This structure also ensures a clear succession pathway, enhancing the Company's ability to maintain continuity during transitions or unforeseen events.

vi. Subsidiary and SBU-Specific Focus:

Each NBFC subsidiary and SBU operates in distinct markets with unique challenges. The appointment of JMDs allows for focused attention on these subsidiaries, enabling tailored strategies to address specific market conditions, regulatory requirements, and operational needs. The core businesses and SBUs will receive enhanced focus from the MD, ensuring MFL continues to innovate and grow while delivering value to its customers and stakeholders.

vii. Stakeholder Confidence and Market Perception:

This expanded leadership structure instils greater confidence among investors, regulators, and other stakeholders, demonstrating MFL's proactive approach to managing its expanding businesses. The appointment of JMDs and TJM's oversight of core businesses and SBUs signals MFL's commitment to sustainable growth, strategic foresight, and long-term success.

This leadership structure featuring JMDs, and the expanded role of the Managing Director will enable MFL to maintain effective oversight, operational efficiency, and strategic direction across its growing subsidiaries, SBUs, and core businesses. This structure will drive sustainable growth and reinforce stakeholder confidence, positioning MFL for continued success in an increasingly competitive market.

Mr. Thomas George Muthoot shall be entitiled to remuneration at 3% of the net profits of the Company, within the limits prescribed under Section 197 of the Companies Act, 2013.

Mr. Thomas John Muthoot, Mr. Thomas Muthoot and Mrs. Preethi John Muthoot are deemed to be interested in the proposed appointment and resolutions, since they are related to proposed appointee.

The Board recommends the Ordinary Resolution as set out in Item No. 6 for the approval of the Members.

Item No. 7 & 8

Mr. Thomas John Muthoot was re-apppointed as the Managing Director and Mr. Thomas Muthoot was re-appointed as the Executive Director of the Company at the Extra Ordinary General Meeting of the Company held on March 28, 2022 for a period of 5 years with effect from February 01, 2022, with each of them drawing remuneration amounting to 5% of the net profits of the Company as permitted under Section 197 of the Companies Act, 2013.

Considering the proposed change in the designation of Mr. Thomas George Muthoot from Non -Executive Director to Whole Time Director, as stated in Item No. 6 of the Notice, with a remuneration of 3% of the net profits of the Company, it has been proposed to revise the existing remuneration drawn by Mr. Thomas John Muthoot and Mr. Thomas Muthoot, to bring the total managerial remuneration within the limits prescribed under Section 197 of the Companies Act, 2013.

Thus, based on the recommendation of Nomination and Remuneration Committee, the Board of Directors has approved and recommended the revision in the remuneration of Mr. Thomas John Muthoot and Mr. Thomas Muthoot in its meeting held on September 19, 2024 to the members for approval. Accordingly, Mr. Thomas John Muthoot will be entitled to remuneration at 4% of the net profits and Mr. Thomas Muthoot will be entitled to remuneration at 3% of the net profits of the Company w.e.f. October 01, 2024.

Mr. Thomas George Muthoot and Mrs. Preethi John Muthoot are deemed to be interested in the proposed Resolution No. 7 & 8, since they are related.

As a prudent corporate practice, the Board recommends the Ordinary Resolutions as set out in Item No. 7 & 8 for the approval of the Members.

Disclosures as required under Secretarial Standard - 2

Name of the Director	Thomas John Muthoot	Thomas George Muthoot	Thomas Muthoot
Age	62	62	58
Qualifications	B. Com Alumnus of the Harvard Business School	B. Com	BA and LLB
Experience	Mr. Thomas John Muthoot is the Managing Director of the Company and has been at the helm of the business for the past 3 decades. He is the Member of the CII Kerala State Council, Member of the Chamber of Commerce, Trivandrum. Currently serve as the Deputy Chairman of CII Southern Region. In recognition of his entrepreneurial talent in hospitality and of his professionalism in management, the Federation of Hotel and Restaurant Association of India (FHRAI) had honoured him with the prestigious "Young Hotel Entrepreneur Award" for the year 2006. In the year 2009, the Chamber of Commerce, Trivandrum had selected him as the "Businessman of the year" for his contribution to the Hospitality Sector.	Mr. Thomas George Muthoot has more than 30 years of experience and exposure in various facets of non-banking financial services. He is the Chairman of Kerala Non-Banking Finance Companies Welfare Association, Kochi, member of Finance Companies Association, and represents the Group at the Association of Gold Loan Companies ("AGLOC"). He is also acting as the secretary of AGLOC.	Mr. Thomas Muthoot leads the Muthoot Pappachan Group's drive to introduce innovative and efficient loan products. He has an in-depth understanding of consumer preferences and market nuances across India, resulting in the Group's launch of various new financial products. His knowledge of emerging markets and their functions have been harnessed in structuring the business interests of the Group.
Terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid	Remuneration at 4% of the net profits.	Remuneration at 3% of the net profits	Remuneration at 3% of the net profits
Last drawn remuneration	Remuneration at 5% of the net profits.	Commission at 1% of the net profits.	Remuneration at 5% of the net profits.
Date of first appointment on the Board	10.06.1997	10.06.1997	10.06.1997
Shareholding in the Company	26.56%	26.56%	26.56%

Relationships with other Directors, Manager and other KMP of the Company	Mr. Thomas John Murthoot, Mr. Thomas George Muthoot and Mr. Thomas Muthoot are brothers and Mrs. Preethi John Muthoot is the wife of Mr. Thomas John Muthoot.	Mr. Thomas John Murthoot, Mr. Thomas George Muthoot and Mr. Thomas Muthoot are brothers and Mrs. Preethi John Muthoot is the wife of Mr. Thomas John Muthoot.	Mr. Thomas John Murthoot, Mr. Thomas George Muthoot and Mr. Thomas Muthoot are brothers and Mrs. Preethi John Muthoot is the wife of Mr. Thomas John Muthoot.
Number of meetings attended during the financial year 2023-24	Attended eight meetings	Attended eight meetings	Attended eight meetings
Other Directorships	1. Mariposa Agri Ventures and Hospitalities Private Limited 2. MPG Hotels and Infrastructure Ventures Private Limited 3. Muthoot APT Ceramics Limited 4. Muthoot Automobile Solutions Private Limited 5. Muthoot Automotive (India) Private Limited 6. Muthoot Buildtech (India) Private Limited 7. Muthoot Capital Services Limited 8. Muthoot Equities Limited 9. Muthoot Hotels Private Limited 10. Muthoot Housing Finance Company Limited 11. Muthoot Land and Estates Private Limited 12. Muthoot Motors Private Limited 13. Muthoot Pappachan Medicare Private Limited. 14. Muthoot Pappachan Technologies Limited 15. Muthoot Risk Insurance and Broking Services Private Limited	1. Buttercup Agri Projects and Hospitalities Private Limited 2. Fox Bush Agri Development and Hospitalities Private Limited 3. Jungle Cat Agri Development and Hospitalities Private Limited 4. Mandarin Agri Ventures and Hospitalities Private Limited 5. MPG Hotels and Infrastructure Ventures Private Limited 6. Muthoot APT Ceramics Limited 7. Muthoot Automobile Solutions Private Limited 8. Muthoot Automotive (India) Private Limited 9. Muthoot Capital Services Limited 10. Muthoot Hotels Private Limited 11. Muthoot Housing Finance Company Limited 12. Muthoot Pappachan Medicare Private Limited 13. Muthoot Pappachan Technologies Limited	1. MPG Hotels and Infrastructure Ventures Private Limited 2. Muthoot Agri Development and Hospitalities Private Limited 3. Muthoot Agri Projects and Hospitalities Private Limited 4. Muthoot APT Ceramics Limited 5. Muthoot Automobile Solutions Private Limited 6. Muthoot Automotive (India) Private Limited 7. Muthoot Capital Services Limited 8. Muthoot Dairies and Agri Ventures Private Limited 9. Muthoot Hotels Private Limited 10. Muthoot Housing Finance Company Limited 11. Muthoot Motors Private Limited 12. Muthoot Pappachan Technologies Limited 13. Muthoot Risk Insurance and Broking Services Private Limited 14. The Right Ambient Resorts Private Limited

Other Directorships	16. Muthoot Microfin Limited 17. Trivandrum Centre for Performing Arts 18. Muthoot Pappachan Centre of Excellence in Sports 19. Speckle Internet Solutions Private Limited.	14. Muthoot Properties (India) Private Limited 15. Muthoot Risk Insurance and Broking Services Private Limited 16. The Thinking Machine Media Private Limited 17. Muthoot Microfin Limited 18. Finance Companies' Association (India). 19. Muthoot Pappachan Centre of Excellence in Sports 20. Muthoot Infrastructure Private Limited 21. Speckle Internet Solutions Private Limited	15. Muthoot Pappachan Centre of Excellence in Sports 16. Muthoot Microfin Limited 17. M-Liga Sports Excellence Private Limited 18. The Thinking Machine Media Private Limited 19. Prime Volleyball League Private Limited 20. Speckle Internet Solutions Private Limited
***Details of membership in the Committees of the Board including the Company**	Member - 5 Chairman - 1	Member - 3 Chairman - 1	Member - 3 Chairman - 1

** Disclosure includes Chairmanship/Membership of Committees as required for computation of maximum number of Committees of which Director can be Chairman or Member in terms of Regulation 26(1) of SEBI Listing Regulations.*

DIRECTORS' REPORT

Dear Shareholders,

Your directors are pleased to present the 27th Annual Report of your Company, together with the audited financial statements for the year ended on March 31, 2024.

1. Financial Results

(₹ in lakhs)

Particulars	Standalone		Consolidated	
	Current year ended 31.03.2024	Previous year ended 31.03.2023	Current year ended 31.03.2024	Previous year ended 31.03.2023
Total Income	4,01,577.32	3,49,126.36	6,58,451.64	5,15,132.53
Less: Total Operating Expenses	3,22,896.70	2,86,883.20	5,16,797.41	4,27,901.99
Profit Before Tax	78,680.62	62,243.16	1,41,654.23	87,230.54
Less: Tax Expenses	22,399.73	16,262.08	36,856.48	22,588.22
Profit After Tax	56,280.89	45,981.08	1,04,797.75	64,642.33
Earnings Per Share (₹) - Basic	29.05	23.74	45.68	30.40
Earnings Per Share (₹) - Diluted	27.97	22.85	43.98	29.26
Reserves & Surplus	4,06,750.94	3,69,932.89	5,60,275.17	4,06,347.80
Fixed Assets (Net)	39,747.51	39,301.60	47,751.65	45,646.57
Borrowings	20,31,747.48	17,82,317.46	30,61,720.19	25,64,059.71

2. Share Capital & Net Worth

During FY 2024, no new equity shares were issued.

The Authorised and Paid-up Share Capital of the Company stood at 42,500 lakhs (Equity - ₹22,500 lakhs and Preference Share Capital - ₹20,000 lakhs) and ₹19,370.56 lakhs (Equity Capital) and ₹15,000 lakhs (Preference Capital) respectively.

The net worth of the Company is ₹4,26,121.49 lakhs against the previous year registering an increase of 9.46%.

3. Dividend

RBI vide its circular dated June 24, 2021 (including any amendment thereof) has laid down a framework for declaration of dividend by NBFCs. Accordingly, the Board of Directors has recommended a final dividend of ₹5.75/- per equity share of face value of Rs.10/- each fully paid up i.e. 57.50%, for the Financial Year 2023-24, subject to declaration by Members at the ensuing 27th Annual General Meeting of the Company, after taking into account various aspects and in compliance with the said circular.

4. Transfer to Reserve Fund

Under Section 45-IC of the Reserve Bank of India Act, 1934, Non-Banking Financial Companies are required to transfer a sum not less than 20% of its net profit every year to reserve fund before declaration of any dividend. Accordingly, the Company has transferred an amount of ₹11,256.18 lakhs (20% of net profit) to the reserve fund of the Company.

Pursuant to the provisions of Companies Act, 2013 (the 'Act') read with relevant rules thereunder, the Company, being an NBFC, is exempt from creating debenture redemption reserve in respect of privately placed debentures including the requirement to invest up to 15% of the amount of debentures maturing during the next financial year. However, the Company maintains sufficient liquidity buffer to fulfil its obligations arising out of debentures. In case of secured debentures, an asset cover of at least 100% is maintained at all times.

5. Board of Directors

The Board of your Company has nine directors as on the date of this report. All the directors have varied experience and specialized knowledge in various areas of the Company.

All the directors of the Company have confirmed that they satisfy the 'Fit and Proper' criteria as prescribed under Annex XXIII of the Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023, as amended, and that they are not disqualified from being appointed/continuing as Directors in terms of Section 164(2) of the Act.

The details on the number of Board/Committee Meetings held are provided in the Report of the Directors on Corporate Governance, which forms part of this Report.

a) Changes in Directors and Key Managerial Personnel during the FY 2023-24

Appointment

Dr. Anthony Abraham Thomas holding DIN: 07749806 was appointed as the Additional Director on the Board of the Company w.e.f November 11, 2023. Subsequently, the members of the Company at the Extra Ordinary General Meeting held on February 05, 2024, regularised his appointment as Independent Director for a period of three years w.e.f February 05, 2024.

The following persons are the Key Managerial Personnel of the Company:

Mr. Thomas John Muthoot - Managing Director

Mr. Thomas Muthoot - Executive Director and Chief Financial Officer

Mr. Sachu Sivas - Company Secretary

b) Meetings of the Board

Details of various meetings of the Board are given in the Report on Corporate Governance which form part of this Report.

c) Directors Liable to retire by rotation

Mr. Thomas Muthoot (holding DIN: 00082099), Director of the Company will retire at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board of Directors recommends the re-appointment of Mr. Thomas Muthoot as Director of the Company.

d) Woman Director

Pursuant to the provisions of section 149 of the Companies Act, 2013, the Company shall have at least one-woman Director in the Board. Your Company has Mrs. Preethi John Muthoot, as Woman Director on the Board.

e) Declaration by Independent Director(s) and re- appointment, if any

The Company has 5 Independent Directors on the Board. The Independent Directors have also confirmed that they satisfy the criteria of independence as provided under section 149(6) of the Companies Act, 2013. The Independent Directors have complied with the Code of Conduct as prescribed under Schedule IV of the Companies Act, 2013.

Mr. A.P. Kurian and Mr. A Vikraman were re-appointed as independent directors for a further term of 5 years with effect from November 01, 2019, as per the provisions of section 149 of the Companies Act, 2013.

Mr. Badal Chandra Das and Mr. Ravi Ramchandran were appointed for a term of three consecutive years with effect from February 28, 2023 and whose office shall not be liable to retire by rotation.

Dr. Anthony Abraham Thomas was appointed as Independent Director for a term of three years w.e.f February 05, 2024 and whose office shall not be liable to retire by rotation.

6. Resource Mobilisation

i) Perpetual Debt

During the year under review, the Company has issued Unsecured, Rated, Unlisted, Redeemable Perpetual Debt Instruments (PDI) in the nature of Debentures amounting to ₹200 crore. As of March 31, 2024, the outstanding PDI stood at ₹699 crore which was considered as Tier I & Tier II capital under the guidelines issued by the Reserve Bank of India (RBI) for the purpose of computation of capital adequacy of the Company.

The PDI has been assigned the rating of CRISIL A/Stable by CRISIL and BWR A+/Stable by Brickwork. PDI is subordinated to the present and future senior indebtedness of the Company and is perpetual in nature with a call option after 10 years from the date of issue. The PDIs of the Company consists of listed and unlisted.

The rating for the Company's PDIs has not changed during the year.

The Company has been regular in its payment obligations towards PDI.

ii) Subordinated Debt

During the year under review, the Company has issued Unsecured, Rated, Listed and Redeemable, Non-Convertible Subordinated Tier II Debentures amounting to ₹150 crore. As at March 31, 2024, the Company's outstanding Subordinated Debt stood at ₹1,481.04 crore (including unlisted subordinated debt). Subordinated Debts qualify as Tier II capital under the Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023.

This debt is subordinated to the present and future senior indebtedness of the Company.

It has been assigned a rating of CRISIL AA-/Stable by CRISIL and BWR AA-/Stable by Brickwork. The rating for the Company's Subordinated Debt has not changed during the year.

The Company has been regular in its payment obligations towards the Subordinated Debt.

iii) Non-Convertible Debentures

Your Company has successfully completed the 16th Issue of Non-Convertible Debentures (NCDs) through public issue during the FY 2023-24 raising ₹905.38 crore.

The NCDs has been assigned the rating of AA-/Stable by CRISIL and BWR AA-/Stable by Brickwork. The Company's NCDs issued through public issue are listed on BSE Limited.

The rating for the Company's NCDs has not changed during the year.

The Company has been regular in its payment obligations towards the NCDs.

iv) Bank Finance

Bank Finance remains an important source of funding for your Company. Commercial Banks continued their support to your Company during the financial year. As at March 31, 2024, the total loans outstanding from banks amounted to ₹15,148.75 crores as compared to ₹12,493.78 crores as at March 31, 2023. The Company has also availed loans from Financial Institutions, outstanding of which as of March 31, 2024 stood at ₹157.21 crore as against ₹4.37 crore as at March 31, 2023. These Bank Loans have been assigned the rating of CRISIL AA-/Stable by CRISIL.

v) Commercial Paper

As on March 31, 2024, there are no outstanding Commercial Papers issued by the Company.

7. Credit Rating

During the year under review, there was no change in the credit ratings obtained by the Company. The following are the rating obtained by the Company as on March 31, 2024:

Type of Instrument	Credit Rating Agency	Ratings
Short Term Rating - Commercial Paper	CRISIL	CRISIL A1+
	BRICKWORK	BWR A1+
Long Term Rating - Bank Facilities	CRISIL	CRISIL AA-/Stable
	BRICKWORK	BWR AA-/Stable
Perpetual Debt Instruments	CRISIL	CRISIL A/Stable
	BRICKWORK	BWR A+/Stable
Subordinate Debt	CRISIL	CRISIL AA-/Stable
	BRICKWORK	BWR AA-/Stable
Non-Convertible Debentures (NCD)	CRISIL	CRISIL AA-/Stable
	BRICKWORK	BWR AA-/Stable
MLD	CRISIL	CRISIL PPMLD AA- /Stable

8. Deposits

The Company is a Non-Deposit taking Systemically Important Non-Banking Financial Company and has not invited or accepted any deposit pursuant to the regulations of the Reserve Bank of India as on March 31, 2024. The Company has passed a Board resolution for non-acceptance of deposits from the public.

9. Employee Stock Option Scheme (ESOS)

The Company offers stock options to employees of the Company and its subsidiaries to foster a spirit of ownership and an entrepreneurial mindset. Because of their nature, stock options help to build a holistic, long-term view of the business and a sustainability focus on the Senior Management team. This has contributed to the active involvement of the leadership and senior team who are motivated to ensure long-term success of the Company. Grant of stock options also allows the Company to effectively align with the risk considerations and build the focus on consistent long-term results.

The shareholders of the Company at their meeting held on July 13, 2018, had approved the implementation of "Employees Stock Option Plan 2018" (ESOP) and "Stock Appreciation Rights 2018" (SAR) and empowered the Nomination & Remuneration Committee of the Company for the administration of the said ESOP & SAR Schemes. Further, the shareholders of the Company at their meeting held on April 24, 2024, approved the extension of benefits under MFL Employee Stock Option Plan 2018 to the employees of subsidiary or holding Companies and also the implementation of the stock option plan through the "Muthoot Fincorp Employee Welfare Trust.

As per the Employee Stock Option Scheme of the Company, the total options which would be granted is 38,74,111. As stated, during the year under review, the scheme has been amended, inter alia, to expand the categories and base of employees who could be eligible for grant of options.

The disclosure required under Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 is annexed to this Report as **Annexure I**.

During the year, the Company has not issued any sweat equity shares or equity shares with differential voting rights.

10. Capital Adequacy Ratio (CAR)

As of March 31, 2024, the CAR stood at 20.01%, of which Tier-1 capital was 15.87% and Tier-2 capital was 4.14%. As per regulatory norms, the minimum requirement for the CAR is 15% of its aggregate risk weighted assets on the balance sheet items and of risk adjusted value of the off-balance sheet items. For gold loan companies the minimum Tier I capital shall be at 12%.

11. Internal Capital Adequacy Assessment Policy ('ICAAP')

Pursuant to Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 issued by RBI on October 19, 2023 ('RBI Scale Based Regulations'), NBFCs are required to have an ICAAP in place. The objective of ICAAP is to ensure availability of adequate capital to support all risks in business and also to encourage NBFCs to develop and use better internal risk management techniques for monitoring and managing their risks. Accordingly, the Company has framed an ICAAP policy. This policy is developed considering the requirements of the SBR and is based on the Pillar-2 requirements under Basel III Framework developed by the Basel Committee on Banking Supervision (BCBS).

The objective of the policy is to provide an ongoing assessment of the Company's entire spectrum of risks and the methodology to assess current and future capital, reckoning other mitigating factors and also to assist and apprise the Board on these aspects and on Company's internal capital adequacy assessment process and Company's approach to capital management.

12. Changes to the constitutional documents

a) Memorandum of Association (MoA)

The members of the Company vide special resolution dated February 29, 2024, has approved the alteration of Object Clause of the MoA and also adopted a new set of MoA as per the provisions of the Companies Act, 2013.

b) Articles of Association (AoA)

SEBI vide its notification dated February 02, 2023 amended SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 by inserting sub-regulation (6) in regulation 23 which mandates an issuer to ensure that its AoA require its Board of Directors to appoint a person nominated by the Debenture Trustee ('DT') upon occurrence of any of the events of default as per regulation 15(1)(e) of the SEBI (Debenture Trustees) Regulations, 1993 ('DT Regulations'). In order to comply with above requirements, the AoA of the Company was amended to enable DT to appoint their Nominee on the Board upon occurrence of any of the event specified in regulation 15(1)(e) of the DT Regulations vide special resolution passed by members on September 29, 2023.

13. Subsidiaries / Associates / Joint Ventures

As on March 31, 2024, your Company had three subsidiaries namely Muthoot Microfin Limited, Muthoot Housing Finance Company Limited and Muthoot Pappachan Technologies Limited.

Muthoot Microfin Limited (MML) is the microfinance arm of Muthoot Pappachan Group and a subsidiary of the Company. MML is one of the leading and fast-growing microfinance institutions (NBFC-MFI) in India.

On December 26, 2023, the equity shares of MML were listed with National Stock Exchange of India Limited and BSE Limited.

Muthoot Housing Finance Company Limited (MHFCL), is a subsidiary of the Company. MHFCL caters mainly to the housing finance requirements of customers in the middle and lower-income category.

Muthoot Pappachan Technologies Limited (MPTL) is the IT Division of the Group and a subsidiary of the Company. MPTL is providing IT support to the group companies.

All the above subsidiaries are profit making companies and have been contributing to the overall growth of your Company during the year. As required under section 136 of the Companies Act, 2013 ("the Act"), the audited financial statements, including the consolidated financial statements of your Company are available on the website of the Company.

14. Financial Performance of Subsidiaries

During the year under review, the Board of Directors reviewed the affairs of the subsidiaries. In accordance with section 129(3) of the Act, we have prepared the consolidated financial statements of the Company which forms part of this report. The statement containing the salient features of the financial statement of your Company's subsidiaries in

Form AOC-1 is annexed to this Report as **Annexure II** as required under Rule 5 of the Companies (Accounts) Rules, 2014.

The Company has no associates and joint venture companies.

The key financial numbers of the subsidiaries of the Company as on March 31, 2024, are as follows:

(₹ in lakhs)

Name of the Subsidiary	Muthoot Housing Finance Company Limited	Muthoot Microfin Limited	Muthoot Pappachan Technologies Limited
Total Operating Revenue	29,272.82	2,27,018.03	2,277.37
Non-Operating Revenue	-	1,531.03	-
Total Revenue	**29,272.82**	**2,28,549.06**	**2,277.37**
Total Expenses	**24,602.51**	**1,70,364.84**	**2,158.33**
Profit Before Tax	**4,670.31**	**58,184.22**	**119.04**
Tax Expenses	1,197.70	13,225.90	33.11
Profit After Tax	**3,472.61**	**44,958.32**	**85.93**

15. Prevention, Prohibition and Redressal of Sexual Harassment of Women at the Workplace

The Company has adopted a stringent policy on prevention, prohibition and redressal of sexual harassment of women at the workplace in line with provisions of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder.

The Company has set up an Internal Complaints Committee (ICC) as required under the said Act to redress the complaints pertaining to sexual harassment. All employees (viz., permanent, contractual, temporary, trainees) are covered under this policy. Any complaint received by the ICC shall be dealt appropriately in accordance with the policy and applicable laws and regulations as provided in the Act.

The Annual Report of ICC for the calendar year ended December 2023 was submitted to the office of District Collector, Trivandrum on January 22, 2024.

Details of cases reported to ICC during the calendar year are as under:

Number of complaints pending at the beginning of the calendar year	0
Number of complaints received during the calendar year	14
Number of complaints disposed of during the calendar year	14
Number of complaints pending as on end of the calendar year	0

16. Operations, Call Centre & Change Management

Operations is the backbone of the Company's internal and external service delivery. The Company's operations service delivery is managed out of its Head Office at Trivandrum. The business organisation structured across multiple zones is supported by respective functions, including Operations having representation in such zones.

At the Head Office, service delivery to branches and customers is delivered 24x7 by way of availability of team members who 'work from home' (WFH) on days when HO is not working. This coupled with the Zonal Operations structure has resulted in a regularly active 'Business Continuity Plan' (BCP) in today's competitive and challenging environment for a disruption-free service delivery.

The Company strives to adopt an empathetic approach to drive efficiencies and best-in-class service delivery. It supports launch of new products and services with a 'project management' approach. It continuously explores opportunities to improve service delivery and cost efficiency through process improvements and technology enablement.

Quality Control is a key focus area within Operations to imbibe a culture of service delivery with Quality without compromising on controls. Regular knowledge assessments and trainings are carried out within the operations unit for ensuring a consistently high level of service delivery and adherence to internal controls and guidelines.

Internal controls are reviewed continuously so that risks are well managed. End-to-end processes are regularly reviewed to reduce errors, automate manual processes, improve processing cycle times, and manage costs efficiently.

Operational risks which can result in a loss because of inadequate or failed internal processes, people or systems or normal external events are regularly reviewed to ensure an appropriate and controlled operating environment. Every new product or process, before being implemented, is subject to a rigorous process and control review and appropriate approvals are obtained where relevant risks are identified.

As on March 31, 2024, the Company had 3,683 Branches spread across 23 States and in 2 Union Territories and serving about 1,50,000 customers a day.

The presence of branches is spread across Metro, Urban, Semi-Urban and Rural agglomerations and has enabled your Company to ensure last mile connectivity which is crucial for its business. Operations is responsible for ensuring that the Company's branches are equipped with trained and knowledgeable manpower. They are appropriately empowered to deal with customers to serve the customer timely and efficiently.

Some of the key achievements during the Financial Year:

Productivity, Cost, Efficiency drivers

- 85% digitalized customer onboarding
- Paperless, Digital Gold Loan disbursal with e-sign in 1500+ branches
- 50% of all customer gold loan transactions being digital
- 5 lakh+ Google Reviews
- Call Centre transformation into a Business Channel with 80 crore + business
- Voice BOT calls to aid Branches and Customer Service leading to additional 46 lakh + sales calls

17. Policies on appointment of Directors and Remuneration

In accordance with section 178 and other applicable provisions, if any, of the Companies Act, 2013, the Company has formulated the Nomination and Remuneration Policy on March 27, 2015. The said policy is available on the website of the Company at www.muthootfincorp.com.

The said policy covering the Company's policy on appointment and remuneration of Directors, Key Managerial Personnel and other employees including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under sub-section (3) of section 178 of the Companies Act, 2013.

The directors affirm that the remuneration paid to the Directors is as per the terms laid down in the said policy of the Company.

18. Disclosure of Remuneration

The disclosures required under the provisions of Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, containing, inter-alia, the ratio of remuneration of directors to median remuneration of employees, percentage increase in the median remuneration, are annexed to this Report as **Annexure III**.

The Managing Director and Executive Director & CFO of the Company as per the terms of their appointment, does not draw any commission or remuneration from any of the subsidiaries of the Company. Hence, no disclosure as required under section 197(14) of the Act has been made.

19. Particulars of Employees

In accordance with section 136 of the Act, the financial statements are being sent to the members and others entitled thereto. The statement containing the particulars of top ten employees as prescribed under Rule 5(2) and 5(3) of the

Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is available for inspection of the shareholders at the ensuing Annual General Meeting (AGM). If any member is interested in obtaining a copy, such member may send an e-mail to the Company Secretary at cs@muthoot.com.

20. Significant and Material Orders passed by the Regulators or Courts or Tribunals

During the year, no significant or material orders were passed by any regulator or court or tribunal against the Company impacting the going concern status and the Company's operations in future.

21. Frauds reported to the Audit Committee by Auditors

During the year under review, there were no instances of any frauds reported by the Statutory Auditors under section 143(12) of the Act.

22. Particulars of Contracts or Arrangements with Related Parties

The Board of Directors of your Company has put in place a policy for related party transactions. All contracts executed by the Company during the financial year, with related parties, were on arm's length basis and in the ordinary course of business. All such related party transactions were entered into in accordance with the said policy on Related Party Transactions of the Company. All related party transactions were placed before the Audit Committee and Board for review and approval.

All transactions or arrangements with related parties referred to in Section 188(1) of the Act, entered into during the year were on arm's length basis or were in the ordinary course of business or with approval of the Audit Committee and Board. During the year, your Company had not entered into any contract/ arrangement/ transaction with related parties which could be considered material in accordance with the Act. Further, there were no material related party transactions (exceeding Rs. 1000 crore or 10% of the annual consolidated turnover) that required approval of shareholders. There were no transaction requiring disclosure under section 134(3)(h) of the Act. Hence, the prescribed Form AOC-2 does not form a part of this Report.

Details of other related party transactions are provided in the notes to the financial statements.

The Company's policy on dealing with Related Party Transactions is available on its website at www.muthootfincorp.com

23. Vigil Mechanism/ Whistle Blower Policy

The Company's Whistle Blower policy provides a mechanism under which an employee/director of the Company may report unethical behaviour, suspected or actual fraud, violation of code of conduct and personnel policies of the Company. The Vigil Mechanism ensures standards of professionalism, honesty, integrity, and ethical behaviour.

24. Fair Practices Code

The Company has framed a Fair Practices Code (FPC) as per the provisions contained in Chapter VI of the Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.

The FPC is also reviewed at frequent intervals to ensure its adequacy and appropriateness.

25. Customer Grievance

The Company has a dedicated Customer Grievance Cell for receiving and handling customer complaints and ensuring that the customers are always treated fairly and without bias. All issues raised by customers are dealt with courtesy and resolved expeditiously.

The Company has also appointed an Internal Ombudsman with a view to strengthen the internal grievance redressal system of the Company and to ensure that the complaints of the customers are redressed adequately on time.

26. Investor Education and Protection Fund (IEPF)

There were no amounts which were required to be transferred to IEPF by the Company during the year ended March 31, 2024.

Company Secretary is the Nodal Officer of the Company, appointed pursuant to Rule 7(2A) of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

27. Details of gold auction conducted during the FY 2023-24

Particulars	Amount (₹ in lakhs)
Number of accounts auctioned	1,77,037
Outstanding amount:	
Principal (a)	70,351.35
Interest and charges (b)	25,322.04
Value fetched under auction (a+b)	1,02,840.60

Muthoot Exim Private Limited, a sister concern participated in some of the gold auctions conducted during the FY 2023-24 and the transactions were carried out at arm's length pricing.

28. Particulars of Loans, Guarantees, or Investments under Section 186 of the Act

Pursuant to section 186(11)(a) of the Act read with Rule 11(2) of the Companies (Meetings of Board and its Powers) Rules, 2014, the loan made, guarantee given, or security provided in the ordinary course of business by a Non-Banking Financial Company (NBFC) registered with Reserve Bank of India are exempt from the applicability of provisions of section 186 of the Act.

The Company has not made any investments not permitted under sub section (1) of section 186 of the Companies Act, 2013.

29. Directors' Responsibility Statement

Pursuant to clause (c) of sub-section (3) of section 134 and sub-section (5) of section 134 of the Companies Act, 2013, and based on the information provided by the management, your directors state that:

a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

b) The accounting policies selected have been applied consistently. Reasonable and prudent judgments and estimates have been made to give a true and fair view of the state of affairs of the Company as at the end of FY24 and of the profit of the Company for the said period;

c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;

d) The annual accounts of the Company have been prepared on a going concern basis;

e) The Directors have laid down internal financial controls to be followed by the Company, and such internal financial controls are adequate and were operating effectively; and

f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

30. Auditors and Auditors' Report

a) Statutory Auditors

The Reserve Bank of India vide its circular RBI/2021-22/25, Ref.No.DoS.CO.ARG/ SEC.01/ 08.91.001/2021-22 dated April 27, 2021, issued guidelines for the appointment of Statutory Auditors for NBFCs made applicable from

FY2021-22. The circular prescribed joint audit by a minimum of two audit firms for NBFCs with an asset size in excess of Rs. 15,000 crore. The circular further prescribed the eligibility criteria for shortlisting / appointment of the Joint Statutory Auditors.

Your Company at the Annual General Meeting held on September 28, 2022 had appointed M/s Krishna and Associates (FRN 001536S), 201 Block A, Nandini Gardens, Fort, Thiruvananthapuram, Kerala - 695 023 as Joint Auditor 1 and M/s Rangamani and Co. (FRN 003052S), Rose Gardens, North of Iron Bridge, Alappuzha, Kerala - 688 011 as Joint Auditor 2 for conducting the Audit of the Company for the FY 2022-23 and FY 2023-24 and they shall hold office until the conclusion of the 27th Annual General Meeting.

Accordingly, M/s Krishna and Associates and M/s Rangamani and Co., present Joint Statutory Auditors will cease to be the auditors upon completion of this AGM.

The Statutory Audit Report for the year ended March 31, 2024, does not contain any qualifications, reservations, adverse remarks, or disclaimer. The report of the Joint Statutory Auditors is annexed to this report.

Further, during the year, the Joint Statutory Auditors have not come across or reported any incident of material fraud to the Audit Committee or the Board of Directors of the Company, under section 143(12) of the Companies Act, 2013.

In line with the RBI requirements, the Board of Directors, based on the recommendation of the Audit Committee, at their meeting held on September 19, 2024, have proposed the appointment of M/s Isaac & Suresh, Chartered Accountants as Joint Statutory Auditors-1 and M/s Vishnu Rajendran & Co. Chartered Accountants as Joint Statutory Auditors-2 for a period of 3 years to conduct the audit of the financial statements of the Company for the financial years 2025, 2026 and 2027. Profile and other details of the proposed Joint Statutory Auditors forms part of the AGM notice.

Pursuant to the provisions of section 139(1) of the Act, approval of the members of the Company will be sought for their appointment as Joint Statutory Auditors for a period of 3 years at the ensuing Annual General Meeting scheduled on September 30, 2024. If approved, they will hold office as Joint Statutory Auditors from the conclusion of the 27th AGM till the conclusion of the 30th AGM.

b) Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s SEP & Associates, Practicing Company Secretaries, as the Secretarial Auditors for the FY 2023-24 to undertake the Secretarial Audit of the Company.

The Secretarial Audit Report issued by the Secretarial Auditors is annexed to this Report as **Annexure IV** and does not contain any qualifications, reservation or adverse remark.

Annual Secretarial Compliance Report

The Company has undertaken an audit for FY 2023-24 for all applicable compliances as per SEBI Regulations and Circulars/ Guidelines issued thereunder.

The Annual Secretarial Compliance Report was submitted to BSE Limited within 60 days of the end of the financial year.

c) Internal Auditors

The internal audit function provides an assurance to the Audit Committee/Board of Directors and the Senior Management on the quality and effectiveness of the Company's internal controls, risk management and governance related systems and processes.

The Audit Committee on a quarterly basis reviews the internal audit reports based on the approved plan, which includes significant audit observations, corrective and preventive actions. The Committee also reviews adequacy and effectiveness of internal controls based on such reports.

The Head of Internal Audit is responsible for the Internal Audit of the Company in compliance with the RBI's Risk Based Internal Audit (RBIA) Framework for NBFCs dated February 03, 2021.

The Head of Internal Audit is functionally reporting to the Audit Committee and administratively reporting to the Chief Executive Officer.

31. Regulatory Guidelines/Amendments

The Company has complied with the Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 regarding accounting standards, prudential norms for asset classification, income recognition, provisioning, capital adequacy, etc.

Compliance

The Company has an independent Compliance function headed by a Chief Compliance Officer (CCO) with direct reporting to the Board and administrative reporting to the Chief Executive Officer. The Compliance function ensures strict observance of all statutory and regulatory requirements for the Company in accordance with the Board approved Compliance policy.

32. Secretarial Standards

The Company has complied with the applicable provisions of Secretarial Standards 1 and 2 issued by the Institute of Company Secretaries of India.

33. Cost records and Cost Audit

Maintenance of Cost Records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 is not applicable for the business activities carried out by the Company.

34. Annual Return

In accordance with the provisions of Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return of FY24 of the Company is hosted on the website of the Company at www.muthootfincorp.com

35. Formal Annual Evaluation

The Company has in place a formal evaluation framework for assessing the performance of Directors comprising of the following key areas:

i) Attendance of Board and its Committee Meetings;

ii) Quality of contribution to Board deliberations, safeguarding the interest of the Company, independence of judgment, level of engagement and contribution;

iii) Strategic perspectives or inputs regarding future growth of the Company and its performance;

iv) Providing perspectives and feedback going beyond the information provided by the Management; and

v) Commitment to shareholders' and other stakeholders' interests.

The evaluation involves self-evaluation by each board member and subsequently assessment by the Board of Directors. A member of the Board will not participate in the discussion of his/her evaluation.

36. Internal Financial Control

The Company has adequate system of internal control to safeguard and protect from loss, unauthorised use, or disposition of its assets. These systems provide a reasonable assurance in respect of providing financial and operational information, complying with applicable statutes, safeguarding of assets of the Company, prevention and detection of frauds, accuracy and completeness of accounting records and ensuring compliance with corporate policies.

All the transactions are properly authorised, recorded, and reported to the Management. Internal Audit is carried out in a programmed way and follow up actions are taken to rectify all audit observations. Statutory Auditors of the Company have confirmed the adequacy of the internal control procedures, in their report.

37. Risk Management

Effective risk management is of primary importance to Company's overall operations and is integral to the governance of the Organization. Accordingly, the Company's risk management process has been designed to identify, measure, and mitigate risks in conducting its activities. Risk management is built on a foundation of Company's mission & vision and value proposition. Company strives to serve its customers and all other stakeholders as a trusted partner by responsibly providing financial services that enable growth and economic progress while earning and maintaining the public's trust by constantly adhering to the highest ethical & governance standards.

Company's risk governance framework consists of the policies, standards, procedures and processes through which it identifies, assesses, measures, manages, monitors, reports and controls risks across the Company. It also propagates Company's risk culture and lays out standards, procedures and programs that are designed and undertaken to enhance the Company's risk culture, embed this culture deeply within the Organization, and give employees tools to make sound and ethical risk decisions. Company's risk appetite, which is approved by its Board of Directors, specifies the aggregate levels and types of risk the Board and Management are willing to assume to achieve its strategic objectives and business plan, consistent with applicable capital, liquidity and other regulatory requirements.

The Risk Management in the Organization is designed to act as an independent function of the business to manage market, credit and operational risk in a manner consistent with its risk appetite. The Enterprise Risk Management Department establishes policies and guidelines for risk assessments, risk management and contributes to controls and tools to manage, measure and mitigate risks taken by the Company. In line with the regulatory requirements, the Enterprise Risk Management Department of the Company is headed by the Chief Risk Officer (CRO).

The key elements of the Company's Risk Management includes:

i) Appropriate policies and procedures approved by the Board of Directors;
ii) Efforts to identify and measure, monitor and report different risks by Risk, Audit and Vigilance teams in ensuring a sound system of internal controls which is consistent;
iii) Identification of Key Risk Indicators (KRIs) for the Company, to assess the different thresholds for High, Medium and Low risk and compilation of the risk profile of the Company and also monitor the direction of risk; and
iv) A robust system of Risk Based Internal Audit (RBIA) as envisaged by the regulator.

38. Corporate Social Responsibility (CSR)

As on March 31, 2024, the CSR Committee of the Company comprises of five directors viz., Mr. A. Vikraman, Chairman, Mr. Thomas John Muthoot, Mr. Thomas George Muthoot, Mr. Thomas Muthoot and Mr. Ravi Ramchandran as members.

The CSR policy of the Company reflects the Company's philosophy and mission to portray its commitment to be a responsible, corporate citizen and presents the strategies and methods for undertaking social programs for the well-being and sustainable development of the local community in which it operates.

The objective of the said policy includes:

i) Build a framework of CSR activities with a philanthropic approach in line with business unit objectives, which also benefits the organization at large.
ii) Shape sustainability for the organization by 'Engaging the Community'.
iii) Build a corporate brand through CSR
iv) For other stakeholders make it "an integral part of the Company's DNA, so much so that it has to be an organic part of the business".

All CSR initiatives are implemented in accordance with the Schedule VII of the Companies Act, 2013. The details of CSR policy of the Company are available on the website of the Company at www.muthootfincorp.com.

The Annual Report on CSR activities as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed to this Report as **Annexure V.**

39. Particulars regarding conservation of energy, technology absorption and foreign exchange earnings and outgo

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

a) **Conservation of Energy:** Your Company being a Non-Banking Finance Company, has no activities involving conservation of energy.

b) **Technology Absorption:** Your Company being a Non-Banking Finance Company, has no activities involving adoption of any specific technology.

c) **Foreign Exchange Earnings and Outgo:** The Company has no foreign exchange earnings. There was an outgo of foreign exchange of ₹60.36 lakhs.

40. Management Discussion & Analysis Report and Report of the Directors on Corporate Governance

The Company has adopted best corporate practices and is committed to conducting its business in accordance with the applicable laws, rules and regulations. The Company's Corporate Governance practices are driven by effective and strong Board oversight, timely disclosures, transparent accounting policies and high level of Integrity in decision making.

The Management Discussion & Analysis Report and the Report of the Directors on Corporate Governance form part of this Report.

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

Disclosure pursuant to Part A of Schedule V read with Regulation 53(f) of SEBI Listing Regulations is annexed to this Report as **Annexure VI**.

42. Material Changes and Commitments affecting the financial position of the Company between the end of the financial year to which financial statements relate and the date of the report

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

43. Details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016

The Company, in the capacity of Financial Creditor, has filed an application before the National Company Law Tribunal, Delhi and Chennai under the Insolvency and Bankruptcy Code, 2016 against the personal guarantors in two exposures.

44. New initiatives

The Company has taken up impactful initiatives and new businesses which will help the Company to navigate into future, such as:

- **MFL One App**

  The Super App of MFL was launched in May 2023 and manages the digital businesses with over 18 Lacs Download and 6 Lacs App users in place.

- **Digital Lending**

  Launched QR code based Digital Lending through MFL One platform and disbursed over Rs. 400 Crores.

- **GL Schemes**

  9 new GL Schemes introduced to cater the needs of the various segments, including Udaan- aimed to include financial inclusion.

- **Supply Chain Financing**

  We launched the newest product under the umbrella of Secured and Unsecured Lending Business in March 2024 and have started disbursing loans.

- **Credit Report for MFL Customers**

  We launched Credit Report facility as a service with a nominal fee in September 2023 and we currently have an average of 70000 transactions

- **64 New branches opened**

  We got license for 100 branches in November and have opened 64 branches during the FY 2023-24.

- **Product Recommendation through Machine Learning (ML)**

  Launched in October 2023, ML driven product recommendation supports the branch in recommending curated product offering customized for the customer.

- **Acquisition and Retention Unit (ARU)**

  The ARU was set up to have effective communication made to the prospect customers and existing customers. Today, we reach out to ~1.25 Crores customers in a month.

- **Building Functional Specialties**

  We have been building functional capabilities across businesses and functions.

- **Employee Engagement Survey**

  We have initiated and completed the employee engagement survey partnering WE and got a 91% response rate. At 83% engagement level, MFL is in the High-Performance Range, hence employees will be able to achieve the business targets.

- **Individual KPIs rollout**

  Rolled out individual KPIs, Branch categorization and rewards. Individual Score Cards are established and there is a monthly reporting in place. Incentives based on individual performance are also rolled out.

- **E-Sign**

  We have implemented E-sign in 1500+ branches and is in the process of completing in other branches. This has substantially reduced the time and effort of both the customers and branch staff.

45. Human Resources

As on March 31, 2024, the Company had 22,500 employees on its rolls at various levels of organizational structure.

46. Acknowledgement

Your Board is grateful for the continued guidance and cooperation extended by the Reserve Bank of India, Securities and Exchange Board of India (SEBI), the Central Government, the State Government, the Registrar of Companies, Kerala, BSE Limited and the depositories and other regulatory authorities. Your Board wishes to place on record its deep appreciation of the Independent Directors of your Company for their immense contribution by way of strategic guidance, sharing of knowledge, experience and wisdom, which help your Company take right decisions in achieving its business goals.

The Board takes this opportunity to express their sincere appreciation for the excellent patronage received from the Banks and other Financial Institutions. Your Board appreciates the relentless efforts of the employees, and the Management Team in achieving a commendable business performance despite a challenging business environment.

The Board further places on record its appreciation of the valuable services rendered by M/s Krishnan Retna & Associates, M/s Rangamani & Co., Joint Statutory Auditors and M/s. SEP & Associates, Company Secretaries, Secretarial Auditors. Your Board takes this opportunity to thank all its Stakeholders including Shareholders, Debenture holders, Customers and Vendors as it considers them essential partners in progress.

For and on behalf of the Board of Directors

	Sd/-	Sd/-
	Thomas John Muthoot	**Thomas George Muthoot**
Place: Thiruvananthapuram	Managing Director	Director
Date: September 19, 2024	DIN:00011618	DIN:00011552

Annexure I

Disclosure under Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014

Particulars	MFL Employee Stock Option Scheme 2018	MFL Employee SAR Scheme 2018
a) Options granted	23,57,550	12,85,330
b) Options vested	1,90,156	1,96,703
c) Options exercised	7,902	1,95,721
d) Total number of shares arising as a result of exercise of option	Nil	Nil
e) Options lapsed / cancelled	1,60,746	1,16,193
f) Exercise price (INR in Rs.)	100	225
g) Variation of terms of options	Nil	Nil
h) Money realized by exercise of options (INR in Rs.)	7,90,200	Nil*
i) Total number of options in force as on March 31, 2024	21,88,902	9,73,416
j) Employee wise details of options granted to:		
(i) Key Managerial Personnel	Nil	Nil
(ii) Any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year	During the FY 2023-24, the Company has not granted options to any employees in excess of five percent or more of the total grant. Mr. Shaji Varghese, Chief Executive Officer of the Company was granted 300,000 options during the FY 2022-23.	Nil
(iii) identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant	Nil	Nil

Note:

Pursuant to the shareholders approval dated July 13, 2018, the total pool available for both ESOP & SAR is 38,74,111 Shares (2% of issued capital of the Company as on July 13, 2018). Further, the shareholders of the Company at the EGM held on April 24, 2024, has amended the earlier schemes and reserved the entire equity pool under ESOP 2018.

* The pay out to the eligible employees shall be determined on the differential pricing of Fair Market Value (FMV) of shares and the approved strike price/grant of SAR i.e., Rs. 225/.

Annexure II

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part A: Subsidiaries

(₹ in lakhs)

1.	Name of the subsidiary	Muthoot Housing Finance Company Limited	Muthoot Microfin Limited	Muthoot Pappachan Technologies Limited
2.	The date since when subsidiary was acquired	08-08-2012	15-01-2014	29-05-2013
3.	Reporting period for the subsidiary concerned, if different from the Holding company's reporting period	NA	NA	NA
4.	Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	NA	NA	NA
5.	Share Capital	7,781.84	17,049.30	5.00
6.	Reserves & Surplus	24,489.97	2,63,386.01	104.14
7.	Total Assets	2,27,800.60	11,59,022.60	2,384.60
8.	Total Liabilities	2,27,800.60	11,59,022.60	2,384.60
9.	Investments	3,841.91	4,670.92	-
10.	Turnover	29,272.82	2,28,548.96	2,277.37
11.	Profit Before Taxation	4,670.31	58,184.22	119.04
12.	Provision for Taxation	1,197.70	13,225.90	33.11
13.	Profit After Taxation	3,472.61	44,958.32	85.93
14.	Proposed Dividend	NIL	NIL	NIL
15.	% of shareholding	81.71%	50.21%	60.00%

Part B: Associates and Joint Ventures

1.	Name of the associates / joint venture	NIL
2.	Latest audited balance sheet date	NA
3.	Date on which the associate / joint venture was associated/acquired	NA
4.	Shares of associate / joint ventures held by the Company on the year end	NA
5.	Description of how there is significant influence	NA
6.	Reason why the associate / joint venture is not consolidated	NA
7.	Net worth attributable to shareholding as per latest audited balance sheet	NA
8.	Profit / Loss for the year	NA
	i. Considered in Consolidation	NA
	ii. Not Considered in Consolidation	NA

Note:

1. Names of subsidiaries, associates or joint ventures which are yet to commence operations: NIL
2. Names of subsidiaries, associates or joint ventures which have been liquidated or sold during the year: NIL

For and on behalf of the Board of Directors

Sd/-
Thomas John Muthoot
Managing Director
DIN:00011618
Place: Thiruvananthapuram

Sd/-
Thomas George Muthoot
Director
DIN: 00011552
Place: Kochi

Sd/-
Thomas Muthoot
Executive Director and Chief Financial Officer
DIN: 00082099
Place: Kochi

Sd/-
Sachu Sivas
Company Secretary
Place: Thiruvananthapuram

Date: September 19, 2024

Annexure III

Remuneration details under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended for the financial year ended March 31, 2024

Sl. No.	Name of Director/Key Managerial Personnel	Category	Ratio of remuneration of each Director to median remuneration of employees	% Increase in remuneration in FY 2023-24
1.	Thomas John Muthoot	Managing Director	1,406.28	25.00
2.	Thomas Muthoot	Executive Director & Chief Financial Officer	1,406.28	25.00
3.	Thomas George Muthoot[1]	Director	282.98	25.14
4.	Preethi John Muthoot[2]	Director	1.13	9.09
5.	A. P Kurian	Independent Director[2]	1.26	3.08
6.	A. Vikraman	Independent Director[2]	1.82	49.23
7.	Badal Chandra Das[3]	Independent Director[2]	1.58	Not Comparable
8.	Ravi Ramchandran[3]	Independent Director[2]	1.13	Not Comparable
9	Anthony Abraham Thomas[4]	Independent Director[2]	0.56	Not Comparable
10.	Sachu Sivas[3]	Company Secretary	4.78	Not Comparable

[1] The amount of commission paid to Thomas George Muthoot is fixed at 1% of profit and sitting fee is paid to him for attending Board and/or Committee meetings.

[2] Independent directors and Preethi John Muthoot were paid sitting fees for attending Board and/or Committee meetings.

[3] Not comparable since they were appointed during FY 2022-23.

[4] Not comparable since he is appointed as Independent Director w.e.f. November 11, 2023.

Notes on disclosures under Rule 5(1)

i) % increase in the median remuneration of employees in the FY 2023-24: 8.30

ii) Number of permanent employees on the rolls of the Company as on March 31, 2024: 22,500

iii) For employees other than managerial personnel, the average increase made in the remuneration was 9.84%. The average increase in remuneration for managerial personnel in FY 2023-24 was 25.00%. Percentage increase in remuneration of managerial personnel has been determined based on the performance of the Company.

iv) The remuneration paid as above was as per the Remuneration Policy of the Company.

Annexure IV

Form No. MR-3
SECRETARIAL AUDIT REPORT
For the Financial Year Ended 31.03.2024

Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
Muthoot Fincorp Limited
Muthoot Centre, TC No. 27/ 3022,
Punnen Road, Thiruvananthapuram
Kerala 695001

We, SEP & Associates, Company Secretaries, have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Muthoot Fincorp Limited [CIN: U65929KL1997PLC011518]** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have conducted verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2024, according to the provisions of:

(i) The Companies Act, 2013 (the Act) as amended and the Rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the Rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extend applicable;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):

a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended;

b) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, as amended;

c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended;

d) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended;

e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended; (Not applicable during the audit period)

f) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable during the audit period)

g) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended; (Not applicable during the audit period)

(vi) As informed to us, the following Regulations and Guidelines prescribed under the Reserve Bank of India Act, 1934 applicable to Non-Banking Financial Companies (Non-Deposit Accepting or Holding) are specifically applicable to the Company:

a) Non- Banking Financial Company Returns (Reserve Bank) Directions, 2016, as amended;

b) Monitoring of frauds in NBFCs (Reserve Bank) Directions, 2016, as amended;

c) Reserve Bank of India (Know Your Customer (KYC) Directions, 2016, as amended;

d) Reserve Bank Commercial Paper Directions, 2017, as amended;

e) Master Direction – Information Technology Framework for the NBFC sector dated June 08, 2017, as amended;

f) Master Direction- Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016, as amended;

g) Reserve Bank - Integrated Ombudsman Scheme, 2021; and Appointment of Internal Ombudsman by Non-Banking Financial Companies, as amended;

h) Scale Based Regulation (SBR): Revised Regulatory Framework for NBFCs as amended;

i) Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs), as amended;

j) Guidelines on Digital Lending; and

k) Master Direction – Reserve Bank of India (Filing of Supervisory Returns) Directions – 2024, as amened

(vii) The Prevention of Money Laundering Act, 2002 and the Regulations and Bye-laws framed thereunder;

(viii) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder;

(ix) Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and Rules made thereunder;

(x) Employees' State Insurance Act, 1948 and Rules made thereunder.

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

(i) Secretarial Standard relating to Board (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

(ii) The Debt Listing agreement entered into by the Company with BSE Limited.

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

In respect of other laws specifically applicable to the Company we have relied on information/ records produced by the Company during the course of our audit and the reporting is limited to that extent.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. During the period under review, Dr. Anthony Abraham Thomas was appointed as an independent director of the Company on 11.11.2023. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings in compliance with the provisions of Section 173(3) of the Companies Act, 2013, agenda and detailed notes on agenda were sent at least seven days in advance. Where the same were given at Shorter Notice less than 7 (seven) days, proper consent thereof were obtained. A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, allotment of the following securities has taken place:

SL. No.	Method of Issue	Date of Allotment	Particulars
1.	Public Issue	02/05/2023	17,20,977 Listed, Secured Redeemable, Non-Convertible Debentures of the Face Value of Rs. 1,000 (Rupees One Thousand) each aggregating to 172,09,77,000 (Rupees One Seventy Two Crore Nine Lakh Seventy Seven Thousand only)
2.	Private Placement	04/08/2023	5,000 Rated, Listed, Unsecured, Redeemable, Taxable, Subordinated Non-Convertible Debentures of Rs. 1,00,000/- (Rupees One Lakh) each amounting to a total of Rs. 50,00,00,000 (Rupees Fifty Crores only).
3.	Private Placement	09/08/2023	10,000 Rated, Listed, Secured, Redeemable, Taxable Non-Convertible Debentures of Rs. 1,00,000/- (Rupees One Lakh) each amounting to a total of Rs. 100,00,00,000/- (Rupees One Hundred Crores only).
4.	Private Placement	18/08/2023	5,000 Rated, Listed, Unsecured, Redeemable, Taxable, Subordinated Non-Convertible Debentures of Rs. 1,00,000/- (Rupees One Lakh) each amounting to Rs. 50,00,00,000 (Rupees Fifty Crores only).
5.	Public Issue	20/09/2023	22,83,984 Listed, Secured, Redeemable, Non-Convertible Debentures having face value of Rs. 1,000/- (Rupees One Thousand) each amounting to a total of Rs. 228,39,84,000/- (Rupees Two Twenty Eight Crore Thirty Nine Lakh Eighty Four Thousand only).
6.	Private Placement	26/09/2023	1,000 Rated, Unlisted, Unsecured, Taxable, Non-Convertible, Perpetual Debt Instruments of Rs. 5,00,000/- (Rupees Five Lakh only) each amounting to Rs. 50,00,00,000/- (Rupees Fifty Crores only)
7.	Public Issue	01/11/2023	20,48,866 Listed, Secured, Redeemable, Non-Convertible Debentures of Rs. 1,000 (Rupees One Thousand) each amounting to Rs. 204,88,66,000/- (Rupees Two Hundred Four Crores Eighty Eight Lakh Sixty Six Thousand only)
8.	Private Placement	05/12/2023	2,000 Rated, Unlisted, Unsecured, Taxable, Non-Convertible, Perpetual Debt Instruments of Rs. 5,00,000/- (Rupees Five Lakh) each amounting to Rs. 100,00,00,000/- (Rupees One Hundred Crores only)
9.	Private Placement	21/12/2023	20,000 Rated Listed Secured Redeemable Taxable Non-Convertible Debentures of face value of Rs. 1,00,000/- (Rupees One Lakh) each amounting to a total of Rs. 200,00,00,000/- (Rupees Two Hundred Crores only).
10.	Private Placement	22/12/2023	1,000 Rated, Unlisted, Unsecured, Taxable, Non-Convertible, Perpetual Debt Instruments of Rs. 5,00,000/- (Rupees Five Lakh) each amounting to Rs. 50,000,00,00/- (Rupees Fifty Crores only)

SL. No.	Method of Issue	Date of Allotment	Particulars
11.	Public Issue	31/01/2024	30,00,000 Listed Secured Redeemable Non-Convertible Debentures of Rs. 1,000 (Rupees One Thousand) each amounting to Rs. 300,00,00,000/- (Rupees Three Hundred Crores only).
12.	Private Placement	01/03/2024	5000 Rated Listed Unsecured Redeemable Taxable Subordinated Non- Convertible Debentures of Rs. 1,00,000/- (Rupees One Lakh only) each amounting to Rs. 50,00,00,000/- (Rupees Fifty Crores only)

We further report that during the period under review, the following resolutions for matters other than ordinary businesses were passed by the members of the Company:

Date of Resolution	Legal Provision	Resolution
29/06/2023	Section 42, 71	Issue of Non-Convertible Debentures (NCDs) and or other hybrid instruments on a Private Placement basis.
29/06/2023	Section 42,71	Issue commercial paper for the FY 2023-24
29/09/2023	Section 5, 14	Adoption of new set of Articles of Association of the Company.
05/02/2024	Section 149, 150, 152, 161	Appointment of Dr. Anthony Abraham Thomas as an Independent Director.
29/02/2024	Section 4, 13	Alteration of Object Clause of the Memorandum of Association of the Company.
29/02/2024	Section 4, 13	Adoption of Memorandum of Association as per the provisions of Companies Act, 2013.

We further report that during the period under review, the Company redeemed an aggregate of 78,05,584 Non-Convertible Debentures amounting to Rs. 1,377.26 Crores.

We further report that during the audit period there were no instances of:

(i) Issuance of securities including Public/ Right/ Preferential issue of securities other than those mentioned above;

(ii) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013 other than those mentioned above;

(iii) Redemption/Buy-back of securities

(iv) Merger/amalgamation/ reconstruction;

(v) Foreign technical collaborations.

This report is to be read with **Annexure A** of even date and the same forms an integral part of this report.

For SEP & Associates
Company Secretaries
(Peer Review Certificate no. 3693/2023)

UDIN: F003050F001091665

Sd/-
CS Puzhankara Sivakumar
Managing Partner
FCS: F3050 COP: 2210

Place: Kochi
Date: 31.08.2024

ANNEXURE A TO THE SECRETARIAL AUDIT REPORT OF EVEN DATE

To
The Members,
Muthoot Fincorp Limited
Muthoot Centre, TC No. 27/ 3022,
Punnen Road, Thiruvananthapuram,
Kerala 695001

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

1. Maintenance of the Secretarial records is the responsibility of the management of the Company. Our responsibility as Secretarial Auditors is to express an opinion on these records, based on our audit.
2. During the audit, we have followed the practices and process as were appropriate, to obtain reasonable assurance about the correctness of the contents of the Secretarial records. We believe that the process and practices we followed provide a reasonable basis for our report.
3. The correctness and appropriateness of financial records and Books of Accounts of the Company have not been verified.
4. We have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc., wherever required.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards etc., is the responsibility of management. Our examination was limited to the verification of the procedures and compliances on test basis.
6. While forming an opinion on compliance and issuing the Secretarial Audit Report, we have also taken into consideration the compliance related actions taken by the Company after 31st March 2024 but before issue of the Report.
7. As the Company is a high value debt listed entity as per Regulation 15(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Regulations 16 to 27 of the said Regulations apply to it on a 'comply or explain' basis until 31st March, 2025. We have taken this into consideration while forming an opinion on the compliances by the Company.
8. We have considered actions carried out by the Company based on independent legal/professional opinion as being in compliance with law, wherever there was scope for multiple interpretations.

For SEP & Associates
Company Secretaries
(Peer Review Certificate no. 3693/2023)

UDIN: F003050F001091665

Sd/-
CS Puzhankara Sivakumar
Managing Partner
FCS: F3050 COP: 2210

Place: Kochi
Date: 31.08.2024

Annexure V

Annual Report on CSR activities for the financial year ended March 31, 2024

1. **Brief outline of CSR Policy of the Company**

   The CSR programs of the Company are bound by the theme '**HEEL**': **H**ealth, **E**ducation, **E**nvironment, **L**ivelihood. The Company is leading its CSR initiative within the HEEL framework, specifically involving their staff and its customers.

   Aligning with its vision, the Company will continue to increase value creation in the community in which it operates, through its services and CSR initiatives planned and implemented by Muthoot Pappachan Foundation (MPF), so as to stimulate well-being for the community, in fulfillment of its role as a responsible corporate citizen.

   The objective of the Company's CSR Policy is to:

   i) Build a framework of CSR activities with a philanthropic approach in line with its business objectives, which also benefits the organization at large;

   ii) Shape sustainability for the organization by 'Engaging the Community;

   iii) Build a corporate brand through CSR; and

   iv) Make it "an integral part of the Company's DNA, so much so that it has to be an organic part of the business", for its stakeholders.

   The over-arching framework of **HEEL** will not only guarantee consistency but also ensures full compliance with the CSR requirements mandated by the Companies Act, 2013. **HEEL** will allow the Company to remain focused on selected issues while adopting a systematic and professional approach to its work.

2. **Composition of CSR Committee**

Sl. No.	Name of Director	Nature of the Directorship	Designation in the Committee	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	A Vikraman	Independent Director	Chairman	1	1
2.	Thomas John Muthoot	Managing Director	Member	1	1
3.	Thomas George Muthoot	Director	Member	1	1
4.	Thomas Muthoot	Executive Director	Member	1	1
5	Ravi Ramchandran	Independent Director	Member	1	1

3. **Web-link where the composition of CSR Committee, CSR Policy and CSR Projects are disclosed on the website of the Company**

   a) Composition of CSR Committee: https://www.muthootfincorp.com/investors/corporate-governance/

   b) CSR Policy: https://www.muthootfincorp.com/policy/

   c) CSR Projects approved by the Board: https://www.muthootfincorp.com/investors/

4. Executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable:

During the financial year, the Company has not carried out any impact assessment study since the minimum average CSR obligation is less than ₹10 crores in the immediately preceding 3 financial years.

5.

(a) Average net profit of the Company as per sub-section (5) of section 135 (₹ in lakhs)	53,029.70
(b) Two percent of average net profit of the Company as per sub-section (5) of section 135 (₹ in lakhs)	1,060.59
(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years (Amount transferred to Unspent CSR Account) (₹ in lakhs)	7,94.96
(d) Amount required to be set off for the financial year, if any (₹ in lakhs)	Nil
(e) Total CSR Obligation for the financial year (5e=5b+5c+5d) (₹ in lakhs)	1,855.55

6.

(a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) (₹ in lakhs)	378.00
(b) Amount spent in Administrative Overheads (₹ in lakhs)	10.72
(c) Amount spent on Impact Assessment, if applicable (₹ in lakhs)	15.14
(d) Total amount spent for the financial year (6d=6a+6b+6c) (₹ in lakhs)	403.86
(e) CSR amount unspent for the financial year (₹ in lakhs)	656.73

Amount Unspent

	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
Total amount spent for the financial year (₹ in lakhs)	**Amount (₹ in lakhs)**	**Date of transfer**	**Name of the Fund**	**Amount (₹ in lakhs)**	**Date of transfer**
403.86	656.73	30-04-2024	NA	NA	NA

(f) Excess amount for set-off, if any:

Sl. No.	Particulars	Amount (₹ in lakhs)
i.	Two percent of average net profit of the Company as per sub-section (5) of section 135	1,060.59
ii.	Total amount spent for the Financial Year	403.86
iii.	Excess amount spent for the Financial Year [(ii)-(i)]	Nil
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	628.42[1]
v.	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	Nil

NOTE :

[1] During the FY 2023-24, the Company has utilised an amount of Rs. 166.54 lakhs from the unspent amount of FY 2021-22.

7. Details of Unspent CSR amount for the preceding three Financial Years

Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (₹ in lakhs)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (₹ in lakhs)	Amount Spent in the Financial Year (₹ in lakhs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (₹ in lakhs)	Deficiency, if any
					Amount (₹ in lakhs)	Date of Transfer		
1.	FY 2022-23	393.23**	393.23	-	-	-	393.23	-
2.	FY 2021-22	401.73*	401.73	166.54	-	-	235.19	-
3.	FY 2020-21	-	-	-	-	-	-	-

Note:

** Transferred to the Unspent CSR Account on 28-04-2023.

* Transferred to the Unspent CSR Account on 27-04-2022.

8. **Whether any capital assets have been created or acquired through CSR amount spent in the Financial Year:** No

9. **Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135:** Due to delay in commencement of project, some part of the mandatory spend with respect to ongoing project remained unspent as on March 31, 2024.

Sd/-
Thomas John Muthoot
Managing Director
DIN:00011618

Sd/-
A Vikraman
Chairman of CSR Committee
DIN: 01978341

Place: Thiruvananthapuram
Date: September 19, 2024

Annexure VI

Disclosure pursuant to Part A of Schedule V read with Regulation 53(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Sl. No.	Loans and Advances in the nature of loans	Amount Outstanding as at 31.03.2024	Maximum Amount Outstanding during the year
1.	To Subsidiaries	Nil	Nil
2.	To Associates	NA	NA
3.	To Firms/Companies in which Directors are interested (other than 1 and 2 above)	Nil	Nil
4.	Investments by the loanee in the shares of Parent Company and Subsidiary Company when the Company has made a loan or advance in the nature of loan	Nil	Nil

Disclosures of transactions of the listed entity with any person or entity belonging to the promoter/promoter group which hold(s) 10% or more shareholding in the listed entity:

Related Party transactions during the year:

(₹ in lakhs)

Particulars	Thomas John Muthoot	Thomas George Muthoot	Thomas Muthoot
Commission Paid	-	750.00	-
Dividend Paid	5,546.96	5,546.96	5,546.96
Interest accrued on loan advanced	600.00	600.00	600.00
Interest Paid	126.19	67.23	23.76
Redemption of Investment in Debt Securities	-	395.00	-
Remuneration paid	3,750.00	-	3,750.00
Rent paid	18.00	12.00	81.79
Revenue from Travel Services	5.96	-	-
Sitting fee paid	-	4.60	-

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

(₹ in lakhs)

Particulars	Thomas John Muthoot	Thomas George Muthoot	Thomas Muthoot
Interest on loan receivable	258.08	258.08	258.08
Loans advanced	5,000.00	5,000.00	5,000.00
PDI issued	1,350.00	300.00	100.00
Travel service receivable	2.44	-	-

For and on behalf of the Board of Directors

Sd/-
Thomas John Muthoot
Managing Director
DIN:00011618

Sd/-
Thomas George Muthoot
Director
DIN:00011552

Place: Thiruvananthapuram
Date: September 19, 2024

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Muthoot Pappachan Foundation

As Muthoot Pappachan Foundation (MPF) strives for the good of society touching the lives of the deserving, our main area of focus is health, alongside the other key thematic areas -Education, Environment and Livelihood. In health we deal with a good number of projects and programmes that enhance the quality of life of common man. The flagship projects are - Smile Please, the nationwide comprehensive cleft lip and palate surgeries followed by critical nutritional support for severely malnourished kids, general treatment support and Blue Butterflies project, in support of Paediatric Cancer Patients. These supports are truly beneficial for the deserving families we support that also mark down the goodwill of the Muthoot Pappachan Group (MPG) in the community. In the educational sector, MPF supports in the educational needs of the deserving students via various scholarship programs. In the environment sector, MPF supports creating local infrastructures in the draught prone areas of Rajasthan and capacity building for women to enable access to water in Sambhar block of Rajasthan and also developed polyhouses in various parts of Kerala promoting bio farming.

HEALTH

SMILE PLEASE

With the active support extended by the staff members of Muthoot Fincorp Limited (MFL) branches across the Mission States, we were able to make a count of 2882 smiles as on March 31, 2024. 6 successful Smile missions were completed in Andra Pradesh (Kakkinada), West Bengal (Kolkata), Karnataka (Hubli), Kerala (Alleppey), Gujarat (Rajkot) and Uttar Pradesh (Muzaffarnagar).

	Location	Month of Mission	No of Surgeries
1	Andhra Pradesh (Kakkinada)	July 2023	54
2	West Bengal (Kolkata)	August 2023	52
3	Karnataka (Hubli)	September 2023	51
4	Kerala (Allappey)	November 2023	43
5	Gujarat (Rajkot)	January 2024	54
6	Uttar Pradesh (Musaffarnagar)	March 2024	38

1) Kakinada Smile Mission concluded with **54 Smiles in Andhra Pradesh (AP).** 32 MFL branches across the immediate 5 Districts in AP actively supported the Mission with extensive field outreach for patient recruitment and all the other branches in the State also disseminated the message in their respective areas. Govt. Medical Systems (NHM, RBSK,

ASHA and Hospitals) also supported us in 7 Districts. Through one-month long field efforts, 100+ kids were identified and registered, of which 90 were medically screened at the hospital; and 54 who got cleared by medical team received their surgeries. 17 kids were reported malnourished. Under the nutrition scheme they started receiving supplements for one year. The 40-member expert Medical Team volunteered from all across India who were supported by the entire team of Govt. General Hospital, Kakinada. **Mr. Dwarampudi Chandrasekhara Reddy,** MLA Kakinada, was the Chief Guest for the Mission Inauguration along with Mr. Shaji Varghese, CEO, Muthoot Fincorp Limited. Also present were Dr. Hemalatha Devi (Medical Superintendent, GGH), Dr. Vishnu Vardhan (HOD Anaesthesia, GGH), Dr. Ratna Bhushan (HOD Plastic Surgery, GGH), Dr. Ramkumar Venkateswaran (Trustee, Mission Smile and Field Medical Director), Conrad Dennis (CEO, MS), Dalip Pande (Director, Partnerships, MS), Dr. Prabhakar Margam (Plastic Surgery Team Lead) and Dr. Prasanthkumar Nellickal (Head CSR, Muthoot Pappachan Group).

2) Kolkata Smile Mission successfully concluded with **52 Smiles**. 107 kids were medically screened for the surgery and 73 were cleared for the surgery. From among them 52 surgeries were completed successfully. 31 kids were covered under the nutrition scheme in Kolkata mission.

3) The first Mission at Hubli region (6th Mission in Karnataka) concluded with 51 safe and successful surgeries. The entire Mission team, Muthootians across Karnataka and all the stakeholders actively supported us.

4) Kerala Mission got successfully completed with 43 surgeries and 18 kids were registered under the nutritional program from the region. 67 patients were medically screened in which people came from all over Kerala and Tamil Nadu as well. The MFL branches took an active role in facilitating the widespread outreach of the program thereby reaching to the maximum number of families. The program was reintroduced in Kerala after 2017.

5) Rajkot mission was successfully completed with 54 surgeries. The one month outreach activities helped spread the message and the active involvement of the branch staffs was remarkable in the journey. A total of 129 patients turned up for the surgery in which all of them got medically screened. 71 among 129 were fit for the surgery and 54 surgeries were completed leaving the balance for the next mission in the area. The tremendous field outreach of the branch staffs was remarkable in the journey.

6) Muzaffarnagar mission was the maiden Smile Mission in the State of Uttar Pradesh, and it concluded with 38 successful surgeries. 80+ patients were registered in which 64 were medically screened. Among that 38 were fit for the surgery. 26 patients were set as backlog due to various medical conditions. 22 kids were enrolled into the nutritional program.

NUTRITIONAL PROGRAM

The malnourished kids who were covered under the smile please program is provided with nutritional supplement for one year which will help them beat the nutritional deficiency they are facing. The count of kids covered under the scheme from each mission is mentioned below. The first supplement will be provided to the beneficiary once he/she gets discharged and later the distribution is undertaken by the nearest branches. The branches also does period home visits to the patient homes and enquire on the developments and if there is any challenges, same is brought to attention of the doctors for further guidance. Thereby the branch connectivity with the people availing the service is ensured.

	Location	Beneficiary
1	Andhra Pradesh (Kakkinada)	17
2	West Bengal (Kolkata)	31
3	Karnataka (Hubli)	24
4	Kerala (Allappey)	18
5	Gujarat (Rajkot)	19
6	Uttar Pradesh (Musaffarnagar)	22
	Total	**131**

IMPACT ASSESSMENT

The impact assessment of Smile Please Mission is completed. The team has travelled to the remote areas to meet the beneficiaries in person for the direct interviews and data collection. The detailed report and case studies were clearly captured in the report and the impact Smile Please Missions have created in the society is rightly pitched. The case studies captured depict the educational, relationship and Healthwise improvement created in the life of the patients. The role of MFL branches in bringing the patients for mission, thus creating a positive change in their lives is remarkable.

BLUE BUTTERFLIES

The project focusses on providing treatment preparedness support to paediatric cancer patients. **We were able to provide support to 62 children in which 4 are Bone Marrow Transplant** cases in the FY. Half of the patient belongs to under 10 years of age. The preparedness support provided boosts the family's willpower to continue the treatment and emotionally available with the child throughout the recovery process. Emotional support is provided to both the family and the children. The field outreach covers almost all the major hospitals throughout Kerala thereby the most deserving cases are filtered out and is provided the support. If in case, they require more treatment options the same is facilitated with the support of the project.

NUTRITIONAL PROGRAM

Under this program we are providing nutritional supplement to paediatric cancer survivors who are under follow-up treatment. The supplement is enriched with much required minerals, proteins and vitamins which are essential for their healthy life ahead. 45 such kids were provided with the vital nutritional supplement in the previous financial year and the supplement will be delivered to them through the nearest branch to their residence. The support extended is for a period of one year and the progress of the kids will be captured and reviewed by the medical team of Butterfly Cancer Care Foundation.

The first slot of the supplement distribution during the 10th anniversary ceremony of Butterfly Cancer Care Foundation by Head CSR - Dr. Prasanth Kumar Nellickal.

GENERAL TREATMENT SUPPORT

General treatment support is extended to deserving people who are finding difficulty in managing the demanding medical expenses those are reported by the FinCorp branches. **More than 50 patients** were supported under the project. The eligibility criteria act as a benchmark for the selection process of the beneficiary. The support helps them in continuing the demanding treatment requirement thereby building a brand value with the society.

EDUCATION

BHODHINI COUNSELLING CENTRE

Bhodhini Counselling Centre functions towards the counselling of adolescents and youngsters for a better mental health and quality life. The services are majorly focussed on adolescent students and young adults. 5 new cases were reported along with the follow-up cases of 6. 11 sessions were conducted in total. The scheme was able to cover 800 individuals through group counselling. Some of the common issues found include depression, anxiety, family issues and stage fear. Lack of concentration, anger issues and relationship issues are also addressed alongside. Anger management, couple counselling, activity scheduling, tele counselling, relaxation techniques are some the mitigation strategies adopted.

OTHER EDUCATIONAL SUPPORT

Educational support is extended to students from under privileged sections of the society who are not able to complete their academics. In the said scheme, 10 students were supported so far with prior approval from the management.

JEEVAN JYOTHI: Providing More Light to the Lives

MPF supports Jeevan Jyothi, a charitable society working in the red-light area of Budwar Peth in Pune, Maharashtra. Through this, we help provide a 'safe home' for the children of women engaged in sex work and help them realize that there is more life in life than what they perceive. We believe that educating the children who are neglected by the mainstream community and giving them a safe environment will help them come out of the vicious circles they are trapped in.

Highlights:

- Shelter to children of women in sex work
- Provide education, food and a 'safe home' for the kids to live
- Pre-school for children aged 3 to 5 years
- Free medical counselling
- Weekly fellowship meetings to provide a sense of community
- Help bring them out of the vicious circle of their circumstance

GUARDIANS OF DREAMS

Educational scholarship amount is provided to 50 kids with the implementing partner- 'Guardians of Dreams' to academically bright kids from various childcare institutions which can be used for their higher studies. The support helps them in trusting themselves leaving behind the scars they have in their life. The kids are guided by the team for career choices as well.

LIVELIHOOD

SUPPORT FOR SPORTS TRAINING THROUGH MPCES

MUTHOOT FOOTBALL ACADEMY (MFA)

The kids enrolled under the MFA team have participated in 54 events including friendly games. Among the group 21 candidates were chosen for the National/state/district team.

MUTHOOT VOLLEYBALL ACADEMY

Muthoot non-residential volleyball academy was started in Ernakulam district in November 2021 associating with 4 schools in the region. 240 boys and girls were shortlisted and later on after detailed screening 120 students were selected to receive professional training under the project.

Under the St. Joseph's Higher Secondary School, Kidangoor, Angamaly, 41 students are provided training. They are exposed to various inter-school matches, inter-district school matches, mini, sub junior and junior volleyball matches. 2 school ground were constructed and multi gym facility is installed for strength training.

Under the SNV SKT Nanthiattukunnam, Paravur 82 are receiving training. They are provided supports to take part in various inter-school matches, inter district school matches, mini, sub junior and junior volleyball matches. The players are exhibiting remarkable improvement, and good progress.

Under HMYS HSS Kottuvallikkad, Vadakkekkara 75 players are taking part in the training and like other schools they are provided supports to attend various inter-school matches, inter district school matches, mini, sub junior and junior volleyball matches.

MPCES Sports Infrastructure (Palakkad)

To better serve the students, we have expanded the project's scope from solely offering a sports facility for football, volleyball, cricket, and other sports to establishing a comprehensive sports academy. This academy will not only provide top-tier sports training but also include educational facilities where students can attend regular academic classes, all meeting international standards. Groundwork at the site is underway, and we are currently updating the architectural plans to accommodate these enhanced specifications.

FOOTBALL SCHOLARSHIP KOVALAM

Children from across Kerala with football talent who require training were selected, and support has been provided in academics, rehabilitation, and sports training since FY 2020-21. They also receive tuition assistance. Including the 5 sponsored children, a total of 45 kids are currently training under the centre. These young athletes are given the golden opportunity to participate in various state and district level competitions. With the guidance and support of experienced coaches, the kids continue to excel, with a dedicated space allowing them to focus on both academics and sports. Their hidden talents are nurtured, helping them realize their full potential. The team is confident that with continued support, these children will achieve great success.

CRICKET ASSOCIATION FOR THE BLIND IN KERALA

For supporting, advancing and popularizing blind cricket, Cricket Association for Blind in Kerala , (CABK) have developed various platforms for the visually impaired men to showcase their talents in cricket. The Cricket Association for the Blind in India, (CABI), which is connected to the World Blind Cricket Council, is the parent organization of CABK, a recognized association under the Societies Registration Act of 1860. Various interstate matches and coaching camps were organized for the participants which in turn lay an important milestone in the life of the players. Through the extended support of MPF, the team was able to meet expenses to build improved player training, get proper gears, uniforms and equipment, jerseys and shoes, travel for tournaments, player food and lodging, coach fees, ground rent etc. Players smiles conveyed dignity, and their increased confidence post the tournaments.

SPORTS SCHOLARSHIP

Scholarship for two students who are excellent in sports but unfortunately were not able to continue the coaching due to financial struggles. They are financially assisted to continue excel in training with full potential. They are planning to take part in various national and state level events to mark their milestones

LIVELIHOOD SUPPORT

Livelihood support was provided to individuals who were financially struggling. Assistance was given for the purchase of machinery, enabling them to become self-reliant. Previously, they were unable to sustain themselves, but with the support, they are now able to generate small profits and lead a more contented life.

ENVIRONMENT

ACCESS TO WATER - RAJASTHAN PROJECT WITH RRF

In the arid lands of 15 villages in Sambar Block of Rajasthan, MPF work hand in hand with the Royal Rajasthan Foundation (RRF) to empower women with the life-giving gift of water. Through capacity building and infrastructural development, we not only quench their physical thirst but also nourish their spirits, empowering them to build a brighter future for themselves and their families. The villages after generations have seen a second crop as water was made available which changed entire profile of this part of land and the life of the people involved.

- A total of 450 women was targeted in the FY. The process is on track and the project is showing significant improvement.
- Workshops and capacity building was aimed towards 200 women. 100+ has been done as of now including the agricultural and water management, WASH, financial literacy, mental health awareness, TOT sessions for grassroots leaders, exposure visits, etc.
- 10 small farm ponds were targeted in the FY and the work was successfully completed.
- 5 water harvesting structure were planned and completed. 50+ families depend on these wells for potable water during the entire year. The progress of the project is on track.
- 25,000 saplings were planned and 25,000+ saplings are planted, and it is taken care by the community. The responsibility of taking care of the saplings is undertaken by the community thereby the ownership of the project is completely relied on the community itself.

ALTERNATE AGRICULTURAL PRACTICES

Three polyhouses were built in various locations across Kerala. This will contribute towards sustainable agricultural practices thus for better productivity under controlled temperature. Less chance of crop loss is ensured with this method.

ENVIRONMENTAL, SOCIAL & GOVERNANCE INITIATIVES

Governance and Leadership

Director's Statement

The Company has been built on the founding principles of basic human values with the key objective of increasing the financial inclusion of the lower middle income family segment of the society and thus contribute to nation building through its business operations. The Company is built on the bedrock of Trust and is shaped by core values of Integrity, Collaboration and Excellence.

The company's mission is to provide timely small credit to millions of ordinary people, and also provide them with simple options to save their hard earnings.

The Company's focus on ESG parameters is best reflected through core values that are imbibed in all spheres of activity. The Company believes that sound principles of governance are a necessary tool for creating long-term value for all its stakeholders and to promote sustainability.

The Company undertakes its CSR either directly or through the Muthoot Pappachan Foundation (MPF), which is an institution set up by the Group as an Implementing Agency for the CSR activities. The core focus areas of MPF are elucidated elsewhere in this report. The Company remains committed to increased disclosures of both financial and non-financial parameters, thus providing a holistic view of it.

ESG – Infra and Procurement

Procedures in place for sustainable energy consumption:

The company being a financial services provider, the risks associated with the environmental areas in manufacturing and industrial sector does not apply to the Company. However, the company acknowledges the importance of conserving resources and energy.

Hence, the electrical and electronic equipment's with energy star ratings and consuming less energy are installed, including installing auto switch off neon sign lights at all its 3600+ branches, thus switching off power automatically at specified time without manual intervention.

Occupational health and safety management system:

The company emphasizes a safe and healthy workplace for all employees with all establishments comprising Corporate and Branch office, being installed with latest Fire Hazard Prevention System comprising Fire Detection System with smoke detectors. These are clean agent type fire extinguishers.

A mandatory training program for staff comprising internal communication and alerts on safety-related aspects, including use of fire-fighting equipment and evacuation drills is conducted. During the year, there were no fire accidents involving any employee whilst on duty.

Waste management practices:

The company's business does not involve usage of hazardous and toxic chemicals. The Company's focus is to establish a circular economy mode which involves reuse, repairing, refurbishing and recycling existing e-waste materials, to bring in cost optimization and environmental compliance. The company has buyback charges for UPS batteries and inverters. The IT scraps like defunct laptops and desktops are disposed through NEMA certified scrap dealers.

Environment - Windmill:

The Shareholders have also had the vision to commit towards the environment and society, Green and Sustainable energy even in the year 1993 itself through establishment of Wind Farms in the state of Tamil Nadu.

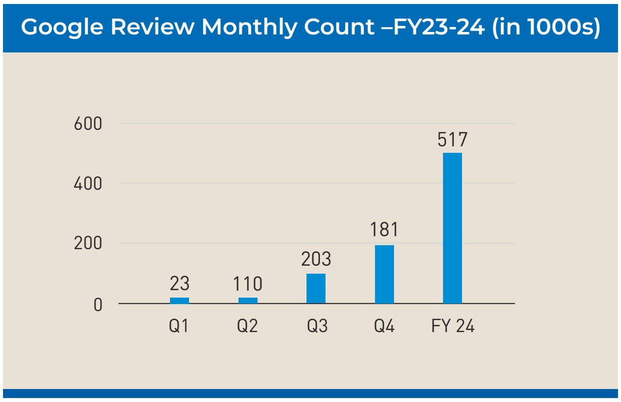
Wind-Mill Energy Generation Details

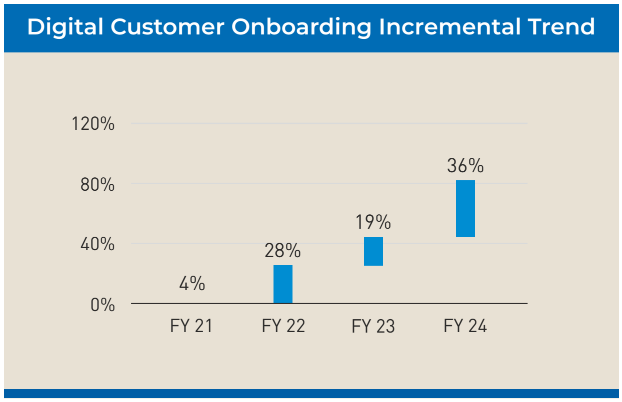
MWs/Year	2023-24	2022-23
23.225 MWs	262.03 lakh kwh	300.734 lakh kwh
1.80 MW	28.97 lakh kwh	22.45 lakh kwh

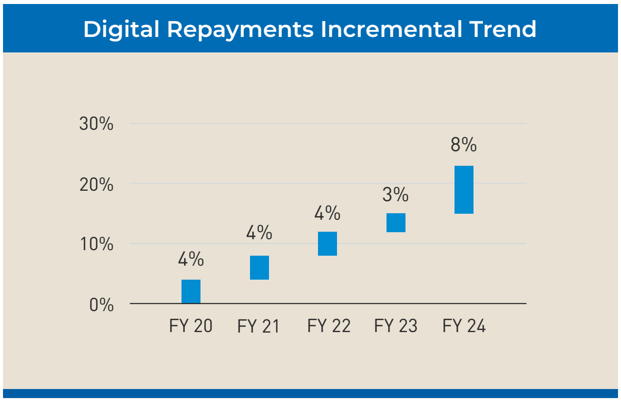
Change Management – Digitization and Process Improvement

Customer Service Efficiency:

- Strategic and transformational initiatives through continuous focus on improving customer experience to make it a differentiator
- Ventured into digital transactions without compromise on the customer connect
- Overall, a Phy-gital approach for right balance between ease of digital transaction, trust and comfort which customer gets from interaction with our team



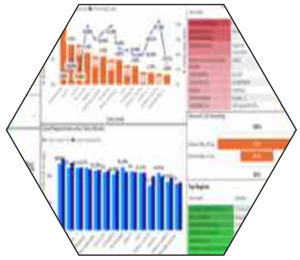




- **Digitization: e-Sign Implementation-Paperless pledge process** – This has been Implemented in 2,951 branches resulting in savings in Personnel, Printing & Stationery, Productivity and consequently Time. The savings per transaction are Rs. 25.07 and with the implementation of this digitization process across the remaining branches, the overall annual savings at current business volumes is Rs. 12 crores per annum which effectively translates to a saving of 3.85 crores pages or 192 tons approximately. The potential future savings on account of this digitization project due to higher business volumes is expected to increase.

Eliminate, Automate and Reduce:

Annual Manhour saving of 750 hours -report automation till now



Initiative	Activity
Report Automation	Automate all MIS and management reports and reduce NVA
Process Automation	Identify and automate repetitive task Upskill manpower for productive job
Chat BOT	Faster response to customer queries Multilingual capability All communication can be tracked
Voice BOT	For interest reminder and auction notice Higher efficiency and better reach
Predictive Analytics	AI/ML support to analyze data trends

Women centric Financial Services Support including loan products:

The company has taken number of initiatives to ensure and sustain inclusiveness of women customers. During the year 2023-24, the company's overall customer base comprised 33% women, whilst the company's credit portfolio customer base comprised 33% women.

Corporate Social Responsibility (CSR)

The **Muthoot Pappachan Foundation (MPF)** serves as the philanthropic arm of the Muthoot Pappachan Group (MPG), engaging in various initiatives that involve the voluntary participation of Muthootians from across the group companies. The initiatives are rooted under the broad theme of **Health, education, Environment and Livelihood**.

- **Health:** Under the Health perspective, comprehensive cleft lip/palate surgeries – Smile Please Missions serves as a flagship program, which also comprise a Nutritional supplements program for malnourished cleft children as part of the initiative. General treatment support was extended to underprivileged individuals with pressing medical needs. Additionally, preparedness support was provided to paediatric cancer patients, complemented by nutritional supplement distributions.
- **Education:** The Bhodhini Counselling Centre offers guidance and support to those seeking counselling services. The Educational assistance was extended to academically talented students facing challenges in continuing their studies. In collaboration with Guardians of Dreams NGO, 50 bright students from various Child Care Institutions received scholarships.
- **Livelihood:** Under the Livelihood perspective, initiatives such as the Muthoot Football Academy (MFA), Muthoot Volleyball Academy (MVA), MPCES Sports Infrastructure (under construction) provide opportunities for children from underprivileged backgrounds to professionally get trained and engaged in various sports activities. Cricket Association for Blind in Kerala (CABK) are also supported under the project.
- **Environment:** In the Environment perspective, the collaborative efforts of the Royal Rajasthan Foundation and MPF focused on enhancing water accessibility in the Sambar block of Rajasthan. Workshops and capacity-building

initiatives in agriculture and water management were organized. The project resulted in the construction of farm ponds, installation of water harvesting structures, planting saplings. Construction of polyhouses for boosting productivity under controlled temperatures were also initiated in support of rural farmers.

ESG – People & Culture

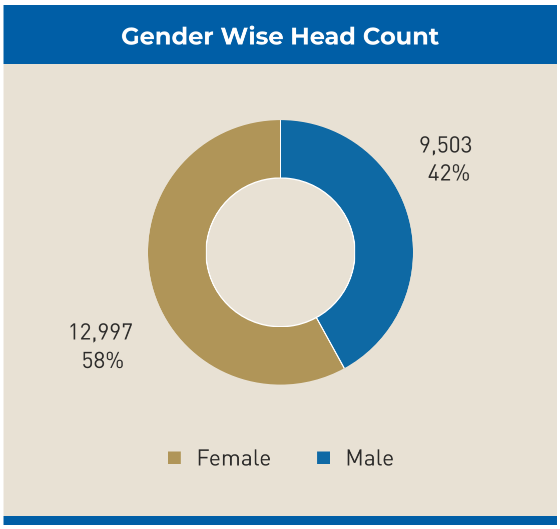
Employee Particulars

Employees (including differently abled)

Particulars	Total (A)	Male		Female	
		No. (B)	% (B/A)	No. (C)	% (C/A)
EMPLOYEES					
Permanent (D)	20023	11990	60%	8033	40%
Other than permanent (E)	2477	1007	41%	1470	59%
Total employees (D + E)	**22500**	**12997**	**58%**	**9503**	**42%**

Gender diversity: 1 Woman Director on the Board. Staff gender diversity as below

Overall, Gender Diversity and Inclusiveness: The company's recruitment policy is focused towards providing employment to employable freshers, women candidates and candidates from Rural, Semi-Urban areas for a Diverse, Equitable and Inclusive culture in the company and the society. During the financial year, the company provided new employment opportunities to 4,692 employees. The overall gender diversity in the organization.



Programs for talent, recognition and reward, career development and well-being: People and Culture function plays key role in engaging employees at all levels, motivating, upskilling and development in alignment to company's values and ethos. These are achieved through 4 sub-functions in the employee life cycle from sourcing right talent till separation by enabling a vibrant work environment with an aim to be the employer of choice (Great place to work for).

- Employee Experience,
- Learning & Development,
- Centre of Excellence,
- Compensation & Benefit.

The company has the following policies that facilitate DEI for all the organization's employees.

- Prevention of Sexual Harassment Policy,
- Bereavement Policy,
- Wedding Gift Policy,
- Education Assistance Program,
- Muthoot Health Triangle
- Financial Assistance for Medical Treatment,
- Medical Emergency Response,
- Muthoot Blue Bricks House Construction and Renovation,
- Employees Stock Option Plan
- Policy on Employee Volunteering for CSR.

Training and Awareness Programs:

Program Nature	Staff Count	%age
Health and safety/wellness measures	6,573	27
Skill upgradation	17,400	73
Total	**23,973**	**100**

All the employees of the Company undergo various Learning and Development programs through Centre of Excellence throughout the year. These programs are provided through a combination of offline, virtual classroom initiatives, e-learning module, and e-mail communication undertaken during the year were for the following:

Training Type	MHC	Program Details
Functional Training	6,26,185	Orientation for staff Induction and Refresher Training on Branch Process and Company's Products
Behavioral Training	3,698	Leadership, HCMD Orientation, Thrive in Dynamism, CXO Program,
Total	**6,29,883**	

Training provided during the year:

- **Self - Digital Learning Portal/ App:** Adoption rate at 76%.
- **Micro Learning Content:** One mailer content for all active learners on Process, Compliance, Cyber Security and Business Buzz
- **Muthoot Blue Health Triangle:** A 3-dimensional framework of Intellectual, Social and Physical development for all employees aligning with strategic objectives.
- **Campus Training:** Fresh Talent Industry ready to deploy with focus on NBFC landscape, GL industry, financial products and Behavioral skills for 314 students.
- Talent Development Interventions comprising Muthoot Blue Varsity and Multiple programs. At MFL 'Success' is putting people first. Hence employees of High Potential were Identified and Developed for leadership growth by Emerging Managers program, Aspiring Leaders Program, I am She, Game Changers Program and Lead X.
- Programs for L & D and Centre of Excellence ensure 'Competency Framework Development' for
  - **Competency Framework:** To identify the right talent for critical roles at different organizational levels to meet the dynamic business environment. The framework involved 3-dimensional workshop to deliver 6 crucial outcomes with 5 key learning elements to strengthen the learning outcome aligning to MFL's strategic objectives, enabling key supervisory staff to deliver their mandates

- **Succession Planning:** The program involves identifying individuals based on their existing skill, performance, development trajectory and estimated period before they become ready to fulfill the requirements of enhanced role identified for them. The objective is to build a strong Talent Pool, we aim at having diverse leadership bench for every leadership role in the organization.
- **Diversity, Equality and Inclusiveness:** The Company always believes in open and transparent communication, encouraging employees with an open-door policy irrespective of hierarchy to access HR and/or senior management. The Company is committed to provide a safe, harmonious and equal opportunity business environment and workplace for every staff, irrespective of the nationality, ethnicity, region, sex, sexual orientation, race, caste, gender (incl. transgender) age, disability, political opinion, medical condition, language work, designation, as protected by applicable laws
- **POSH:** The Company has a policy on Prevention of Sexual Harassment Committee in compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The policy is placed on the Company's website and the committee comprises majority of women members who are responsible for conducting inquiries pertaining to such complaints.
- **Human Rights:** The Company respects human rights, regarding it as one of its fundamental core values and strives to support, protect, and promote human rights to ensure fair and ethical business and employment practices. MFL has zero tolerance towards and prohibits all forms of slavery, coerced labor, child labor, human trafficking, violence or physical, sexual, psychological, or verbal abuse. As a policy, MFL does not hire any employee or engage with any agent or vendor against their free will.
- **Health and safety management system:** All the employees of the Company are covered under the Company's health insurance and personal accident policy. The Company provides statutory benefits like provident fund, gratuity, superannuation, and employees' deposit linked insurance, as applicable, are settled on a priority basis. In addition, all employees are covered under GPI (Group Personal Accident) Insurance.
- **Performance Management System and career development reviews:** The Annual Performance Appraisal process. designed by the People & Culture department is for every employee. The Nomination and Remuneration Committee and the board evaluate the performance of the whole-time directors, members of executive management (one level below the board) and the company secretary annually. The underlying philosophy of PMS is fair employee's appraisal system on an objective methodology to assess each employee's performance and potential to provide for a reward system which recognizes merit.

Corporate Governance

Ethics and Transparency

The Company has constituted various sub-committees of the Board and framed Policy documents to sustain high level of governance, ethics and transparency, comprising the following:

Policies:

- Company's Code of Conduct for Directors and Senior Management
- Related Party Transactions
- Whistle Blower Policy
- KYC, and Prevention of Money Laundering Policy
- Social Media Policy and
- Information Security Policy

Committees:

- Audit Committee
- Nomination & Remuneration Committee
- CSR Committee
- Stakeholders Relationship Committee

- Operations Committee
- Asset Liability Management Committee
- Risk Management Committee
- IT Strategy Committee
- Stock Allotment Committee and
- Customer Service & Protection Committee

Independence of organization governance:

The Company believes in achieving corporate governance by way of balanced Board composition, evaluating the Board on an annual basis, ensuring directors independence, auditors independence, aiming for long term value creation and managing risks proactively on time.

Governance with Code of conduct, Integrity, Ethical, Transparency and Accountability:

The company and its management uphold the standards of governance and is compliant with the Corporate Governance provisions as stipulated by Regulator and other laws and regulations

The Code of Conduct for Directors and Senior Management aligned with Company's core values requires the Board of Directors and Senior Management act within the bounds of the authority conferred upon them, with a duty to make and keep themselves informed about the developments in the industry and the legal requirements to be fulfilled. The Code is intended to maintain the high standards of transparency, business conduct ethics, corporate culture, and the values, to exercise diligence in action and decision making, to act as a deterrent from unethical doings, to promote ethical values, exhibit strong interpersonal and communication skills, and soundness of judgment in the best interest of the shareholders, creditors, employees, and other business associates, not engage in any activity, business, or relationship in conflict with Company's interest or prejudicial to the Company's interest and not engage in activities that are dishonest or lacking in integrity.

The code of honesty and transparency followed every line of decision making. The Independent Directors are also governed by the "Code for Independent Directors" as given in Schedule IV to the Companies Act, 2013. The Company's conduct and governance are effectively complied with through various committees for different organizational requirements with specific terms of reference/roles.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

ECONOMIC & BUSINESS OUTLOOK

With advanced markets returning to their inflation targets sooner than anticipated, the global inflation is expected to steadily decline to 5.9% in 2024 and 4.5% in 2025[1]. Continuing to grow at a modest pace, the global growth is projected to be at 31.1% in 2024 similar to 2023, with a slight pick up to 3.2% in 2025[2].

Solidifying its position as the 5th largest in the world, the Indian economy continued to be resilient maintaining a steady growth trajectory. We continue to exceed growth projections and closed the fiscal year 2024 with GDP growth of 8.2% compared to 7% in FY 2022-23[3]. Post pandemic, we have been focused on public spending on infrastructure, achieving stronger balance sheets on both financial and non-financial private sectors, and of course digitization which enabled us to be resilient and bounce back quickly from adverse economic conditions then.

India's lower middle-income segment is still largely untapped especially the MSME sector. MSMEs face a credit gap of $530 billion, and only 14% of the 63 million small businesses in India have access to credit, according to a report by investment bank Avendus Capital[4]. MSMEs are the second largest employer in India today after agriculture and it is imperative that the segment receives the much-needed impetus. The government and the Central Bank continue to focus to roll out significant measures to mitigate the gap in this fiscal.

With the demographic dividend, focus on agriculture and rural segments, investment demand, focus on capital expenditure coupled with ideal regulatory and fiscal policies, the growth outlook remains buoyant. India's economy is forecast to expand by 6.9% in 2024 and 6.6% in 2025 as per The World Economic Situation and Prospects as of mid-2024[5].

INDIAN NBFCs

Reports suggest that after a moderation in growth post the COVID-19 pandemic, NBFCs are back on track with an expected credit growth of 13–14 per cent during FY24. NBFCs maintained robust credit growth in the first half of the financial year, and with stringent RBI strictures, the second half witnessed a considerable slow growth in general compared to H1 2014. NBFC Sector at large maintained a robust pace of credit growth with Net Advances growing 21% YoY & Balance sheet size swelling up to INR 21.8 L Crore (19% growth YoY).[6] The year also witnessed a consistent upward trend in bank lending to NBFCs and witnessed improved GNPA for the third FY in a row.

The government has launched Revamped Gold Monetization Scheme (R-GMS) to mobilize gold held by households and institutions which is estimated to be 27000 tons. Banks have certainly upped their game in the gold loan market, but the NBFC industry has been consistently resilient mainly due to their reach across markets including deep rural geographies & catering to financial needs of people irrespective of the loan size. The hike in gold prices can push people to invest more in gold and might not impact the buyers' sentiments just as yet.

ABOUT MUTHOOT PAPPACHAN GROUP

Founded in 1887, Muthoot Pappachan Group (MPG) is a significant entity in the Indian business landscape with nationwide presence and tailor-made products and services for its targeted customers. The group which planted its roots in retail

[1] https://www.imf.org/en/Publications/WEO

[2] https://www.oecd.org/en/about/news/press-releases/2024/05/economic-outlook-steady-global-growth-expected-for-2024-and-2025.html#:~:text=The%20global%20economy%20is%20continuing,up%20to%203.2%25%20in%202025.

[3] https://www.livemint.com/economy/india-q4-gdp-data-live-updates-indian-economy-growth-in-fy24-q4fy24-growth-industrial-agricultural-growth-11717147242187.html#:~:text=India%20Q4%20GDP%20Data%20Live%3A%20FY24%20GDP%20growth%20rises%20to,cent%20in%20FY%202022%2D23.

[4] https://economictimes.indiatimes.com/small-biz/sme-sector/budget-2024-msme-data-stack-alternative-credit-assessment-models-can-bridge-530-bn-credit-gap-says-industry/articleshow/111745366.cms?from=mdr

[5] https://www.thehindu.com/business/Economy/indias-2024-economic-growth-projection-revised-upwards-by-un-to-nearly-7/article68185210.ece

[6] https://web-assets.bcg.com/86/82/9b11253b481585f8fff6dbf966ab/2024-june-nbfc-sector-roundup-upload.pdf

trading, later diversified into various sectors including Financial Services, Hospitality, Automotive, Realty, IT Services, Precious Metals, and Alternate Energy. With Muthoot FinCorp Limited as its flagship company, Muthoot Pappachan Group today has a workforce of over 40,000 employees, a vast network of more than 5,200 branches nationwide and Bollywood stars Shah Rukh Khan and Vidya Balan as its brand ambassadors. Muthoot Pappachan Foundation, the CSR arm of the group facilitates the CSR activities for the entire group companies focusing on Health, Education, Environment and Livelihood (HEEL).

ABOUT MUTHOOT FINCORP LIMITED

From opening the first branch decades back in Kerala's capital city – Trivandrum, Muthoot Pappachan Group today stands tall today with a vast network of branches across the country empowering millions of families by ensuring easy financial access and being a partner to realise their ambitions. Muthoot FinCorp Limited created history with highest ever loan disbursements in FY24 with consolidated disbursement at ₹ 61,703.26 cr, up by 18.60% compared to FY23. We have witnessed considerable growth in the past few years along with our three subsidiaries – Muthoot Microfin, Muthoot Housing Finance Company Limited and Muthoot Pappachan Technologies. While we have our own offerings, we collaborate with our Group companies and partners too to ensure that we meet all requirements of the customer lifecycle as and when needed and some of the offerings include - Gold Loans, Small Business Loans, Loan against Property (LAP), Secured & Unsecured Business Loans, Affordable Housing Loans, Two-Wheeler Loans, Used Car Loans, Domestic & International Money Transfer, Foreign Exchange, Insurance Products & Services, Wealth Management Services, Affordable Gold Jewellery and many more.

The business units we began in the previous year – Secured and Unsecured Lending Business (SULB) in Chennai and Muthoot FinCorp One in Bangalore made substantial progress this year. The SULB platform introduced mortgage business loans in FY24 and during the first quarter of FY25 has rolled supply chain finance too. Muthoot FinCorp One mobile app reached 2 million downloads by June 2024 and is foraying into digital lending.

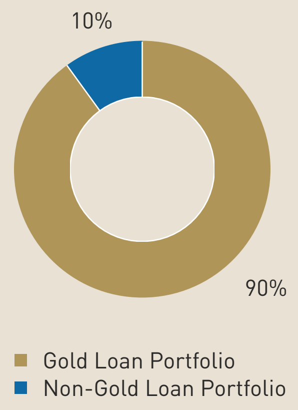
PERFORMANCE REVIEW

We have strengthened our product offering in FY24 by rolling out new products and services for our customers. During the financial year 2023-2024, we reported highest ever loan disbursements with consolidated disbursement at ₹61,703.26 cr, up by 18.60%. The AUM stood at ₹33,359.30 cr with net profit at ₹1047.98 crore, an increase of 62.12 % over the preceding fiscal while serving more than 93lakh customers across the country.

As standalone, Muthoot FinCorp reported disbursements at ₹50167.12 cr, 15% per cent YoY from ₹43443.26 cr in the previous year. The PAT increased to ₹562.81 crores, up by 22.40%, compared to Rs. 459.81 crores in FY 23. The Assets under Management (AUM) stood at ₹21712.34 cr, up by 23.26 per cent compared to ₹17615.07 cr in the corresponding previous year. The revenue was reported at ₹1197.31 in the Jan-March quarter of FY 24 posting a growth of 25.59 per cent, compared to ₹953.38 crore in Q4 in FY 23. As of March 31, 2024, the number of total customers served by Muthoot FinCorp Limited stood at 4298445, a 14% increase compared to the previous financial year.

Alongside our flagship gold loan services, we focus to strengthen our offering through other loans and other services. Our endeavour is to become a Company of Choice for the common man, and we will continue our drive to move from product to segment ensuring to meet the lifecycle needs of our customers.

Portfolio Mix in FY24



CUSTOMER FIRST APPROACH

Customer satisfaction and experience is key for any organization, more so in the consumer business. As such, we have always strived to ensure a smooth customer experience while availing all our services or responding to their queries and requirements. We offer a unique proposition to customers with our branches across the country operating 6 days a week, for 8 hours a day, positioning us as a neighbourhood financial services hub to meet their needs immediately.

The Customer Relationship Management (CRM) platform implemented by the Company in the previous year has scaled up as a critical business and service enabler for our branches and call centres, for both new customer acquisition as well as expanding the existing customer relationship. The CRM is also available in a mobile app version for all the Company's employees to capture and nurture leads while 'on the go'.

The CRM platform is being enhanced with a Customer Service module that will enable all service functions like branches, call centres and others to have a 360° view of the customer for delivering a superior service experience.

The company's call centre services provide a multi-lingual capability to listen and speak with customers in their native language, thereby offering a personalized service. Listen, Address, Measure, Adopt – these are the four fundamentals of our customer-first approach.

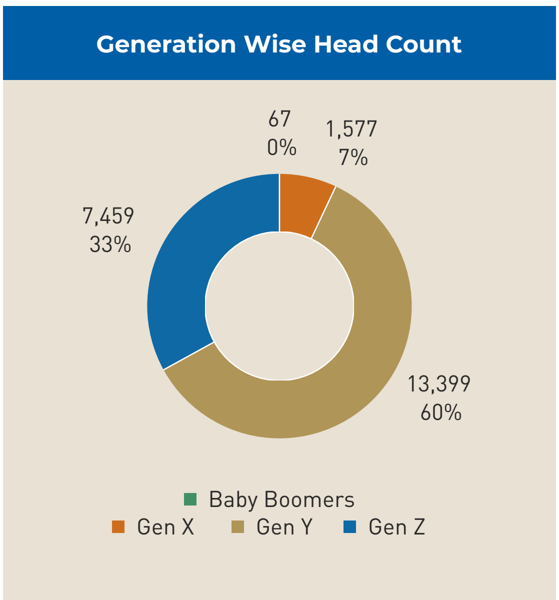
With a commitment to provide innovative product offerings and cutting-edge technology to enhance experience, we hope to convert our branches as 'Experience Centres' for our customers and in the coming years our focus is on 'More Customers, More for Customers' driven by purpose.

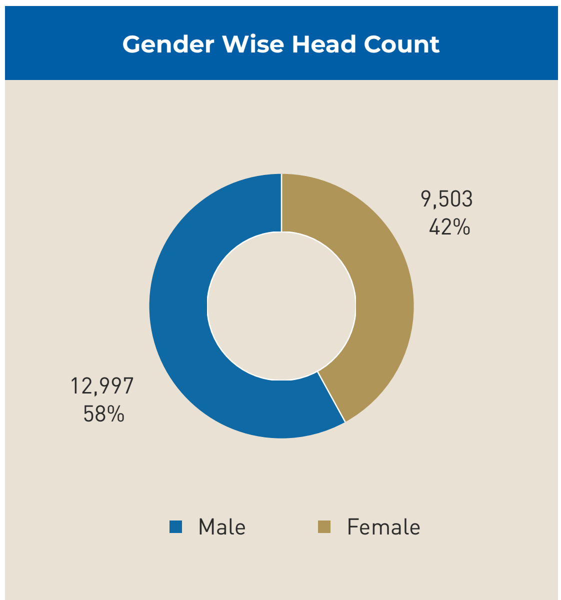
People & Culture (P&C)

The People & Culture (P&C) organisation structure has been aligned to the evolving business structure for seamless execution on ground. Now, the P&C structure has developed specialisation based on the business units such as Branch Business, Secured & Unsecured Lending Business (SULB), Wealth Management, Non-Banking Payments & Services (NBPS), Business Development Channel, Corporate HR & Muthoot Fincorp One. Compensation & Benefit.

The net job creation in FY24 stood at 4692 while the total workforce was 22,500 as on 31st March 2024.

Employee Demographics:





Employee Experience (EE)

The objective of Employee Experience is to facilitate business partnering through performance improvement, talent attraction and people retention thereby providing a highly engaging experienced strong human capital. In order to nurture and promote internal talent, we provided Internal Job Posting (IJP) and promotions at multiple levels. During the year **3480** employees got promoted internally to assume positions of higher responsibility. The average age group of Muthootians is **32** years of age, and the gender diversity stood at **42%** female employees [9503] and **58%** male employees [12997]. In order to improve the quality of hires, we have introduced an aptitude test for candidates applying for positions <3-year experience. To ensure uniform employee experience, we have introduced a 30-60-90-day interaction and feedback with new joiners.

We had conducted a Well-Being and Employee Engagement Survey for all employees in Jan 2024. Facilitated by W. E. Matters. The survey endorsed the organization positively.

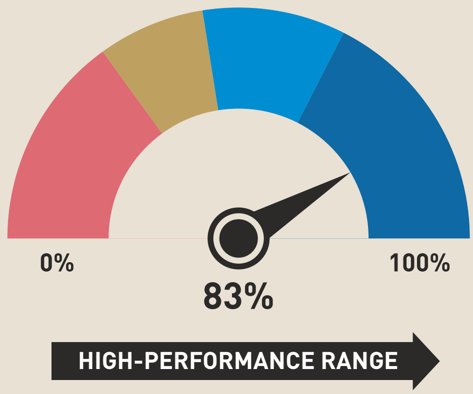
The results for the same and inferences are highlighted below.

MUTHOOT FINCORP OVERALL

At 83% engagement level Muthoot FinCorp is in the High-Performance Range, Hence employees will be able to achieve the business targets.

Engagement % Range

- High-Performance Range (66-100%)
- Indifferent Range (46-65%)
- Serious Range (31-45%)
- Destructive Range (0-30%)



76% Benchmark Engagement of BFSI Industry

76% Benchmark Engagement of NBFC Specific

- Companies in the **High-Performance Range** are likely to out perform the market growth rate and gain market share.
- Companies in the **Indifferent Range** are likely to grow at the market rate.
- Companies in the **Serious Range** are likely to have a growth rate below the market growth rate and may lose market share.
- Companies in the **Destructive Range** are likely to have a negative growth rate.

Digital Transformation in HR

As part of our digital transformation journey, some of the highlights include:

- HRMS (Human resource Management System) with innovative technologies implemented during the year previous financial year is now stabilised and further capabilities have been added including deploying alumni portal for ex-employees and others

- We were also engaged in adoption of AI for Aptitude test of candidates
- We had introduced Employee Query Management system in 2022 to address all employee related issues and during FY24, we have received total 7702 queries for various reasons, which were timely addressed and closed.

Learning & Development

The objective of Learning & Development is to design, deliver and execute programs, thereby fostering a culture of continuous learning. All the employees of the Company undergo various Learning and Development programs throughout the year. These programs are provided through combination of offline, virtual classroom training initiatives, e-learning modules (enabling a culture of self-learning), and e-mail communication.

In addition to various product and business training, the following mandatory programs were undertaken during the year:

a. Prevention of Sexual Harassment at the Workplace

b. Information and Cyber Security Awareness,

c. Code of Conduct,

d. Know Your Customer Guidelines,

a. IT and cyber security,

e. Compliance Awareness

f. Business Continuity Plan

g. Environmental Social and Governance along with Sustainability Development Goals

Centre of Excellence:

The objective of Centre of Excellence which includes induction for new candidates, continuous training modules for employees, behavioral training, need based training and others continued in the year improving their personal economic value.

Organization Design and People Infrastructure

We conduct a systematic process of assessing the relative worth of each role, ensuring that our compensation structures align with our strategic objectives, thus we ensure fair compensation and benefits for our employees.

All employees of the Company undergo an annual performance appraisal process designed by the Company's People & Culture department. Further, the Nomination and Remuneration Committee and the board evaluates the performance of the whole-time directors, members of executive management (one level below the board) and the company secretary on an annual basis.

Muthoot Health Triangle (MHT) – the triad of employee well-being constitutes of Intellectual Health, Physical Health, and Social Health. MHT is a program outside the scope of daily work, which is designed to enrich the lives of employees, promoting a well-rounded development that is essential in today's fast-paced world. An inhouse app is being designed to capture the number of steps taken to improve physical wellness or health of an employee. The app will also contain a repository of self-development programs which employees can enrol to enhance their Intellectual, Physical and Social health.

Engage. Encourage. Energize.

Employee engagement is crucial for increased productivity and revenue, better employee satisfaction, improved retention rates and happier employees. The main objective is to have effective strategies in place to create a better work culture, reduce staff turnover, increase productivity, build better work and customer relationships, which will ultimately have a positive impact on company profits.

As a recognition for outstanding performance at both individual and team level, a special program called Blue Champions League (BCL) has been initiated. Four quarterly and one annual BCL championship was announced during the financial year FY 23-24. Winners were recognised with addition to lanyards and certificates. The annual BCL championship awards were distributed at a central function with our brand ambassador Vidya Balan felicitating the winners while the quarterly winners were recognized during R&R celebrations held region wise.

The company celebrated Blue Waves – the Founder's Day celebration which witnessed participation from Muthootians across our Group companies.

All HR related communications are sent for the benefit of employees such as policies, welcome mailers, PMS, attendance, statutory compliance, etc.

The CEO of the Company oversees the human resources function in the Company. In addition, the Chief Human Resource Officer (CHRO) under the supervision of Managing Director is responsible for addressing any human rights issues.

INFORMATION TECHNOLOGY

With a seamless blend of both internal and vendor capabilities, Muthoot FinCorp has made substantial investments in creating two distinctive capabilities – one on applications and infrastructure namely Muthoot Pappachan Technologies (MPT), the technology arm based in the capital city of Kerala in Trivandrum, and another where we are focused on digital innovation and technologies including our mobile app – Muthoot FinCorp One based in Bangalore. The technology capability at Muthoot FinCorp witnessed couple of good initiatives in FY24 including enhancing sales governance app for productivity increase internally, rolling out NCD offering in the Muthoot FinCorp One app for our customers and initiating digital signatures for gold loan processing ensuing a seamless and easy process. Robotic Process Automation (RPA) has been implemented across different areas and we are in the process of extending RPAs across other areas in the organisation. We have upgraded our core services platform and by end of FY25 we plan to complete the CFSS (Core Financial Services System) platform for all Muthoot FinCorp business units and functions. We look forward to launching digital loan origination platform for quicker loan processing and disbursement, upgrade our branch network, infrastructure and hardware for better productivity, and ensure fully secured environment and data along with efficient business continuity plan for FY25.

RISK & COMPLIANCE

Risk is an essential part of all business. Properly managed, it drives growth and opportunity.

Enterprise Risk Management (ERM) is Muthoot FinCorp's holistic and disciplined approach to identifying and addressing its risks. The ERM framework at Muthoot FinCorp is pervasive and data driven, an integral part of decision making. The policy we follow is that of managing risks proactively and not reactively, thus effectively navigating the challenges of the new business environment, emerging stronger and more resilient.

In the new era there is a demand for faster and higher quality of risk analysis. At Muthoot FinCorp, we have organized specific systemic controls to cope up with risks in the pipeline, both tangible and intangible. We are focused to develop the right risk culture across Muthoot FinCorp to achieve our desired return on compliance investment. Our goal is to make risk management a part of every activity across Muthoot FinCorp, thus becoming the fabric of everything everyone does in the Company.

The way forward is building up a harmonious coexistence of automation, AI and human expertise. By blending and integrating these elements and updating our risk management strategies to effectively align with the changing needs of business. We will stay ahead of the complexities of tomorrow's business landscape, with greater resilience, agility and confidence.

As an RBI-regulated entity, we are committed to upholding the highest standards of compliance in line with RBI and other regulatory/statutory guidelines. As part of this commitment, we have implemented an independent compliance function led by the Chief Compliance Officer (CCO), ensuring robust oversight and continuous evaluation of regulatory adherence. Our Compliance Policy is designed to proactively identify, manage, and mitigate compliance risks, ensuring that all statutory and regulatory obligations are met both in letter and spirit. Through continuous monitoring, stringent governance practices, regular training, and a focus on embedding a culture of compliance across all levels of the organization, we safeguard the trust of our stakeholders. This ensures that our operations not only meet but are also prepared for the evolving regulatory expectations, fostering long-term sustainability and integrity.

SULB

The Secured and Unsecured Lending Business (SULB) unit rolled out loan against property offering to address specific financial needs serving a diverse clientele including self-employed professionals, and micro enterprises in the country. Vyapar Mitra, our flagship Business Loan solution, designed to foster financial inclusion continued to make progress empowering our small business owners across India. Our business loans are customised to meet the needs of the customers, and with Easy Daily Instalments (EDI) being the significant aspect, it ensures to match the daily cash flow of the customers. In our investiture year of 2022-2023, we established operations across 100+ locations in India and by FY24, our expansion surged nationwide, now spanning 350+ locations. In FY25, we plan to go live with supply chain finance enabling suppliers to access cash quickly while buyers extend their payment terms which ultimately benefits all parties involved by improving cash flow, reducing financial risk, and strengthening relationships within the supply chain. In 2023, we launched Bandhan Plus, a new product, to our existing Gold Loan customers, fostering stronger connections, and bolstering our market share.

TREASURY

We have a strong lending relationship with 27 lending institutions as of FY24 including one additional relationship built during the year. We have separate funding arrangement for MSME business and digital lending while co-lending arrangement is made with 3 Banks for Gold Loan business and 1 Bank for MSME loans. We completed 4 NCD Public Issues including NCD Secured Pvt placements with 2 issues, the Perpetual Debt Instruments (PDI) and Sub Debt with 3 issuances each, during FY 24.

BRANDING & MARKETING

Building on Our Legacy of Trust

At Muthoot FinCorp, trust is more than just a value—it's the cornerstone of our brand. With a legacy deeply rooted in reliability and integrity, our primary focus has always been to strengthen this trust. Over the past year, we have launched several key initiatives aimed at connecting more closely with our consumers and reinforcing our brand recall among our target audience.

Strategic Partnerships and Campaign

In our flagship Gold Loan business, we have partnered with Shah Rukh Khan starrer JAWAN to co-promote our UDAAN Gold Loan. This strategic association was amplified across both digital and traditional media platforms, ensuring widespread visibility and resonance with our audience.

Championing Local Heroes

In our commitment to supporting the underserved and providing a platform for local MSMEs, the digital campaign 'Vocal for Local' featuring our brand ambassador Vidya Balan underscored our dedication to empowering small businesses and reinforcing the importance of supporting local enterprises.

Celebrating Unseen Achievements

On International Women's Day, we launched the 'Muthoot FinCorp Super Woman' digital campaign. This initiative was designed to recognize and celebrate women entrepreneurs whose contributions often go unnoticed, particularly in Tier 1 and Tier 2 cities across the country. The campaign received an overwhelming response, with participation from inspiring women across 12 states who have quietly built successful ventures in their communities. Our goal was not only to celebrate those who have already gained recognition but also to uncover and applaud the unsung heroes whose resilience and determination serve as an inspiration to us all. The campaign culminated in a virtual meet-and-greet for 30 of these super women with our brand ambassador Vidya Balan in Q2 Fy25.

Showcasing Our Commitment

These significant brand initiatives are a testament to Muthoot FinCorp's ongoing commitment to trust, empowerment, and community engagement. As we move forward, we will continue to build on our legacy, creating meaningful connections with our consumers and contributing positively to society.

ENVIRONMENT SOCIAL GOVERNANCE

The Company's focus on ESG parameters is best reflected through Core Values in all spheres of activity and Sound principles of governance necessary tool to create long-term value for all its stakeholders. The company being a financial services provider, the risks associated with the environmental areas in manufacturing and industrial sector does not apply to the Company. However, the company acknowledges the importance of conserving resources and energy resulting in the establishment of Wind Farms, thus committing towards the environment.

The company's objective to promote sustainability is achieved through financial inclusion of lower middle income family segment of the society with focus on increasing women customer base with specific designed products for them. To enhance the standards of customer experience, service efficiency and save environment, the company has embarked on a strategic initiative to provide digital experience without compromise on the customer connect with right blend of physical and digital interaction. The company's hiring policy focuses on a Diverse, Equitable, and Inclusive (DEI) culture by providing employment to freshers, women candidates, and candidates from Rural areas. This process involves focus on employee life cycle from sourcing the right talent till separation by enabling a vibrant work environment with an aim to be the employer of choice (Great place to work for) comprising Employee Experience, Learning & Development, Centre of Excellence and Compensation & Benefit. Under the corporate governance, the Company has constituted various sub-committees of the Board and framed Policy documents to sustain high level of governance, ethics, and transparency. A detailed report on ESG initiatives is shared in the annual report.

CSR

Through Muthoot Pappachan Foundation (MPF), the CSR wing of Muthoot Pappachan Group, we continue to focus on impactful initiatives. We continue to undertake our significant project 'Smile Please' since 2014 and in FY24, we successfully conducted more than 250+ cleft surgeries for children especially from remote villages who were born with cleft lips taking the total count to 2882 smiles across 43 mission in the country. A collaborative work was undertaken by MPF and Royal Rajasthan Foundation towards the capacity building for women to enable access to water in the state of Rajasthan. 10 small farm ponds, 5 water harvesting wells and 25000 saplings were planned as part of the initiative. A detailed report on ESG initiatives is shared in the annual report.

OUTLOOK

With India aspiring to be the 3rd largest economy in the next three years, we look forward to play a significant contributory role in nation building. We plan to continue with our phygital model and will reach out to the millions of people ensuring financial inclusion. With growing customer demands, we plan to expand our offerings and have identified opportunities to keep the momentum. Our endeavor to become a company of choice to the chosen customer segment (common man) than a single product service provider will continue, and as we expand our product offering, we will keep the lifecycle requirement of our target segment as a key aspect ensuring financial inclusion of India's common man.

REPORT ON CORPORATE GOVERNANCE

The concept of 'Corporate Governance' is the system by which the management of a business entity directs and controls the activities in the best interest of the stakeholders. Corporate Governance refers to the way a corporation is governed. It is the technique by which companies are directed and managed. It is all about balancing individual and societal goals, as well as economic and social goals.

Good corporate governance in the changing business environment has emerged as a powerful tool of competitiveness and sustainability. Corporate governance lays down ethics, values, and principles, management policies of an organisation which are inculcated and brought into practice. The importance of corporate governance lies in promoting and maintaining integrity, transparency and accountability throughout the organization.

Corporate governance is concerned with set of principles, ethics, values, morals, rules, regulations, & procedures etc. It establishes a system whereby directors are entrusted with duties and responsibilities in relation to the direction of the company's affairs.

The Corporate Governance structure specifies the distribution of rights and responsibilities among different participants in the Corporation, such as the Board, Managers, Shareholders and other Stakeholders and spells out the rules and procedures for making decisions on Corporate Affairs. By doing this, it also provides the structure through which the Company objectives are set, and the means of attaining those objectives and monitoring performance.

Company's Philosophy on Code of Corporate Governance

Corporate Governance guides the Company towards setting and attaining of its objectives, monitoring the performance and adding value to various stakeholders associated, directly or indirectly, with the Company. It covers practically every facet of management, from internal controls & action plans to performance measurement & corporate disclosure.

Your Company follows a comprehensive mechanism of 4 P's of corporate governance which includes: People, Purpose, Process and Performance.

4 P's of CORPORATE GOVERNANCE

PEOPLE

They are the people who help and participate to run the Company. The internal stakeholders diligently perform their functions, are ethical in their approach and meets the expectations of the external stakeholders in an unbiased manner.

PURPOSE

The Vision and Mission of the Company clearly defines what the organization aims to achieve and the means to accomplish the desired objectives.

PROCESS

The Company has clearly defined and documented business and management processes. The management of process involves how these are organized and generate the predetermined results. The plans and processes are regulated by various applicable rules and regulations.

PERFORMANCE

The standards of output are set and communicated to ensure that everyone is aware of what is expected in the chain.

Your Company believes that good corporate governance is an important constituent in enhancing stakeholder value. It has in place processes and systems whereby it complies with the requirements to the corporate governance provided in SEBI Listing Regulations (to the extent applicable to a company which has listed debt securities) and the applicable RBI

Guidelines. The corporate governance framework is based on an effective independent Board, separation of the supervisory role of the Board from the executive management team and constitution of the committees of the Board, as required under applicable laws.

Your Company conducts its business in a way that takes into account both the bottom line and the impact of its activities on the society. The tone is set at the top by the Board of Directors that guides the Company to function in a way that enables inclusive and sustainable growth through more responsible business conduct and due diligence across the supply chain.

The Company has adopted a Board approved Internal Guidelines on Corporate Governance which will help the Company in attaining its objectives/goals, since it encompasses every sphere of operations, management, action plans, internal controls, performance measurement and regulatory disclosure. The said guideline has been uploaded on the Company's website and can be accessed at: https://www.muthootfincorp.com/policy/

Board of Directors

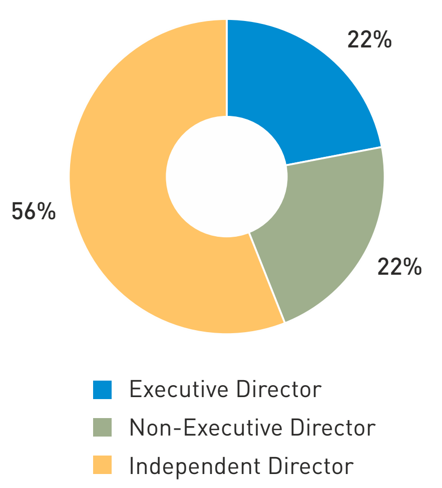
The general superintendence, direction, management of the operations, affairs and business of the Company are vested in the Board of Directors, which exercises its powers subject to the Memorandum and Articles of Association of the Company and the requirements of the applicable laws. The Company is focused on compliance with the regulatory requirements and thus maintains an optimum combination of Executive and Non-Executive Directors as provided in section 149 of the Companies Act, 2013 (the Act) and Regulation 17 (1) of SEBI (Listing Obligations and Disclosure Requirements), 2015 (the Listing Regulations).

As on March 31, 2024, the Board is comprised of nine members, including five Independent Directors, two Non-Executive Non-Independent Directors, one Executive Director and one Managing Director. The two Non-Executive Non-Independent Directors includes one Woman Director.

The Independent Directors on the Board of the Company have submitted their respective declarations confirming that they meet the criteria of independence and disclosures confirming that there is no material, financial and/or commercial transactions between Independent Directors and the Company which could have potential conflict of interest with the Company at large. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the Listing Regulations and that they are independent of the management. Further, the Board is satisfied of the integrity, expertise, and experience (including proficiency in terms of Section 150(1) of the Act and applicable rules thereunder) of all Independent Directors on the Board. The Independent Directors have confirmed that they have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

The names and categories of Directors, their attendance at Board Meetings held during the Financial Year and at the last Annual General Meeting (AGM), number of Memberships/ Chairmanships of Directors in other Boards and Committees of Board, Category of directorship and names of listed entities where person is a director are as follows:

Board Composition



A. Composition

Sl No.	Name of Director	Category of Directorship	Date of Present Appointment	*Details of membership in Committees of the Board including the Company		No. of Shares/ Non-Convertible Securities held by Non-Executive Directors	Directorship in other Listed Entity (LE)	
				Member	Chairman		Name of the LE	Category of Directorship
1.	Thomas John Muthoot (DIN: 00011618)	Managing Director	01/02/2022	5	1	NA	1. Muthoot Capital Services Limited 2. Muthoot Microfin Limited	1. Non-Executive Director 2. Non-Executive Director
2.	Thomas George Muthoot (DIN: 00011552)	Non-Executive - Non-Independent Director	28/09/2022	3	1	5,14,56,021 (Shares)12,000 (Non-Convertible Debentures)	1. Muthoot Capital Services Limited 2. Muthoot Microfin Limited	1. Managing Director 2. Non-Executive Director
3.	Thomas Muthoot (DIN: 00082099)	Executive Director	01/02/2022	3	1	NA	1. Muthoot Capital Services Limited 2. Muthoot Microfin Limited	1. Non-Executive Director 2. Managing Director
4.	Preethi John Muthoot (DIN: 00483799)	Non-Executive – Non-Independent Woman Director	29/09/2023	1	0	1,29,13,704 (Shares)	Nil	NA
5.	A. P Kurian (DIN: 00008022)	Non-Executive - Independent Director	01/11/2019	2	1	Nil	Muthoot Capital Services Limited	Non-Executive Independent Director
6.	A. Vikraman (DIN: 01978341)	Non-Executive - Independent Director	01/11/2019	4	0	Nil	Nil	NA
7.	Badal Chandra Das (DIN: 09758076)	Non-Executive - Independent Director	01/12/2022	1	0	Nil	Nil	NA
8.	Ravi Ramchandran (DIN: 10048011)	Non-Executive - Independent Director	28/02/2023	0	0	Nil	Nil	NA
9.	Anthony Abraham Thomas (DIN: 07749806)	Non-Executive - Independent Director	11/11/2023	0	0	Nil	Nil	NA

* Disclosure includes Chairmanship/Membership of Committees as required for computation of maximum number of Committees of which Director can be Chairman or Member in terms of Regulation 26(1) of SEBI Listing Regulations.
Mr. Thomas John Muthoot, Mr. Thomas George Muthoot and Mr. Thomas Muthoot are brothers. Mrs. Preethi John Muthoot is the wife of Mr. Thomas John Muthoot.

B. Attendance of Directors in Board Meeting

The meetings of the Board of Directors of the Company were held during eight (8) occasions during the FY 2023-24. The dates on which the meetings were held are May 22, 2023, July 25, 2023, August 11, 2023, September 14, 2023, November 10, 2023, November 28, 2023, February 09, 2024 and March 26, 2024. Your Board has met at least once in a calendar quarter and the maximum gap between these Board Meetings did not exceed one hundred and twenty days. The requisite quorum was present for all the meetings.

The details of attendance of the directors in the Board Meetings held during the FY 2023-24 are as mentioned hereunder:

Sl No.	Date of Board Meeting	Name of Directors and their Attendance (✓/X/NA)									Attendance	
		Thomas John Muthoot	Thomas George Muthoot	Thomas Muthoot	Preethi John Muthoot	A. P Kurian	A. Vikraman	Badal Chandra Das	Ravi Ramchandran	*Anthony Abraham Thomas	Number of directors attended	% Of attendance
1.	22/05/2023	✓	✓	✓	✓	X	✓	✓	✓	NA	7	87.5
2.	25/07/2023	✓	✓	✓	✓	✓	✓	✓	✓	NA	8	100
3.	11/08/2023	✓	✓	✓	✓	✓	✓	✓	✓	NA	8	100
4.	14/09/2023	✓	✓	✓	✓	✓	✓	✓	✓	NA	8	100
5.	10/11/2023	✓	✓	✓	✓	X	✓	✓	✓	NA	7	87.5
6.	28/11/2023	✓	✓	✓	✓	✓	✓	✓	✓	✓	9	100
7.	09/02/2024	✓	✓	✓	✓	✓	✓	✓	✓	✓	9	100
8.	26/03/2024	✓	✓	✓	✓	✓	✓	✓	✓	✓	9	100

*Mr. Anthony Abraham Thomas was appointed as the Additional Independent Director of the Company w.e.f. November 11, 2023 and regularised his appointment on February 05, 2024.

C. Attendance of Directors in the Annual General Meeting

The Annual General Meeting (AGM) of the Company held on September 29, 2023, was attended by Mr. Thomas John Muthoot, Mr. Thomas George Muthoot, Mr. Thomas Muthoot, Mrs. Preethi John Muthoot, Mr. A. P Kurian, Mr. A. Vikraman, Mr. Badal Chandra Das and Mr. Ravi Ramchandran representing 100% of attendance by the Board of Directors of the Company.

D. Performance Evaluation of Board, Committees and Directors

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

E. Board Expertise and Skills

As stipulated under Schedule V to the Listing Regulations, the Chart/Matrix of Core Skills/Expertise/Competencies, along with the names of directors who possess such skills are given below:

Name of Director	Core Skills/Expertise/Competencies						
	Industry Experience	Management & Governance	Financial Expertise	Sales & Marketing	Risk Management	Human Resource & Stakeholder Engagement	Business Strategy & IT
Thomas John Muthoot	✓	✓	✓	✓	✓	✓	✓
Thomas George Muthoot	✓	✓	✓	✓	✓	✓	✓
Thomas Muthoot	✓	✓	✓	✓	✓	✓	✓
Preethi John Muthoot	✓	✓	✓	✓	✓	✓	✓
A. P Kurian	✓	✓	✓	✓	✓	✓	✓
A. Vikraman	✓	✓	✓	✓	✓	✓	✓
Badal Chandra Das	✓	✓	✓	✓	✓	✓	✓
Ravi Ramchandran	✓	✓	✓	✓	✓	✓	✓
Anthony Abraham Thomas	✓	✓	✓	✓	✓	✓	✓

F. Familiarization Programme

The whole edifice of good corporate governance is dependent on the efficacy and effectiveness of independent directors. Independence, when it comes to boards, allows a director to be objective and evaluate performance and well-being of company without any conflict of interest or undue influence of interested parties. Independent Directors are obligated to be fully aware of the conduct of organizations on relevant issues.

The Company has in compliance with Regulation 25(7) of the Listing Regulations, structured the Familiarization Programme for its Independent Directors. The details of Familiarisation Programme has been uploaded on the Company's website and can be accessed at: https://www.muthootfincorp.com/wp-content/uploads/2024/06/FamiliarizationProgramme.pdf

G. Meeting of Independent Directors

In compliance with the requirement under Schedule IV of the Act and Listing Regulations, a separate meeting of the Independent Directors was held on 27.03.2024. The meeting was attended by all Independent Directors. Independent Directors, at the meeting, reviewed and discussed various matters as required under the Act and the Listing Regulations.

H. Brief profile of Directors

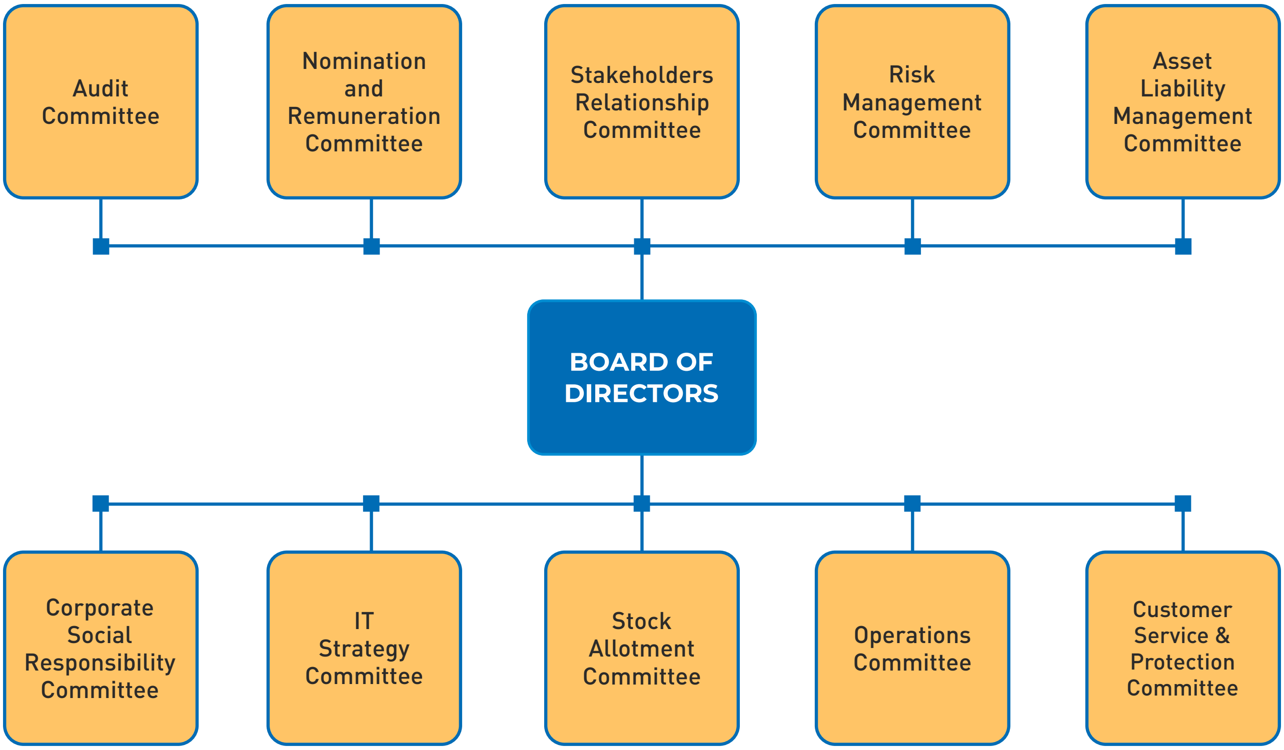
Sl. No.	Name of the Director and Designation	Profile
1.	Thomas John Muthoot Managing Director	Thomas John Muthoot holds a bachelor's degree in commerce from the University of Kerala. He is an alumnus of the Harvard Business School having completed his OPM program in 2014, he is the Member of the CII Kerala State Council, Member of the Chamber of Commerce, Trivandrum. He is a businessman by profession and has over three decades of experience in managing businesses operations in the field of financial services.
2.	Thomas George Muthoot Director	Thomas George Muthoot holds a bachelor's degree in commerce from the University of Kerala. He is also the Managing Director of Muthoot Capital Services Limited and Muthoot Hotels Private Limited and a director in the other companies under the Muthoot Pappachan Group engaged in hospitality, infrastructure, automotive, property and power generation. He has over three decades of experience in managing businesses in the field of financial services.
3.	Thomas Muthoot Executive Director	Thomas Muthoot holds a bachelor's degree in law from the University of Kerala. He has an in-depth understanding of consumer preferences and market nuances across India, resulting in the Group's launch of various new financial products. His knowledge of emerging markets and their functions have been harnessed in structuring the business interests of the Group.
4.	Preethi John Muthoot Director	Preethi John Muthoot holds a master's degree in arts from the University of Kerala. She was appointed as Additional Director with effect from March 28, 2019. She was designated as Director of the Company with effect from September 17, 2019. She is also a member of the Board of Directors of many group companies and hence gained several years hands-on experience in the activities of the Group.
5.	A.P Kurian Independent Director	A.P Kurian holds a bachelor's degree in commerce and a master's degree in economics and statistics from the University of Kerala. He has an experience of more than 40 years in the banking and finance industry. He was the executive chairman of Association of Mutual Funds in India and a member of the technical advisory Committee of RBI.
6.	A. Vikraman Independent Director	A Vikraman holds a bachelor's degree in science from the University of Kerala. He has an experience of more than 38 years in the field of finance, project funding, rehabilitation finance, micro finance, enterprise promotion and banking industry collectively.
7.	Badal Chandra Das Independent Director	Badal Chandra Das holds a master's degree in commerce from the University of Kalyani, West Bengal and a Certified Associate of Indian Institute of Bankers (CAIIB). He has a rich all-round banking experience from State Bank of India (SBI) in various capacities. Retired as Deputy Managing Director from SBI on August 31, 2019, after a tenure of 34 years served in India and abroad in various positions.
8.	Ravi Ramchandran Independent Director	Ravi Ramchandran graduated from the University of Madras with a degree in Bachelor in Commerce. He was associated with Nestle India Limited for more than 35 years. He has held several leadership roles at Nestlé India Limited. He was the Director - Sales for a decade, apart from being part of the Management Committee & the Diversity/Inclusion Committee.
9.	Anthony Abraham Thomas Independent Director	Anthony Abraham Thomas is a luminary in the field of Technology Leadership, Digital Transformation and Innovative Industrialization. He completed Leadership Training at Indian Institute of Management Ahmedabad and has been conferred Doctor of Science in Information Technology, Honoris Causa, from Hindustan Institute of Technology and Science. He is a mentor at Columbia University, New York in its Executive M.S. Technology Management Program and Governing Council Member of Mar Baselios College of Engineering and Technology. He is currently the Chairman of ICT Academy of Kerala and part of many distinguished forums. He was a member of the Reserve Bank of India's Technical Committee on Mobile Banking, instrumental in driving mobile payment ecosystem in India.

Committees of the Board

The structure of a board and the planning of the board's work are key elements to effective governance. Establishing committees is one way of managing the work of the board, thereby strengthening the board's governance role. Committees are usually formed as a means of improving board effectiveness and efficiency, in areas where more focused, specialized and technical discussions are required. These committees prepare the groundwork for decision-making and report at the subsequent board meeting. Committees enable better management of full board's time and allow in-depth scrutiny and focused attention.

The Board of Directors of the Company have constituted its various sub committees, which functions in accordance with the terms of reference assigned by it.

The composition of various Committees of the Board as on March 31, 2024, including the terms of reference of each committee are detailed below-



A. Audit Committee

The Company has an Audit Committee of the Board of Directors constituted in line with the provisions of Section 177 of the Companies Act, 2013, Master Direction - Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 ("RBI Master Directions") and Regulation 18 of the Listing Regulations.

The Audit Committee invites members of the senior management, assurance functions and other senior executives as it considers their presence to be appropriate at its meetings. The Chairman of the Audit Committee briefs the Board of Directors about significant discussions and decisions taken at each Audit Committee meetings.

The Audit Committee consists of majority of Independent Directors. The Chairman of the Committee is an Independent Director. All the Members of the Committee are financially literate and have accounting and financial management expertise as stipulated under the Act.

The Company Secretary of the Company acts as the Secretary to the Committee.

Terms of reference

The terms of reference of the Audit Committee, inter alia includes:

i) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

ii) recommendation for appointment, remuneration and terms of appointment of auditors of the Company;

iii) approval of payment to statutory auditors for any other services rendered by the statutory auditors;

iv) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

(a) matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;

(b) changes, if any, in accounting policies and practices and reasons for the same;

(c) major accounting entries involving estimates based on the exercise of judgment by management;

(d) significant adjustments made in the financial statements arising out of audit findings;

(e) compliance with listing and other legal requirements relating to financial statements;

(f) disclosure of any related party transactions;

(g) modified opinion(s) in the draft audit report;

v) reviewing, with the management, the quarterly financial statements before submission to the Board for approval;

vi) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the Board to take up steps in this matter;

vii) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

viii) approval or any subsequent modification of transactions of the Company with related parties;

ix) scrutiny of inter-corporate loans and investments;

x) valuation of undertakings or assets of the Company, wherever it is necessary;

xi) evaluation of internal financial controls and risk management systems;

xii) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

xiii) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

xiv) discussion with internal auditors of any significant findings and follow up there on;

xv) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

xvi) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

xvii) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

xviii) to review the functioning of the whistle blower mechanism;

xix) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

xx) Carrying out any other function as is mentioned in the terms of reference of the audit committee;

xxi) reviewing the utilization of loans and/ or advances from/investment by the Company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;

xxii) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;

xxiii) management discussion and analysis of financial condition and results of operations;

xxiv) management letters / letters of internal control weaknesses issued by the statutory auditors;

xxv) internal audit reports relating to internal control weaknesses;

xxvi) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee;

xxvii) statement of deviations:

(a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Listing Regulation.

(b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Listing Regulation.

xxviii) ensure that an information system audit of the internal systems and processes is conducted at least once in two years to assess operational risks faced by the Company.

Composition, Meetings and Attendance

The Audit Committee had met during seven (7) occasions during the FY 2023-24. The dates on which the meetings were held are May 22, 2023, July 25, 2023, August 11, 2023, November 10, 2023, November 28, 2023, February 09, 2024, and March 26, 2024. The gap between the two meetings did not exceed one hundred and twenty days.

The Audit Committee of the Company was re-constituted on May 22, 2023 with the following members:

Name of Director	Designation in the Committee	No. of Meetings Attended
A. P Kurian (Independent Director)	Chairman	5/7
A. Vikraman (Independent Director)	Member	7/7
Thomas George Muthoot (Non-Executive Non-Independent Director)	Member	7/7
Badal Chandra Das (Independent Director) (w.e.f. May 22, 2023)	Member	6/6

The Committee also met on May 20, 2024, to review the audited financial statements for the year ended March 31, 2024 and recommended the same to the Board for approval.

B. Nomination and Remuneration Committee

The Company has constituted the Nomination and Remuneration Committee of the Board of Directors in line with the provisions of Section 178 (1) of the Companies Act, 2013, RBI Master Directions and Regulation 19 of the Listing Regulations.

The Committee is entrusted with combined advisory responsibilities concerning the nomination for appointment or removal of Directors and Senior Management including Key Managerial Personnel and recommendation of remuneration policy. The Company Secretary of the Company acts as the Secretary to the Committee.

More than 50% members of the Nomination and Remuneration Committee are Independent Directors.

Terms of reference

The terms of reference of the Nomination and Remuneration Committee, inter alia includes:

i) Identifying and recommending to the Board of Directors, the nominees qualified to serve on the Board of Directors and committees thereof;

ii) Evaluating the candidates' ability to discharge such responsibilities/functions as expected from independent non-executive Directors;

iii) Assisting the Board of Directors in the Board's overall responsibilities relating to determination on their behalf and on behalf of the shareholders with agreed terms of reference, the Company's policy on specific remuneration packages and any compensation payment to the Managing Director, Whole-Time Directors and Executive Directors; and

iv) To provide independent oversight of and to consult with management regarding the Company's compensation, bonus, pension, and other benefit plans, policies and practices applicable to the Company's executive management.

Composition, Meetings and Attendance

The Nomination and Remuneration Committee had met during five (5) occasions during the FY 2023-24. The dates on which the meetings were held are April 27, 2023, May 22, 2023, September 14, 2023, November 10, 2023 and March 26, 2024.

Name of Director	Designation in the Committee	No. of Meetings Attended
A. Vikraman (Independent Director)	Chairman	5/5
A. P Kurian (Independent Director)	Member	4/5
Thomas George Muthoot (Non-Executive Non-Independent Director)	Member	4/5

Performance Evaluation Criteria for Independent Directors

The performance evaluation of the Independent Directors was conducted by the Board of Directors of the Company, except the director being evaluated. The parameters for evaluating the performance of Independent Directors include the attendance and participations in the meeting, leadership initiative, professional skills, problem solving, and decision-making, compliance with policies of the Company, ethics, code of conduct, understanding and knowledge of the market in which the Company is operating, ability to appreciate the working of the Company and the challenges it faces, director's contributions at Board / Committee meetings are of high quality and innovative etc. among others. The performance of the directors being evaluated was found satisfactory by the Board of Directors.

C. Stakeholders Relationship Committee

The Company has constituted the Stakeholders Relationship Committee of the Board of Directors in line with the provisions of Section 178 (5) of the Companies Act, 2013 and Regulation 20 of the Listing Regulations to redress the grievances of shareholders, debenture holders and other stakeholders.

The Stakeholders Relationship Committee is headed by Mr. Thomas George Muthoot, Non-Executive Director of the Company.

Mr. Sachu Sivas, Company Secretary of the Company, also acts as the Compliance Officer.

Investor Grievance Details

Particulars	No. of Complaints
No. of investor complaints pending as on April 01, 2023	1
No. of investor complaints received during the FY 2023-24	1
No. of investor complaints disposed of during the FY 2023-24	2
No. of investor complaints those remaining unresolved at the end of the FY 2023-24	0

D. Risk Management Committee

The Company has constituted the Risk Management Committee (RMC) of the Board of Directors in line with the RBI Master Directions, which monitors the risk management strategy of the Company. The composition of the Committee is also in compliance with Regulation 21 of Listing Regulations.

In line with the requirements of RBI notification, your Company has appointed a Chief Risk Officer to oversee the risk management practices within the organization.

The Company has also constituted Operational Risk Management Committee (ORMC) and Credit Risk Management Committee (CRMC) as Internal Committees. The ORMC oversees the management of operational risks and CRMC reviews the status of various credit risks associated with the business at regular intervals and reports to the RMC on a quarterly basis.

Terms of reference

The terms of reference of the Risk Management Committee, inter alia includes:

i) To formulate a detailed risk management policy which shall include:

(a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

(b) Measures for risk mitigation including systems and processes for internal control of identified risks.

(c) Business continuity plan.

ii) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

iii) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

iv) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

v) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

vi) The appointment, removal and terms of remuneration of the Chief Risk Officer shall be subject to review by the Risk Management Committee;

vii) Assisting the Board of Directors in the articulation of its risk appetite;

viii) Overseeing the implementation and maintenance of a sound system of risk management framework which identifies, assesses, manages and monitors risk;

ix) Recommend to the Board of Directors clear standards of ethical behaviour required of Directors and employees and encouraging observance of these standards;

x) Assessment of the Company's risk profile and key areas of risk in particular;

xi) Examining and determining the sufficiency of the Company's internal processes for reporting on and managing key risk areas;

xii) To monitor and review the risk management plan; and

xiii) To perform such other functions as may be delegated by the Board of Directors which shall specifically cover cyber security.

Composition, Meetings and Attendance

The Risk Management Committee had met during four (4) occasions during the FY 2023-24. The dates on which the meetings were held are May 22, 2023, August 11, 2023, November 10, 2023 and February 09, 2024.

The Risk Management Committee of the Company was re-constituted on May 22, 2023 with the following members:

Name of Director	Designation in the Committee	No. of Meetings Attended
A. P Kurian (Independent Director)	Chairman	3/4
Thomas John Muthoot (Managing Director)	Member	4/4
Thomas Muthoot (Executive Director)	Member	4/4
Badal Chandra Das (Independent Director) (w.e.f. May 22, 2023)	Member	3/3

E. Asset Liability Management Committee

The Company has constituted the Asset Liability Management Committee of the Board of Directors in line with the RBI Master Directions to oversee the implementation of the Asset Liability Management System and review its functioning periodically.

Terms of reference

The terms of reference of the Asset Liability Management Committee, inter alia includes:

i) Balance sheet planning from a risk-return perspective including the strategic management of interest rate and liquidity risks;

ii) Identifying balance sheet management issues like balance sheet gaps and reviewing the liquidity contingency plan;

iii) Pricing of products;

iv) Reviewing the results of and progress in implementation of the decisions made in the previous meetings;

v) Articulating the current interest rate view and basing its decisions for future business strategies on this view; and

vi) Capital requirement forecasts, capital allocation and monitoring of capital adequacy requirements.

Composition and Meetings

The Asset Liability Management Committee had met during twelve (12) occasions during the FY 2023-24. The dates on which the meetings were held are April 29, 2023, May 31, 2023, June 30, 2023, July 31, 2023, August 31, 2023, September 30, 2023, October 31, 2023, November 30, 2023, December 30, 2023, January 31, 2024, February 29, 2024, and March 30, 2024.

The Asset Liability Management Committee was re-constituted on May 22, 2023 with the following members:

Name of Member	Designation in the Committee
Thomas John Muthoot (Managing Director)	Chairman
Thomas Muthoot (Executive Director)	Member
Shaji Varghese (Chief Executive Officer)	Member
Maya G. K (Chief Risk Officer) (w.e.f. June 02, 2023)	Member
Joseph Oommen (Head - Finance & Accounts)	Member
R. Nadanasabapathy (Head - Treasury)	Member & Secretary

F. Corporate Social Responsibility Committee

The Company has constituted the Corporate Social Responsibility Committee of the Board of Directors in line with the provisions of Section 135 of the Companies Act, 2013 and the rules made thereunder.

Terms of reference

The terms of reference of the Corporate Social Responsibility Committee, inter alia includes:

i) formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company in areas or subject, specified in Schedule VII of Companies Act, 2013;

ii) formulate and recommend to the Board, an annual action plan in pursuance of its CSR Policy, which shall include the following, namely:-

(a) the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;

(b) the manner of execution of such projects or programmes as specified;

(c) the modalities of utilisation of funds and implementation schedules for the projects or programmes;

(d) monitoring and reporting mechanism for the projects or programmes; and

(e) details of need and impact assessment, if any, for the projects undertaken by the company.

iii) monitor the Corporate Social Responsibility Policy of the company from time to time;

iv) recommend the Annual CSR budget to the board for approval; and

v) recommend the amount of expenditure to be incurred on the activities.

Composition, Meetings and Attendance

The CSR Committee had met at one (1) occasion during the FY 2023-24 on August 11, 2023.

The Corporate Social Responsibility Committee was re-constituted on May 22, 2023 with the following members:

Name of Director	Designation in the Committee	No. of Meetings Attended
A. Vikraman (Independent Director)	Chairman	1/1
Thomas John Muthoot (Managing Director)	Member	1/1
Thomas George Muthoot (Non-Executive Non-Independent Director)	Member	1/1
Thomas Muthoot (Executive Director)	Member	1/1
Ravi Ramchandran (Independent Director) (w.e.f. May 22, 2023)	Member	1/1

G. IT Strategy Committee

The Company has constituted the IT Strategy Committee of the Board of Directors as per the provisions of RBI Master Direction DoS.CO.CSITEG/SEC.7/31.01.015/2023-24 dated November 7, 2023 pertaining to Information Technology Governance, Risk, Controls and Assurance Practices.

Terms of reference

The terms of reference of the IT Strategy Committee, inter alia includes:

i) To ensure that the Company has put an effective IT strategic planning process in place;

ii) To guide in preparation of IT strategy and ensure that the IT strategy aligns with the overall strategy of the Company towards accomplishment of its business objectives;

iii) To ensure that the IT Governance and Information Security Governance structure fosters accountability, is effective and efficient, has adequate skilled resources, well defined objectives and unambiguous responsibilities for each level in the organisation;

v) To ensure that the Company has put in place processes for assessing and managing IT and cybersecurity risks;

v) To ensure that the budgetary allocations for the IT function (including for IT security), cyber security are commensurate with the Company's IT maturity, digital depth, threat environment and industry standards and are utilised in a manner intended for meeting the stated objectives;

vi) To review, at least on annual basis, the adequacy and effectiveness of the Business Continuity Planning and Disaster Recovery Management of the Company;

vii) To assess the IT capacity requirements and review the measures taken to address the issues;

viii) To review the IT and cyber security related risks in the risk management policy of the Company in consultation with the Risk Management Committee of the Board (RMCB) at least on a yearly basis;

ix) To constitute/reconstitute the IT Steering Committee and Information Security Committee;

x) To oversee the activities of IT Steering Committee and Information Security Committee;

xi) To review and recommend the policies related to IT to the Board for approval;

xii) To carry out the review and amendment of IT strategies in line with the corporate strategies, cyber security arrangements and other matters related IT Governance; and

xiii) To perform such other functions as may be delegated by the Board from time to time.

Composition and Meetings

During the FY 2023-24, the meetings of the IT Strategy Committee were held on August 31, 2023, and March 01, 2024.

The IT Strategy Committee was re-constituted on February 09, 2024 with the following members:

Name of Director	Designation in the Committee
Anthony Abraham Thomas (Independent Director) (w.e.f. 10.02.2024)	Chairman
A. Vikraman (Independent Director)	Member
Thomas John Muthoot (Managing Director)	Member
Thomas George Muthoot (Non-Executive Non-Independent Director)	Member

H. Stock Allotment Committee

The Company has constituted the Stock Allotment Committee of the Board of Directors for the purpose of issue and allotment of securities.

Composition and Meetings

The Stock Allotment Committee had met during twenty-six (26) occasions during the FY 2023-24. The dates on which the meetings were held are May 02, 2023, July 12, 2023, August 03, 2023, August 04, 2023, August 09, 2023, August 10, 2023, August 18, 2023, August 23, 2023, August 31, 2023, September 20, 2023, September 25, 2023, September 26, 2023, September 28, 2023, November 01, 2023, November 30, 2023, December 05, 2023, December 15, 2023, December 21, 2023, December 22, 2023, December 28, 2023, January 08, 2024, January 31, 2024, February 19, 2024, March 01, 2024, March 20, 2024 and March 28, 2024.

Name of Director	Designation in the Committee
Thomas John Muthoot (Managing Director)	Chairman
Thomas George Muthoot (Non-Executive Non-Independent Director)	Member
Thomas Muthoot (Executive Director)	Member

I. Operations Committee

The Company has constituted the Operations Committee of the Board of Directors for the purpose of borrowing monies from banks or financial institutions in the ordinary course of business otherwise than on debentures.

Composition and Meetings

The Operations Committee had met during twenty-three (23) occasions during the FY 2023-24. The dates on which the meetings were held are April 18, 2023, May 18, 2023, June 09, 2023, June 15, 2023, June 23, 2023, July 10, 2023, August 04, 2023, August 31, 2023, September 15, 2023, September 16, 2023, September 28, 2023, October 10, 2023, November 07, 2023, November 29, 2023, December 22, 2023, December 28, 2023, December 29, 2023, February 14, 2024, February 28, 2024, March 12, 2024, March 21, 2024, March 27, 2024 and March 28, 2024.

Name of Director	Designation in the Committee
Thomas John Muthoot (Managing Director)	Chairman
Thomas George Muthoot (Non-Executive Non-Independent Director)	Member
Preethi John Muthoot (Non-Executive Non-Independent Director)	Member

J. Customer Service & Protection Committee

Pursuant to the provisions of the Master Direction - Reserve Bank of India (Internal Ombudsman for Regulated Entities) Directions, 2023 dated December 29, 2023, the Board of Directors has constituted the Customer Service & Protection Committee w.e.f. February 09, 2024.

Terms of reference

The terms of reference of the Customer Service & Protection Committee, inter alia includes:

i) To develop and review customer service policies and procedures to align with regulatory guidelines and best practices;

ii) To monitor and analyze customer feedback, complaints, and suggestions to identify trends and areas for improvement;

iii) To ensure timely resolution of customer grievances and escalate unresolved issues to the appropriate authorities;

iv) To conduct regular reviews of key performance indicators related to customer service and report findings to the board of directors;

v) To oversee and implement measures to safeguard the interests of customers and maintain high service standards;

vi) To provide guidance in improving the level of customer service;

vii) To consider and approve the appointment of Internal Ombudsman/Deputy Internal Ombudsman and determine the tenure, structure of emoluments, facilities, and benefits of Ombudsman keeping in view of the stature and position of the Internal Ombudsman/ Deputy Internal Ombudsman being at the apex of the grievance redressal mechanism of the Company;

viii) To review the periodic reports of the Internal Ombudsman preferably at quarterly intervals including the analysis of complaints;

ix) To put in place a system for discussion of cases, in which the decision of the Internal Ombudsman has been rejected by the Company; and

x) To perform such other functions as may be delegated by the Board from time to time.

Composition and Meetings

During the FY 2023-24, no meeting of the Customer Service & Protection Committee was held.

Name of Director	Designation in the Committee
Ravi Ramchandran (Independent Director)	Chairman
Anthony Abraham Thomas (Independent Director)	Member
Thomas John Muthoot (Managing Director)	Member

Senior Management

Particulars of Senior Management of the Company are as follows:

Name	Designation
Thomas Muthoot	Executive Director and Chief Financial Officer
Shaji Varghese	Chief Executive Officer
Suresh Kumar Sivaraj	Chief Human Resources Officer
Joseph Oommen	Head - Finance & Accounts
Ajay Kanal	Head - Operations & Change Management
Sachu Sivas	Company Secretary & Compliance Officer

During the FY 2023-24, there was no change in the senior management of the Company.

Remuneration of Directors

The details of remuneration paid to the directors of the Company has been disclosed in the Director's Report.

General Body Meetings

Annual General Meeting (AGM)

Details of AGM held during the last three preceding financial years are as under -

Financial Year	No. of AGM	Venue of the Meeting	Date & Time	Details of Special Resolutions Passed
2022-23	26th	Muthoot Centre, TC No. 27/ 3022, Punnen Road, Thiruvananthapuram, Kerala, India - 695 001	September 29, 2023, at 10.30 A.M.	1. Adoption of new set of Articles of Association of Company.
2021-22	25th	Muthoot Centre, TC No. 27/ 3022, Punnen Road, Thiruvananthapuram, Kerala, India - 695 001	September 28, 2022, at 10.30 A.M.	1. Borrowing powers of the Board of Directors under Section 180(1)(c) of the Companies Act, 2013. 2. Consent for creation of charge, mortgage, hypothecation on the immovable and movable properties of the Company under Section 180(1)(a) of the Companies Act, 2013.
2020-21	24th	Muthoot Centre, TC No. 27/ 3022, Punnen Road, Thiruvananthapuram, Kerala, India - 695 001	September 27, 2021, at 4.00 P.M.	1. Revision of remuneration of Mr. Thomas John Muthoot, Managing Director (DIN: 00011618). 2. Revision of remuneration of Mr. Thomas Muthoot, Executive Director and Chief Financial Officer (DIN: 00082099). 3. Revision of Commission payable to Mr. Thomas George Muthoot, Director (DIN: 00011552).

Extra-Ordinary General Meeting (EGM)

During the FY 2023-24, EGMs were held on three (3) occasions in June 29, 2023, February 05, 2024 and February 29, 2024.

Postal Ballot

There was no postal ballot conducted during the year.

Means of Communication

The Company believes that good corporate governance and regular communication with stakeholders helps keep all relationships open and healthy. Communication is established by way of corporate disclosures both mandatory and voluntary, financial reporting, corporate communication by way of press release etc., and dedicated 'Investor Relations' section on the website of the Company. The Company also has a dedicated Grievance Redressal Mechanism to ensure quick redressal of queries/complaints/grievances of the investors.

The Company Secretary also acts as the Compliance Officer for the purpose of redressal of investor grievances.

The quarterly, half yearly and annual results were published in leading national daily newspaper. The Annual Report and other disclosures and communications made to stock exchange are disclosed on the website of the Company.

General Shareholder Information

Company Registration Details

The Company is registered in the state of Kerala, India. The Corporate Identity Number allotted to the Company by the Ministry of Corporate Affairs is U65929KL1997PLC011518. The Company is a Systemically Important Non-Deposit Taking NBFC, registered with Reserve Bank of India.

27th Annual General Meeting

Day, Date & Time	Monday, September 30, 2024, at 10:30 A.M.
Venue	Muthoot Centre, TC No. 27/ 3022, Punnen Road, Thiruvananthapuram, Kerala, India - 695 001.
Dividend Payment Date	The Board of Directors have recommended a Final dividend of Rs. 5.75/- per equity share of face value of Rs. 10/- each fully paid up (i.e. 57.50%) for Financial Year ended March 31, 2024. Subject to shareholders approval at the ensuing 27th AGM, the said Final dividend will be paid on or before October 28, 2024., subject to deduction of tax at source as per the applicable rate(s) to the eligible shareholders.
Details of Stock Exchange where securities are listed and payment of Annual Listing Fee	The debt securities of the Company are listed with BSE Limited - P. J. Towers, Dalal Street, Mumbai – 400 001, Maharashtra. Annual listing fees, as prescribed, have been paid to the said stock exchange up to March 31, 2024. There are no outstanding dues.
Stock Code	The equity shares of the Company are not listed on the Stock Exchange, hence the Stock Code is not applicable.
Scrip Code	948016
Company Code	10054
Market price data- high, low during each month in last financial year	Not Applicable
Suspension of securities from trading	During FY 2023-24, none of the securities of the Company were suspended from trading.
Registrar to an Issue and Share Transfer Agent (RTA)	RTA for Non-Convertible Debentures (Listed): Integrated Registry Management Services Private Limited SEBI Reg. No. INR000000544 RTA for Equity Shares (Unlisted): KFin Technologies Limited
Share Transfer System	All the shares of the Company are in dematerialised form.
Dematerialization of Shares and Liquidity	As on March 31, 2024, the total equity capital of the Company was held in dematerialised form with National Securities Depository Limited. As the equity shares of the Company are not listed on the Stock Exchange, the shares were not traded on the Stock Exchange.
Outstanding Global Depository Receipts (GDRs)/American Depository Receipts (ADRs)/warrants or any convertible instruments, conversion date and likely impact on equity	The Company does not have GDRs/ADRs/Warrants as on March 31, 2024. During the FY 2021-22, the Company had issued Cumulative Compulsorily Convertible Preference Shares (CCCPS) aggregating to Rs. 150 crores. As per the CCCPS Agreement executed between the Company and the preference shareholders dated April 18, 2021, CCCPS shall be converted into equity shares of the Company at the option of the investor at any time after the expiry of a period of 43 (forty-three) months from the closing date as per the said agreement or upon the expiry of a period of 10 (ten) years from the Closing Date. The CCCPS shall be converted at lower of the fair values of the equity shares as determined by the valuation report dated December 09, 2020 issued by Ernst & Young Merchant Banking Services LLP in relation to the issuance of the CCCPS or valuation report to be issued by a registered valuer (in a form acceptable to the holders of the CCCPS) following the issuance of the conversion notice by the holders of the CCCPS. The equity shares issued upon conversion of the CCCPS will in all respects rank pari-passu with equity shares at the time of conversion.

Commodity Price Risk or Foreign Exchange Risk and Hedging Activities	**Commodity Price Risk** The Company lends against the collateral of used gold jewellery. When the customer fails to repay the principal plus interest of the loan, the Company auctions the collateral and recovers the dues as per the RBI guidelines on gold loan auctioning. The amount recovered at the time of auction depends on the price of the gold content of the jewellery. As gold is a commodity, the Company does therefore bear an exposure to commodity price risk. If gold prices are high, the amount of recovery at the time of auction is more and when the price of gold is low the amount recovered at the time of auction is lower. At the time of auction, the Company at times may not recover full amount of interest due, especially if the price of gold is lower at the time of auction than at the time of disbursement. **Foreign Exchange Risks** The Company has availed foreign currency loans from banks during the reporting year and has hedged its foreign currency risk on its foreign currency borrowings as at March 31, 2024 by entering into forward contracts with banks. The Company does not have any un-hedged borrowing in foreign currency.
Plant Locations/Offices	As of March 31, 2024, the Company has 3683 branches across India. The details of locations are available on the Company's website at: https://branches.muthootfincorp.com/
Credit Ratings	The details of credit rating have been disclosed in the Directors Report forming part of the Annual Report.

Distribution of Shareholding:

Sl. No	Name of the Equity Shareholder	No. of Shares of ₹ 10 each	Amount (In ₹)
1	Mr. Thomas John Muthoot	5,14,56,049	51,45,60,490
2	Mr. Thomas George Muthoot	5,14,56,021	51,45,60,210
3	Mr. Thomas Muthoot	5,14,56,053	51,45,60,530
4	Ms. Preethi John Muthoot	1,29,13,704	12,91,37,040
5	Ms. Nina George	1,29,13,704	12,91,37,040
6	Ms. Remmy Thomas	1,29,13,704	12,91,37,040
7	Muthoot Kuries Private Ltd	1,19,050	11,90,500
8	Muthoot Exim Private Ltd	4,76,200	47,62,000
9	Others	1075	10,750
	Total	**19,37,05,560**	**193,70,55,600**

Address for Correspondence:

Muthoot Fincorp Limited

CIN: U65929KL1997PLC011518

Muthoot Centre, TC No. 27/ 3022, Punnen Road,

Thiruvananthapuram, Kerala, India - 695 001

Other Disclosures

a) There were no materially significant Related Party Transactions (RPTs) with the Company's Promoters, Directors, Key Managerial Personnel or their relatives or any other related parties of the Company, which may have potential conflict with the interests of the Company at large, which required prior approval of the shareholders of the Company. Disclosures on transactions with related parties, as required under the Indian Accounting Standard 24, have been disclosed in the Notes to the Accounts.

The Audit Committee had provided omnibus approval for the transactions to be entered by the Company with its related parties.

b) The Board of Directors of your Company has formulated a policy on material subsidiary, which is displayed on the website of the Company at https://www.muthootfincorp.com/wp-content/uploads/2024/07/Policy-for-Determining-Material-Subsidiaries.pdf

c) As on March 31, 2024, Muthoot Microfin Limited is the material subsidiary of the Company and the disclosures are as under:

Name of the Material Subsidiary	Date and Place of Incorporation	Name of the statutory auditors	Date of appointment of the statutory auditors
Muthoot Microfin Limited	06-04-1992 Mumbai, Maharashtra	M/s. Sharp & Tannan Associates, Chartered Accountants	24-08-2022

d) Details of non-compliances/fine/penalties

FY	Regulator	Regulation	Amount of fine
2023-24	BSE Limited	Regulation 50(2) of Listing Regulations (FY 2021-22)	Rs. 5,000/- plus GST
		Regulation 53(2) of Listing Regulations (FY 2021-22)	Rs. 84,000/- plus GST
		Regulation 57(1) of Listing Regulations	Rs. 30,000/- plus GST
		Regulation 57(1) of Listing Regulations	Rs. 16,000/- plus GST
		Regulation 60(2) of Listing Regulations (November 2021)	Rs. 2,20,000/- plus GST
		Regulation 60(2) of Listing Regulations (January 2022)	Rs. 60,000/- plus GST
		Regulation 60(2) of Listing Regulations (May 2022)	Rs. 3,10,000/- plus GST
2022-23	BSE Limited	Regulation 50(1)(d) of Listing Regulations	Rs. 5,000/- plus GST
2021-22	BSE Limited	Regulation 54(2) of Listing Regulations	Rs. 61,000/- plus GST

e) The Company has in place a Whistle Blower Policy which provides a mechanism for its employees, directors, vendors and/or customers to disclose any unethical and/or improper practice(s) taking place in the Company, for appropriate action and reporting. Through this policy, the Company provides the necessary safeguards to all whistle blowers for making disclosures in good faith. No personnel of the Company were denied access to the Audit Committee.

f) The Company has complied with the following discretionary requirements, as specified under Part E of Schedule II to Regulation 27(1) of LODR, 2015, detailed as under:

i. The Report of the Statutory Auditors on the financial statements of the Company for the year ended March 31, 2024, doesn't contain any qualification or reservation.

ii. The Internal Auditor of the Company functionally reports to the Audit Committee of the Board.

g) The policy on dealing with related party transactions has been placed on the website of the Company and can accessed at: https://www.muthootfincorp.com/wp-content/uploads/2024/04/Policy-on-Related-Party-Transactions.pdf

h) During the period under review, the Company has not raised any funds through preferential allotment or qualified institutions placement.

i) Code of Conduct for Directors and Senior Management Personnel

The Company has put in place a Code of Conduct for Directors and Senior Management Personnel. The Code is intended to maintain the high standards of transparency, business conduct, ethics, corporate culture and the values. The Code acts as a deterrent from unethical doings and promotes ethical values and is the manifestation of the Company's commitment to successful operation of the Company's business in the best interest of the shareholders, creditors, employees and other business associates. The Code has been framed in compliance with regulation 17(5) of Listing Regulations. The said Code of Conduct can be accessed at: https://www.muthootfincorp.com/wp-content/uploads/2024/04/Code-of-Conduct-for-Directors-and-Senior-Management-Personnel.pdf

Pursuant to the Regulation 26(3) of the Listing Regulations, all the members of the Board and Senior Management Personnel affirmed compliance with this code and a declaration by the Managing Director confirming the adherence to this code is annexed as **Annexure A** to this report.

j) Pursuant to Regulation 17(8) of the Listing Regulations, the certificate, duly signed by the Managing Director and Chief Financial Officer for the financial year ended March 31, 2024 was reviewed by the Board of Directors. The same is annexed as **Annexure B** to this report.

k) Compliance with Corporate Governance requirements of Listing Regulations

The Company is a High Value Debt Listed Entity (HVDLE) pursuant to SEBI (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2021 dated September 07, 2021. Accordingly, the Regulation 15 to Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of Corporate Governance became applicable to the Company with effect from September 07, 2021, on a 'comply or explain' basis until March 31, 2025, and on a mandatory basis thereafter. The Company has been submitting the quarterly compliance report on corporate governance to the stock exchange as required under Regulation 27(2) of Listing Regulations on a quarterly basis.

The compliance certificate on Corporate Governance for the year ended March 31, 2024 received from M/s. SEP & Associates, Practicing Company Secretaries, confirming the compliance with the conditions of Corporate Governance as stipulated under the Listing Regulations is annexed as **Annexure C** to this report.

l) Certificate from M/s. SEP & Associates, Practicing Company Secretaries, certifying that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as director of the Company by the Board/Ministry of Corporate Affairs or any such statutory authority is annexed as **Annexure D** to this report.

m) During the FY 2023-24 the Board has accepted all the recommendations of its committees.

n) Total fees paid by the Company during the FY 2023-24 to the Joint Statutory Auditors including all entities in their network firm/entity of which they are a part, are given below:

Particulars	Amount (₹ in Lakhs)
Statutory Audit fees	31.00
Certification and other matters	6.00
Out of pocket expenditure	2.30
Total	**39.30**

o) The disclosure in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, has been made under Directors' Report.

p) Disclosure by listed entity and its subsidiaries of loans and advances in the nature of loans to firms/companies in which Directors are interested by name and amount: Nil

q) Governance of Subsidiary Companies

The subsidiaries of the Company function with an adequately empowered Board of Directors and sufficient resources. The minutes of the board meetings along with a report on significant developments of the unlisted subsidiary companies are periodically placed before the Board of Directors of the Company. The financial statements of the subsidiary companies are presented to the Audit Committee.

r) None of the Independent Directors of the Company has resigned before the expiry of his respective tenure(s) during the FY 2023-24.

s) Adherence to Accounting Standards and Companies Act, 2013

The Company has complied with the applicable Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs under Section 133 of the Companies Act, 2013 and rules made thereunder. The financial statements for the year have been prepared in accordance with Schedule III to the Companies Act, 2013. The Company is in compliance with the requirements of the Companies Act, 2013 and rules made thereunder.

t) Secretarial Standards

The Company has complied with the applicable provisions of Secretarial Standards issued by the Institute of Company Secretaries of India.

u) Risk Management and Internal Control Policies adopted by the Company

The Company has a well-defined Risk Management Framework in place. The Company has procedures to periodically place before the Risk Management Committee and the Board, the risk assessment and mitigation plans being followed by the Company.

v) Going Concern

The Board is satisfied that the Company has adequate resources to continue its business for the foreseeable future and consequently considers it appropriate to adopt the going concern basis in preparing the financial statements.

w) Compliance with covenants

During the year under review, the Company has complied with all covenants relating to loans availed and debt securities issued.

Annexure A

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

To ,

The Members of **Muthoot Fincorp Limited**,

I hereby confirm that all the members of the Board and senior management personnel of the Company have affirmed compliance with the "Code of Conduct for Directors and Senior Management Personnel" ("Code") of the Company for the financial year ended March 31, 2024.

Sd/-
Thomas John Muthoot
Managing Director
(DIN: 00011618)

Place: Trivandrum
Date: September 19, 2024

Annexure B

CEO(MD)/CFO CERTIFICATION TO THE BOARD

The Board of Directors
Muthoot Fincorp Limited
Trivandrum - 695 001

We, Thomas John Muthoot, Managing Director and Thomas Muthoot, Chief Financial Officer of Muthoot Fincorp Limited, to the best of our knowledge and belief, certify that:

A. We have reviewed standalone and consolidated financial statements and the cash flow statement for the year ended March 31, 2024, and that to the best of our knowledge and belief:

   (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the period which are fraudulent, illegal or violative of the Company's code of conduct;

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies;

D. There have been no significant changes, if any, in internal control over financial reporting during the period;

E. There have been no significant changes in accounting policies during the period; and

F. There have been no instances of significant fraud of which we have become aware and the involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-
Thomas John Muthoot
Managing Director
(DIN: 00011618)

Sd/-
Thomas Muthoot
Executive Director & Chief Financial Officer
(DIN: 00082099)

Place: Trivandrum
Date: September 19, 2024

Annexure C

CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE

To
The Members,
Muthoot Fincorp Limited
Muthoot Centre, TC No 27/ 3022
Punnen Road, Thiruvananthapuram - 695001

1. We have examined the compliance of Corporate Governance by Muthoot Fincorp Limited ("the Company") for the financial year ending on March 31, 2024, as stipulated in Regulations 15 to 27 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") applicable on a 'comply or explain' basis to the Company, being a 'high value debt listed entity.

Management's Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations to the extent applicable to the Company. Responsibility also includes collecting, collating and validating data and designing, implementing and monitoring of Corporate Governance process suitable for ensuring compliance with the above-mentioned Listing Regulations.

Our Responsibility

3. Pursuant to the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended March 31, 2024.

4. We have examined the compliance of conditions of Corporate Governance by the Company for the period April 1, 2023 to March 31, 2024 as per the Listing Regulations to the extent applicable. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance for the period April 01, 2023 to March 31, 2024. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Opinion

5. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 15 to 27 of the Listing Regulations to the extent applicable during the financial year ended March 31, 2024.

6. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Restriction on use

7. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose.

For SEP & Associates
Company Secretaries
(Peer Review Certificate no. 3693/2023)

UDIN: F003050F001134675

Sd/-
CS Puzhankara Sivakumar
Managing Partner
COP: 2210, FCS: 3050

Date: 04.09.2024
Place: Kochi

Annexure D

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to BSE Circular dated January 07, 2022 and Para C (10)(i) of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To
The Members,
Muthoot Fincorp Limited
Muthoot Centre, TC No 27/ 3022
Punnen Road, Thiruvananthapuram - 695001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Muthoot Fincorp Limited having CIN: U65929KL1997PLC011518 having registered office at Muthoot Centre, TC No 27/ 3022, Punnen Road, Thiruvananthapuram - 695001 (hereinafter referred to as "the Company"), produced before us by the Company for the purpose of issuing this Certificate, in accordance with BSE Circular dated January 07, 2022 and Para C (10)(i) of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below, for the Financial Year ended on March 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India or the Ministry of Corporate Affairs, or by the Reserve Bank of India or any such other Statutory Authority.

Sl. No.	Name of the Director	DIN	Category of Directorship as on March 31, 2024	Initial Date of Appointment in the Company
1	Kurian Peter Arattukulam	00008022	Independent Director	30/01/2007
2	Thomas George Muthoot	00011552	Director	10/06/1997
3	Thomas John Muthoot	00011618	Managing Director	01/02/2013
4	Thomas Muthoot	00082099	Executive Director (WTD)	30/05/2011
5	Preethi John Muthoot	00483799	Director	28/03/2019
6	Vikraman Ampalakkat	01978341	Independent Director	21/10/2007
7	Badal Chandra Das	09758076	Independent Director	01/12/2022
8	Ravi Ramchandran	10048011	Independent Director	28/02/2023
9	Anthony Abraham Thomas	07749806	Independent Director	11/11/2023

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on this based on our verification. While forming opinion on issuance of this certificate we have also taken into consideration independent legal opinion wherever there was a scope for multiple interpretations. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For SEP & Associates
Company Secretaries
(Peer Review Certificate no. 3693/2023)

UDIN: F003050F001134587

Sd/-
CS Puzhankara Sivakumar
Managing Partner
COP: 2210, FCS: 3050

Date: 04.09.2024
Place: Kochi

STANDALONE

FINANCIAL STATEMENTS **STANDALONE**

Rangamani & Co
Chartered Accountants

Krishnan Retna & Associates
Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

TO,

THE MEMBERS OF **MUTHOOT FINCORP LIMITED,**

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying Standalone Ind AS financial statements of **MUTHOOT FINCORP LIMITED ("the Company")**, which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of cash flows for the year the ended on that date and notes to the Ind AS Financial Statements, including a summary of material accounting policies and other explanatory information. ["Ind AS Financial Statements"]

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS Financial Statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Ind AS Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Krishnan Retna & Associates: PH: 8281223242
EMAIL: trivandrum@krishnanretna.com

For each matter below, our description of how our audit addressed the matter is provided in that context. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	How it's been addressed in Audit
a) Completeness in identification and disclosure of related party transactions in accordance with the applicable reporting framework.	We have accessed the laid down systems and processes of the Company in identifying related party transactions and its ultimate disclosure in financial statements in accordance with the applicable reporting framework. We have designed the audit procedures in accordance with the guidelines prescribed in Standard on Auditing (SA 550) to identify the risks of material misstatement arising from an entity's failure to appropriately account for or disclose material related party transactions. We have also reviewed the minutes of meetings of the board in the course of the audit to identify any transactions that may require disclosure in accordance with the applicable reporting framework.
b) Effectiveness of IT Systems and related controls.	Due to the automated controls and high degree of dependence in information systems, there is a risk that the financial accounting and reporting records may be misstated in case of any control lapses in the IT system related controls. We have designed our audit procedures in accordance with the guidelines laid down in the Standard on Auditing (SA 530) and tested the controls in the Information Technology Systems on a sample basis which has an impact on the financial accounting and reporting records. We have also tested on a sample basis the controls related to access management including user rights in passing entries, approval for authorizing entries, authorization for reversing entries, segregation of duties, system password protection, external software/hardware access rights etc. Based on our sample review, no material weakness was identified in the IT related systems and controls.
c) Accuracy, completeness and correctness of accounting and related controls maintained at the entity's branches.	At the branch level, entries related to daily operations are passed. We have addressed this as a key audit matter since any control lapses in the branch level accounting may result in the financial accounting and reporting records of the entity being misstated. We have conducted physical visits to key branches and centre processing hub of the company which are considered top based on the significant gold loan and unsecured loan portfolio to identify and evaluate the

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Chartered Accountants

Krishnan Retna & Associates
Chartered Accountants

	effectiveness of controls in place. We have also tested on a sample basis the independent financial records maintained at the branch level and how the same is considered and incorporated in the financial statements. We have also assessed and analyzed the internal audit reports and how the major observations are dealt with and its impact on the entity's financial accounting and reporting records. Based on our sample review, no major weaknesses were identified.

d) Computation of provision towards impairment of loan assets.
 	
As at 31st March 2024, the Company had reported a total impairment loss allowance of Rs. 29,729.05 lakhs (31st March 2023 - Rs 36,454.29 lakhs)
 	
A significant degree of judgment is required to determine the timing and amount of Impairment loss allowance to be recognized with respect to loan assets. Based on our risk assessment, the following are the significant judgments and estimates, that impact impairment loss allowance:
 	
• Completeness and timing of recognition of default, in accordance with the prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Loan Assets;
• Measurement of provision is dependent on the probability of default (PD) and loss given default (LGD) of each category of loan asset. Identification of PD and LGD involves significant judgments and estimates related to forward looking information.
	The audit procedures performed, among others, included:
	
	▪ Considering the board policies and processes for NPA identification and assessing compliance with the RBI norms.
	▪ Understanding, evaluating and testing the design and effectiveness of key controls around identification of impaired accounts.
	▪ Performing other procedures including substantive audit procedures covering the identification of NPAs such as:
	  • Reading account statements and related information of the borrowers on a sample basis.
	  • Performing inquiries with credit and risk departments to ascertain if there were indicators of stress or an occurrence of an event of default in a particular loan account or any product category which needed to be considered as NPA.
	  • Holding discussions with the management on sectors where there is perceived credit risk and the steps taken to mitigate the risks to identified sectors.

Information Other than the Financial Statements and Auditor's Report Thereon

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 Standalone 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.

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Our opinion on the Standalone Ind AS Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Ind AS Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Responsibilities of Management and those charged with governance for the standalone Ind AS Financial Statements

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Ind AS Financial Statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Ind AS Financial Statements.

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

- Identify and assess the risks of material misstatement of the Standalone Ind AS 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Standalone Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of 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 Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our 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 Standalone Ind AS Financial Statements, including the disclosures, and whether the Standalone Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Ind AS Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Ind AS Financial Statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the **Annexure "A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report agree with the books of account;

   d) In our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read.

   e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2024 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 with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer our separate Report in **"Annexure B"**.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanation given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

   h) 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:

      i. The company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements.

      ii. The company does not have any long-term contracts including derivative contracts for which there was any material foreseeable loss for which any provision is required to be made under the applicable law and Accounting Standards.

      iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the company

      iv. a) The Management has represented that, to the best of its knowledge and belief, as disclosed in Note 51 to the Standalone Financial Statements, no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind

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of funds) by the Company to or in any other person or entity, including foreign entity ("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;

b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in Note 51 to the Standalone Financial Statements, no funds (which are material either individually or in aggregate) have been received by the Company from any person or entity, including foreign entity ('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;

c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.

vi. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of accounts for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Refer Note No.52 to the standalone financial statements.

As proviso to Rule 3(1) of the Companies (Accounts) Rules,2014 is applicable from April 1,2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the Financial Year ended March 31,2024.

For Rangamani & Co.,
Chartered Accountants,
ICAI FRN:003052S

CA. R. Krishnan
(Partner)
M.No.025927

UDIN: 24025927BKCRMX1709

Place: Thiruvananthapuram
Date: 20.05.2024

For Krishnan Retna & Associates
Chartered Accountants,
ICAI FRN: 001536S

CA. Nikhil R Kumar
(Partner)
M.No. 231162

UDIN: 24231162BKESUU2311

Place: Thiruvananthapuram
Date: 20.05.2024

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EMAIL: rangamanis@rediffmail.com

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ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

Annexure referred to in Paragraph 1 under the heading 'Report on other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the members of Muthoot Fincorp Limited on the Standalone Ind AS Financial Statements as of and for the year ended 31st March 2024.

1) Tangible and Intangible Assets:

(a) In our opinion the company has maintained proper records showing particulars including quantitative details and the situation of majority of Property, Plant and Equipment. We are informed that the company is in the process of updating the details in the Fixed Asset module of the software used by the company. To ensure complete recording and updating of the assets in the fixed assets module, the company is in the process of migrating to a new software.

(b) As informed to us, fixed assets have been physically verified by the management on a periodic basis during the course of internal branch audit conducted during the year. Since there is a regular programme of verification, we are of the opinion that it is reasonable having regard to the size of the company and the nature of its assets. We have been informed that there have been no material discrepancies during such verification.

(c) In our opinion and according to the information and explanations given to us, the title deeds of immovable property included in Property, Plant and Equipment and in Investment Property are held in the name of the Company.

(d) In our opinion and according to the information and explanation given to us, the company has not revalued its Property, Plant and Equipment (including Right of use of asset) or Intangible assets or both during the year.

(e) As informed to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

2) Inventory and Working Capital:

(a) The Company does not have any inventory. Hence, the provisions of clause 3(ii) of the Order are not applicable to the Company.

(b) In our opinion and according to the information and explanations given to us, the Company has obtained Working Capital Limits in excess of Rs 5 Crores in aggregate from banks and financial Institutions and the quarterly return/statement filed by the Company with such banks or financial Institutions are in agreement with the books of accounts.

3) The company is a Non – Deposit taking Non-Banking Financial Company (NBFC) registered with the Reserve Bank of India. During the year, the company has made investments and in the ordinary course of business granted loans and advances in the nature of secured and unsecured loans to companies, firms, LLPs and other parties. With respect to such Investment and Loans and Advances :

(a) As the principal business of the company is to give loans, paragraph 3(iii)(a) of the Order is not applicable to the Company.

(b) In our opinion, the terms and conditions of the grant of such loans are, prima facie, not prejudicial to the Interests of the Company.

(c) In respect of loans granted by the company, the schedule of repayment of principal and payment of interest have been stipulated. Being a non-banking finance company engaged in the business of granting loans, there are instances of irregularities in repayment of principal amount and receipt of interest as per stipulated terms. Having regard to the nature of business undertaken by the company, specific details of irregularities are not reported although the particulars of overdue for more than ninety days as per books of accounts as at the Balance

Sheet date has been reported in para (d) below

(d) In respect of loans granted by the company, the total amount overdue for more than ninety days as per Books of Accounts as at the Balance Sheet date is Rs. 35,146.50 lakhs. In our opinion, and as per information and explanations given to us, reasonable steps have been taken by the company for recovery of the said overdue amounts.

(e) The provisions of paragraph 3(iii)(e) of the Order are not applicable to the company, as its principal business is to give loans.

(f) The company has not granted any loans or advances in the nature of loans that were either repayable on demand or without specifying any terms or period of repayment.

4) In our opinion, in respect of loans, investments, guarantees, and security, the company has complied with the provision of Sec 185 and 186 of the Act.

5) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public within the meaning of sections 73 to 76 of the Act and rules framed thereunder to the extent notified.

6) The Government of India has not prescribed the maintenance of cost records under sub- section (1) of section 148 of the Act for any of the activities of the company and hence the provisions of this section are not applicable to the Company for the year under review.

7) In respect of statutory dues:

(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been generally regularly deposited during the year by the company with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and the records of the company examined by us, the particulars of statutory dues as at 31st March 2024 which have not been deposited on account of dispute are as follows;

Statute	Nature of dues	Period to which the amount relates (Financial Year)	Amount (in lakhs)	Forum where dispute is pending
Service Tax	Tax on Income from Foreign Inward Remittances	01.02.2006 to 30.09.2007	17.20	CESTAT, Bangalore.
Service Tax	Tax on receipts related to assignment of receivables	01.04.2007 to 31.03.2012	1,451.60	CESTAT, Bangalore.
Service Tax	Tax on Notional consideration against support services rendered to group concerns	01.04.2008 to 31.03.2012	2,132.10	CESTAT, Bangalore.
Service Tax	Tax on Income from Foriegn Inward Remittances	01.04.2014 to 30.06.2017	347.27	Commissioner of GST and Central Excise. (Appeals), Cochin.
Service Tax	Service Tax demand on taxability on assignment of receivables	01.04.2014 to 30.06.2017	1,158.01	CESTAT, Bangalore.
Income Tax	Demand payable u/s 143(3) - net of refund adjustments	AY 10-11	1,463.50	CIT(A) - III, Cochin
Income Tax	Demand payable u/s 143(3) - net of refund adjustments	AY 13-14	741.69	CIT(A) - III, Cochin
Income Tax	Non deduction of Tax at Source	AY 15-16	570.37	DCIT, TDS (Trivandrum)
Income Tax	Demand payable u/s 143 (3)	AY 18-19	577.43	CIT(A) - III, Cochin
Income Tax	Demand Payable u/s 143(1)	AY 19-20	66.86	CIT(A) - III, Cochin
Income Tax	Penalty u/s 271H	AY 15-16	1.00	CIT(A) - III, Cochin
Income Tax	Demand payable u/s 143 (3)	AY 22-23	259.02	CIT(A) - III, Cochin
Income Tax	Orders giving effect to the Order of the Honorable Interim Board for Settlement	AY 10-11 to AY17-18	9217.24	Deputy Commissioner of Income Tax, Central Circle, Trivandrum
GST	Short reversal of Input Tax Credit (UP GST)	2017-18	1.14	Appeallate Authority, Uttar Pradesh
GST	Dissallowance of ITC claimed (Gujarat GST)	2018-19	9.77	Deputy Commissioner of State Tax, Appeal-1, Gujarat
GST	Short reversal of Input Tax Credit and alledged non- remittance of GST on reverse charge basis on auction of gold ornaments (Karnataka GST)	2017-18	776.18	Joint Commissioner of Commercial Taxes, Appeals-V, Bangalore.

8) In our opinion and according to information and explanations given to us, there are no instances of transactions not recorded in the books of accounts subsequently surrendered as income in Tax assessments.

9) Repayment of Borrowings

(a) According to the records of the company examined by us and the information and explanations given to us, the company has not defaulted in repayment of dues to any financial institution or bank or as at the balance sheet date.

With regard to debentures, there are unpaid debentures that are matured to the tune of Rs.3,764.93 lakhs as on 31.03.2024, out of which Rs.3,073.09 lakh corresponds to the principal portion and Rs.691.84 to interest. As explained to us, these are not settled since the investors have not approached the Company with the original investment documents for redemption.

(b) As per the information and explanation given to us, the Company has not been declared as a willful defaulter by any bank or financial institution or other lender.

(c) According to the information and explanations given by us, term loans taken by the Company from financial institutions are applied for the purpose for which they were obtained.

(d) According to the information and explanations given by us, funds raised on short term basis have not been utilized for long term purposes.

(e) According to the information and explanations given by us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures,

(f) According to the information and explanations given by us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

10) (a) According to the information and explanations given to us, and on examination of records of the Company, the Company has during the year raised funds through public issue of Non Convertible Debentures of Rs. 90,538.27 lakhs that were utilized for the purposes for which they were raised.

(b) According to the information and explanations given to us, and on examination of records of the Company, the company has not made any preferential allotment or private placement of shares or fully or partly or optionally convertible debentures during the year and hence, the reporting requirement under clause(x)(b) of para 3 of the Order are not applicable

11) Fraud and Whistleblower Complaints

(a) According to the information and explanations given to us, and on examination of records of the Company, instances of whistleblower complaints were raised on various occasions during the year and appropriate actions were taken against those complaints.

(b) No report u/s 143(12) of the Act has been filed in Form ADT-4 regarding any frauds, as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with Central Government, during the year and up to the date of this report.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report) while determining the nature, timing and extent of our audit procedures.

12) The Company is not a Nidhi Company and accordingly, paragraph 3 (xii) of the order is not applicable to the Company.

13) According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with section 177 and 188 of the Act. Where applicable, the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

14) (a) In our opinion, the Company has an internal audit system commensurate with the nature and size of the Company's business. Also, the comments of the Internal auditors in their report are considered by us in framing an opinion on the financial statements.

(b) We have considered the Internal Audit reports for the year under Audit, issued to the company during the year in determining the nature, timing and extent of our Audit procedures.

15) According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with them.

16) (a) The Company being a Non Banking Financial Company is required to be registered and has obtained the Certificate of Registration as provided under sec 45IA of The Reserve Bank of India Act 1934.

    (b) The Company has a valid Certificate of Registration (CoR) from the Reserve Bank of India (RBI) for conducting Non-Banking Financial activities and no business has been conducted by the Company without a valid CoR.

    (c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and hence the reporting requirement under clause (xvi) (c) of para 3 of the Order is not applicable.

    (d) As informed to us, the group does not have CIC. Accordingly, reporting on paragraph 3(xvi)(d) of the Order is not applicable.

17) The company has not incurred any cash losses in the financial year under audit and in the immediately preceding financial year.

18) There has been no resignation of the statutory auditors during the financial year covered by our audit and hence the reporting requirement under clause (xviii) of para 3 of the Order is not applicable.

19) On the basis of the examination of financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statement and 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; We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

20) (a) According to the information and explanation given to us and the records of the company examined by us, there are no unspent amounts towards corporate social responsibility other than ongoing projects requiring a transfer to a fund specified in schedule VII to the Act in compliance with the second proviso to sub section (5) of Section 135 of the said Act.

    (b) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has transferred unspent amount under sub section 5 of section 135 of the Companies Act, pursuant to ongoing projects to a special account in compliance with the provision of section 135(6) of the Companies Act.

21) According to the information and explanations given to us and based on our examination of the records of the company, there has been no adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements

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For Rangamani & Co.,
Chartered Accountants,
ICAI FRN:003052S

CA. R. Krishnan
(Partner)
M.No.025927

UDIN: 24025927BKCRMX1709

Place: Thiruvananthapuram
Date: 20.05.2024

For Krishnan Retna & Associates
Chartered Accountants,
ICAI FRN: 001536S

CA. Nikhil R Kumar
(Partner)
M.No. 231162

UDIN: 24231162BKESUU2311

Place: Thiruvananthapuram
Date: 20.05.2024

ANNEXURE “B” TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 2(f) under ‘Report on other legal and regulatory requirements’ of the Independent Auditors’ Report of even date to the members of Muthoot Fincorp Limited on the Standalone IndAS Financial Statements as of and for the year ended 31 March 2024

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (“THE ACT”)

Opinion

We have audited the internal financial controls over financial reporting of Muthoot Fincorp Limited ("the Company"), as of March 31, 2024, in conjunction with our audit of the Standalone Ind AS Financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, 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.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 (the “Guidance Note”) Standards on Auditing, both issued by the 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. Those standards and the guidance note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial control 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 (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) 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 withauthorizations of management and directors of the company; and (iii) 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.

For Rangamani & Co.,
Chartered Accountants,
ICAI FRN:003052S

CA. R. Krishnan
(Partner)
M.No.025927

UDIN: 24025927BKCRMX1709

Place: Thiruvananthapuram
Date: 20.05.2024

For Krishnan Retna & Associates
Chartered Accountants,
ICAI FRN: 001536S

CA. Nikhil R Kumar
(Partner)
M.No. 231162

UDIN: 24231162BKESUU2311

Place: Thiruvananthapuram
Date: 20.05.2024

"AUDITOR'S REPORT SUBMITTED AS PER NON-BANKING FINANCIAL COMPANIES AUDITOR'S REPORT (RESERVE BANK) DIRECTIONS, 2016"

To
The Board of Directors
Muthoot FinCorp Limited,
Muthoot Centre, Punnen Road,
Thiruvananthapuram – 695 001

Sirs,

1) The Company has been registered with Reserve Bank of India ('RBI'), Thiruvananthapuram with Registration Number N. 16 – 00170.
2) In our opinion, and in terms of the Company's assets and income pattern for the year ended and as at 31st March 2024, the Company is entitled to continue to hold the Certificate of Registration issued by the RBI.
3) In our opinion, the Company has complied with the net owned fund requirement as laid down in the Master Direction-Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023.
4) The Board of Directors has passed a resolution on 19/04/2023 for Non-Acceptance of public deposits during the financial year 2023-24.
5) On the basis of verification of the books and other records and on the basis of information provided by the management, the Company has not accepted any public deposits during the year 2023 – 2024.
6) The Company has, in compliance with the Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 prepared the Financial Statements in accordance with the Indian Accounting Standards (Ind AS). Income Recognition, Asset Classification and Provisioning for bad and doubtful debts, have been done in accordance to the said Standards.

   As the Company has maintained Impairment Loss Allowance in excess of the minimum provision requirement as per the RBI regulations, we are of the opinion that the Company has complied with the Prudential Norms relating to Provisioning for bad and doubtful debts, Asset Classification and Income Recognition as applicable to it as on 31/03/2024.
7) The return filed with the RBI under DNBS-03 for the Financial Year ended 31st March, 2024 has been submitted on 17th April, 2024. The Capital Adequacy Ratio as at 31st March, 2024 disclosed in the said return is filed on a provisional basis and the figures reported therein are subject to change. However, based on our examination of the computation of the ratio, we report that the Company has complied with the capital to risk asset norm for the year ended 31st March, 2024.
8) Based on the information furnished to us, the annual statement of capital funds, risk assets/exposures and risk asset ratio as at 31st March, 2023 has been furnished vide DNBS-03 on 14th April, 2023, which was revised on 20th June, 2023.

For Rangamani & Co.,
Chartered Accountants,
ICAI FRN:003052S

CA. R. Krishnan
(Partner)
M.No.025927

UDIN: 24025927BKCRNB7867

Place: Thiruvananthapuram
Date: 20.05.2024

For Krishnan Retna & Associates
Chartered Accountants,
ICAI FRN: 001536S

CA. Nikhil R Kumar
(Partner)
M.No. 231162

UDIN: 24231162BKESUX9106

Place: Thiruvananthapuram
Date: 20.05.2024

STANDALONE BALANCE SHEET AS AT MARCH 31, 2024

(INR in lakhs)

Particulars	Notes	As at 31st March 2024	As at 31st March 2023
ASSETS			
1 Financial assets			
Cash and cash equivalents	5	1,27,835.84	2,52,361.58
Bank Balance other than above	6	13,829.91	17,001.25
Receivables			
Trade Receivables	7	3,632.32	3,133.15
Loans	8	21,41,505.08	17,25,053.20
Investments	9	1,97,085.75	1,86,671.51
Other Financial assets	10	15,575.49	14,485.70
2 Non-financial Assets			
Current tax assets (net)		1,600.91	-
Investment Property	11	26,119.76	26,119.76
Property, Plant and Equipment	12	39,747.51	39,301.60
Intangible assets under development	13	14.61	676.00
Other Intangible assets	13	2,094.74	844.48
Right-of-use assets	14	83,008.99	79,935.99
Other non financial assets	15	7,169.52	24,315.90
Total assets		**26,59,220.44**	**23,69,900.12**
LIABILITIES AND EQUITY			
LIABILITIES			
1 Financial Liabilities			
Derivative Financial Liability	16	231.18	-
Payables	17		
(I) Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
(II) Other Payables			
(i) total outstanding dues of micro enterprises and small enterprises		551.58	813.40
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		3,464.47	3,201.57
Debt Securities	18	2,87,032.66	3,04,642.97
Borrowings (other than debt securities)	19	15,30,597.10	12,49,815.81
Lease Liability	14	95,455.65	88,965.01
Subordinated Liabilities	20	2,14,117.72	2,27,858.69
Other Financial liabilities	21	70,736.29	74,610.16
2 Non-financial Liabilities			
Current tax liabilities (net)		-	2,305.00
Provisions	22	5,054.30	3,439.83
Deferred tax liabilities (net)	34	22,489.75	22,247.61
Other non-financial liabilities	23	3,368.26	2,696.64

STANDALONE BALANCE SHEET AS AT MARCH 31, 2024

(INR in lakhs)

Particulars	Notes	As at 31st March 2024	As at 31st March 2023
3 Equity			
Equity share capital	24	19,370.56	19,370.56
Other equity	25	4,06,750.94	3,69,932.89
Total liabilities and equity		**26,59,220.44**	**23,69,900.12**

See accompanying summary of material accounting policies *1 to 4*

In terms of our joint report of even date attached

For Rangamani & Co.
Chartered Accountants
Firm Regn. No. 003052S

Sd/-
CA. Krishnan R
Partner
Membership No.025927
Place: Thiruvananthapuram

For Krishnan Retna & Associates
Chartered Accountants
Firm Regn. No. 001536S

Sd/-
CA. Nikhil R Kumar
Partner
Membership No.231162
Place: Thiruvananthapuram

For and on behalf of the Board of Directors,

Sd/-
Thomas John Muthoot
Managing Director
DIN: 00011618
Place: Thiruvananthapuram

Sd/-
Thomas George Muthoot
Director
DIN: 00011552
Place: Thiruvananthapuram

Sd/-
Thomas Muthoot
Executive Director and
Chief Financial Officer
DIN: 00082099
Place: Boston, USA

Sd/-
Sachu Sivas
Company Secretary
Place: Thiruvananthapuram

Date: May 20, 2024

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024

(INR in lakhs)

Particulars	Notes	For the year ended 31st March 2024	For the year ended 31st March 2023
(I) **Revenue from operations**			
(i) Interest income	26	3,71,504.46	3,32,167.53
(ii) Dividend income		21.34	21.29
(iii) Rental income		669.67	606.67
(iv) Fees and commission income		17,695.49	11,632.99
(v) Net gain on derecognition of financial instruments under amortised cost category		7,738.88	-
(vi) Others	27	3,465.64	2,554.06
Total Revenue from operations		**4,01,095.48**	**3,46,982.53**
(II) Other Income		481.84	2,143.83
(III) **Total Income (I + II)**		**4,01,577.32**	**3,49,126.36**
Expenses			
(i) Finance costs	28	1,80,502.38	1,57,132.55
(ii) Impairment on financial instruments	29	2,755.59	6,717.02
(iii) Net Loss on fair value changes	30	321.25	289.93
(iv) Employee benefits expenses	31	78,964.92	59,944.74
(v) Depreciation, amortization and impairment	32	20,358.25	18,498.40
(vi) Other expenses	33	39,994.32	44,300.56
(IV) **Total Expenses**		**3,22,896.70**	**2,86,883.20**
(V) **Profit before tax (III- IV)**		**78,680.62**	**62,243.16**
(VI) Tax Expense:			
(1) Current tax		20,062.43	17,609.54
(2) Deferred tax		(185.13)	(1,347.46)
(3) Tax relating to prior years		2,522.41	-
(VII) **Profit for the year (V-VI)**		**56,280.89**	**45,981.08**
(VIII) **Other Comprehensive Income**			
A (i) Items that will not be reclassified to profit or loss			
Net gain / (loss) on equity instruments measured through other comprehensive income		2,246.86	(417.64)
Remeasurement of the defined benefit liabilities		(400.98)	73.42
(ii) Income tax relating to items that will not be reclassified to profit or loss		(427.27)	73.19
Subtotal (A)		1,418.61	(271.03)
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
Subtotal (B)		-	-
Other Comprehensive Income (A+B)		**1,418.61**	**(271.03)**

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024

(INR in lakhs)

Particulars		Notes	For the year ended 31st March 2024	For the year ended 31st March 2023
(IX)	**Total Comprehensive Income for the year (VII+VIII)**		**57,699.51**	**45,710.06**
(X)	**Earnings per equity share**	34		
	Basic (INR)		29.05	23.74
	Diluted (INR)		27.97	22.85

See accompanying summary of material accounting policies *1 to 4*

In terms of our joint report of even date attached

For Rangamani & Co.
Chartered Accountants
Firm Regn. No. 003052S

Sd/-
CA. Krishnan R
Partner
Membership No.025927
Place: Thiruvananthapuram

For Krishnan Retna & Associates
Chartered Accountants
Firm Regn. No. 001536S

Sd/-
CA. Nikhil R Kumar
Partner
Membership No.231162
Place: Thiruvananthapuram

For and on behalf of the Board of Directors,

Sd/-
Thomas John Muthoot
Managing Director
DIN: 00011618
Place: Thiruvananthapuram

Sd/-
Thomas George Muthoot
Director
DIN: 00011552
Place: Thiruvananthapuram

Sd/-
Thomas Muthoot
Executive Director and
Chief Financial Officer
DIN: 00082099
Place: Boston, USA

Sd/-
Sachu Sivas
Company Secretary
Place: Thiruvananthapuram

Date: May 20, 2024

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2024

(INR in lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
A Cash flow from Operating activities		
Net Profit before taxation	**78,680.62**	**62,243.16**
Adjustments to reconcile profit before tax to net cash flows:		
Add: Depreciation, amortisation and impairment	20,358.25	18,498.40
Add: Impairment on financial instruments	(6,725.24)	5,661.71
Add: Write off	9,480.84	3,400.80
Add: Finance cost	1,80,502.38	1,57,132.55
Add: Provision for gratuity	22.51	107.65
Add: Provision for compensated absence	89.39	90.66
Add: Net (gain) / loss on fair value changes	321.25	289.93
Add: Share based payments & stock appreciation rights	1,219.40	586.09
Less: Net gain on derecognition of financial instruments	(7,294.40)	-
Less: Profit on sale of assets	(172.65)	(1,503.92)
Less: Income on investments	(1,081.77)	(729.25)
Less: Dividend income	(21.34)	(21.29)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	**2,75,379.23**	**2,45,756.48**
Adjustments for:		
(Increase)/Decrease in Trade receivables	(499.17)	(502.66)
(Increase)/Decrease in Bank balances other than cash and cash equivalents	3,171.34	(5,912.11)
(Increase)/Decrease in Loans	(4,19,207.47)	(30,249.34)
(Increase)/Decrease in Other financial asset	5,792.63	(1,710.91)
(Increase)/Decrease in Other non-financial asset	17,131.37	4,458.62
Increase/(Decrease) in Other financial liabilities	(195.05)	3,610.31
Increase/(Decrease) in Other non-financial liabilities	671.62	1,061.75
Increase/(Decrease) in Trade payables	1.08	(767.34)
Cash generated / (utilised) from / (for) operations	**(1,17,754.42)**	**2,15,744.80**
Finance cost paid	(1,76,430.07)	(1,55,648.80)
Income tax paid	(26,490.75)	(12,306.71)
Net cash flows from operating activities	**(3,20,675.25)**	**47,789.28**
B Cash flow from Investing activities		
Purchase of property, plant and equipment, intangible assets & inventory	(7,100.26)	(6,618.04)
Proceeds from sale of fixed assets	3.96	237.29
Proceeds from sale of investment property	-	4,920.00
Proceeds against (purchase) / sale of investment funds	(2,222.50)	494.18
Proceeds against (purchase) / sale of equity investments	(246.84)	(170.20)
Purchase of shares of muthoot microfin limited	(3,049.29)	(23,225.00)
Investment in muthoot housing finance company limited	(2,500.00)	-
Dividend income	21.34	21.29
Income on investments	1,081.77	729.25
Net cash flows from investing activities	**(14,011.83)**	**(23,611.22)**

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2024

(INR in lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
C Cash flow from Financing activities		
Increase / (decrease) in debt securities	(17,275.57)	(75,398.88)
Increase / (decrease) in borrowings (other than debt securities)	2,81,403.12	97,275.85
Increase / (decrease) in subordinated liabilities	(12,901.09)	(9,595.30)
Payment of lease liabilities	(20,183.67)	(18,722.79)
Dividend paid	(20,881.46)	(1,355.94)
Net cash flows from financing activities	**2,10,161.33**	**(7,797.06)**
D Net increase/(decrease) in cash and cash equivalents (A+B+C)	**(1,24,525.75)**	**16,381.00**
Cash and cash equivalents at April 01, 2023 / April 01, 2022	2,52,361.58	2,35,980.59
Cash and cash equivalents at March 31, 2024 / March 31, 2023	**1,27,835.84**	**2,52,361.58**

See accompanying summary of material accounting policies

In terms of our joint report of even date attached

For Rangamani & Co.
Chartered Accountants
Firm Regn. No. 003052S

Sd/-
CA. Krishnan R
Partner
Membership No.025927
Place: Thiruvananthapuram

For Krishnan Retna & Associates
Chartered Accountants
Firm Regn. No. 001536S

Sd/-
CA. Nikhil R Kumar
Partner
Membership No.231162
Place: Thiruvananthapuram

For and on behalf of the Board of Directors,

Sd/-
Thomas John Muthoot
Managing Director
DIN: 00011618
Place: Thiruvananthapuram

Sd/-
Thomas George Muthoot
Director
DIN: 00011552
Place: Thiruvananthapuram

Sd/-
Thomas Muthoot
Executive Director and
Chief Financial Officer
DIN: 00082099
Place: Boston, USA

Sd/-
Sachu Sivas
Company Secretary
Place: Thiruvananthapuram

Date: May 20, 2024

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024

A. Equity Share Capital

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

(INR in lakhs)

Particulars	No. of shares	Amount
Balance as on 1st April 2022	**19,37,05,560.00**	**19,370.56**
Changes in equity share capital due to prior period errors	-	-
Restated Balance as on 1st April 2022	**-**	**-**
Changes in equity share capital during the year	-	-
Balance as on 31st March 2023	**19,37,05,560.00**	**19,370.56**
Changes in equity share capital due to prior period errors	-	-
Restated Balance as on 1st April 2023	**-**	**-**
Changes in equity share capital during the year	-	-
Balance as on 31st March 2024	**19,37,05,560.00**	**19,370.56**

B. Other Equity

(INR in lakhs)

Particulars	Reserves and Surplus			Other Comprehensive Income		Total Other Equity
	Securities Premium Reserve	Statutory Reserve	Retained Earnings	Equity Instruments through Other Comprehensive income	Actuarial valuation of gratuity impact through Other Comprehensive Income	
Balance as on 31st March 2022	**38,129.85**	**55,903.70**	**1,30,303.52**	**1,00,950.23**	**291.47**	**3,25,578.77**
Profit for the year	-	-	45,981.08	-	-	45,981.08
Other Comprehensive Income (net of taxes)	-	-	-	(325.97)	54.94	(271.03)
Transfer to Reserves u/s. 45-IC of RBI Act, 1934	-	9,196.22	(9,196.22)	-	-	-
Dividend Paid	-	-	(1,355.94)	-	-	(1,355.94)
Balance as on 31st March 2023	**38,129.85**	**65,099.92**	**1,65,732.44**	**1,00,624.26**	**346.41**	**3,69,932.89**

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024

B. Other Equity

(INR in lakhs)

Particulars	Reserves and Surplus			Other Comprehensive Income		Total Other Equity
	Securities Premium Reserve	Statutory Reserve	Retained Earnings	Equity Instruments through Other Comprehensive income	Actuarial valuation of gratuity impact through Other Comprehensive Income	
Profit for the year	-	-	56,280.89	-	-	56,280.89
Other Comprehensive Income (net of taxes)	-	-	-	1,718.67	(300.06)	1,418.61
Transfer to Reserves u/s. 45-IC of RBI Act, 1934	-	11,256.18	(11,256.18)	-	-	-
Dividend Paid	-	-	(20,881.46)	-	-	(20,881.46)
Balance as on 31st March 2024	**38,129.85**	**76,356.10**	**1,89,875.70**	**1,02,342.93**	**46.35**	**4,06,750.94**

See accompanying summary of material accounting policies

In terms of our joint report of even date attached

For Rangamani & Co.
Chartered Accountants
Firm Regn. No. 003052S

Sd/-
CA. Krishnan R
Partner
Membership No.025927
Place: Thiruvananthapuram

For Krishnan Retna & Associates
Chartered Accountants
Firm Regn. No. 001536S

Sd/-
CA. Nikhil R Kumar
Partner
Membership No.231162
Place: Thiruvananthapuram

For and on behalf of the Board of Directors,

Sd/-
Thomas John Muthoot
Managing Director
DIN: 00011618
Place: Thiruvananthapuram

Sd/-
Thomas George Muthoot
Director
DIN: 00011552
Place: Thiruvananthapuram

Sd/-
Thomas Muthoot
Executive Director and
Chief Financial Officer
DIN: 00082099
Place: Boston, USA

Sd/-
Sachu Sivas
Company Secretary
Place: Thiruvananthapuram

Date: May 20, 2024

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

1. Corporate Information

Muthoot FinCorp Limited, ('MFL' or 'the Company'), is a public limited company, incorporated on June 10, 1997 under the provisions of Companies Act, 1956. The company is a Non-Deposit Accepting Non-Banking Financial Company (NBFC) registered with Reserve Bank of India (RBI) and was classified as a Non Deposit Taking Systematically Important Loan Company (NDSI). Based on the RBI notification RBI/2021-22/112 DOR.CRE.REC.No.60/03.10.001/2021-22, dated October 22, 2021, the Company is classified as NBFC - Middle Layer (NBFC-ML) under the Scale Based Regulation for Non-Banking Financial Companies.

Muthoot FinCorp Limited, the flagship company of the Muthoot Pappachan Group, provides a diverse mix of retail offerings catering to the various needs of its customers and is primarily engaged in business of Gold, SME Loans, Personal Loans and Loans against Property through its branch network across India. The company also offers Forex Services, Money Transfer Services and Wealth Management Services to its customers in its strive to be the most trusted financial service provider. The company is engaged in real estate business to a very limited extent.

MFL is the parent company of Muthoot Microfin Limited, Muthoot Housing Finance Company Limited and Muthoot Pappachan Technologies Limited.

The Company's registered office is at Muthoot Centre, TC No 27/ 3022 Punnen Road, Thiruvananthapuram, Kerala, India, 695001.

The Registration details of the Company are as follows:
Reserve Bank of India Registration no.: N - 16.00170
Corporate Identity Number (CIN): U65929KL1997PLC011518

2. Basis of preparation

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and notified under section 133 of the Companies Act, 2013 (the Act) along with other relevant provisions of the Act, the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 and notification for Implementation of Indian Accounting Standard vide circular RBI/2019-20/170 DOR(NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March 2020 ('RBI Notification for Implementation of Ind AS') issued by RBI to the extent applicable. The Company uses accrual basis of accounting except in case of significant uncertainties.

The financial statements are prepared on a going concern basis, as the Management is satisfied that the Company shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on the going concern assumption.

The financial statements of the Company are presented as per Schedule III (Division III) of the Companies Act, 2013 applicable to NBFCs, as notified by the Ministry of Corporate Affairs.

Basis of measurement

The financial statements have been prepared on a historical cost basis, except for following assets and liabilities which have been measured at fair value:

i) Investments in equity instruments at fair value through other comprehensive income (FVOCI) or at fair value through statement of profit or loss (FVTPL)
ii) Investments which are held for trading
iii) Defined benefit plans.
iv) Cumulative, Compulsorily Convertible Preference Shares issued at Fair Value through profit or loss (FVTPL)

v) Derivative Financial Liability

Functional and presentation currency

The financial statements are presented in Indian Rupees (INR) which is also functional currency of the Company and the currency of the primary economic environment in which the Company operates. All values are rounded to the nearest lakhs, except when otherwise indicated.

3. Material accounting policies

3.1 Recognition of interest income

Interest income is recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial assets other than credit-impaired assets and financial assets classified as measured at FVTPL.

The EIR in case of a financial asset is computed:

a. As 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.

b. By considering all the contractual terms of the financial instrument in estimating the cash flows.

c. Including all fees received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Any subsequent changes in the estimation of the future cash flows is recognised in interest income with the corresponding adjustment to the carrying amount of the assets. Interest income is not recognized on credit impaired assets.

3.2 Recognition of revenue from sale of goods and services

Revenue (other than for financial instruments) is measured at fair value of the consideration received or receivable. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance found within Ind ASs.

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.

3.2.1 Dividend income

Dividend income is recognised when the Company's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably.

3.2.2 Rental Income

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included in rental income in the statement of profit and loss, unless the increase is in line with expected general inflation, in which case lease income is recognised based on contractual terms.

3.2.3 Fees and commission income

Fees and commission income such as service charges, commission from fee based business lines, service income etc. are recognised on point in time basis.

3.2.4 Net gain / loss on fair value changes

The Company designates certain financial assets for subsequent measurement at fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI). The Company recognises gains / losses on fair value change of financial assets measured at FVTPL on net basis.

3.2.5 Net gain on derecognition of financial instruments

Gains arising out of direct assignment transactions comprise the difference between the interest on the loan portfolio and the applicable rate at which the direct assignment is entered into with the assignee, also known as the excess interest spread (EIS).In accordance with Ind AS 109 and as per management practice, in case of assignment transactions with complete transfer of risks and rewards without any retention of residual interest, gain arising on such assignment transactions is recorded upfront in the Statement of Profit and Loss and the corresponding asset is derecognized from the Balance Sheet immediately upon execution of such transaction. Further, where the transfer of financial asset qualifies for derecognition in its entirety, the whole of the interest spread at its present value (discounted over the life of the asset) is recognized on the date of derecognition itself as receivable towards assignment transactions and correspondingly recognized as gain on derecognition of financial asset.

3.3 Financial instruments

1.1.1 Initial recognition

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Loans are recognised when funds are transferred to the customers' account. Investments are recognised on settlement date. The Company recognises debt securities and borrowings when funds reach the Company, post allotment if applicable.

1.1.2 Initial and subsequent measurement of financial instruments

The Company classifies its financial assets into the following measurement categories:

1. Debt instruments at amortised cost
2. Debt instruments at fair value through other comprehensive income (FVTOCI)
3. Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
4. Equity instruments in subsidiary companies at cost
5. Equity instruments measured at fair value through other comprehensive income FVTOCI

The classification depends on the contractual terms of the financial assets' cash flows and the Company's business model for managing financial assets which are explained below:

Business model assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel
- The risks that affect the performance of the business model (and the financial assets held within that business model) and the way those risks are managed
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)
- The expected frequency, value and timing of sales are also important aspects of the Company's assessment. The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

The SPPI test

As a second step of its classification process, the Company assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

The Company classifies its financial liabilities at amortised costs unless it has designated liabilities at fair value through the profit and loss account or is required to measure liabilities at fair value through profit or loss such as derivative liabilities.

1.1.3. Financial assets measured at amortised cost

A 'debt instrument' is measured at amortised cost if both the following conditions are met:

a. The financial asset is held within a business model with the objective to hold financial assets to collect contractual cash flows and
b. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement at fair value plus directly attributable costs, these financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the profit or loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in statement of profit and loss.

1.1.4 Financial assets measured at fair value through other comprehensive income

A 'debt instrument' is measured at fair value through other comprehensive income if both the following conditions are met:

a. The financial asset is held within a business model with the objective to hold financial assets to collect contractual cash flows and selling the assets and

b. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding

Debt instruments included within the FVTOCI category are measured at each reporting date at fair value with such changes being recognised in other comprehensive income (OCI). The interest income on these assets is recognised in profit or loss. Impairment losses or reversals, interest revenue and foreign exchange gains and losses are recognised in profit and loss. Upon disposal, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to the income statement.

1.1.5 Financial Instrument measured at fair value through profit or loss

Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition, if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Company's investment is classified as FVTPL, if it is acquired or incurred principally for the purpose of selling or repurchasing in the near term, or forms part of a portfolio of financial instruments that are managed together and for which there is evidence of short-term profit taking.

Financial instruments held at fair value through profit or loss, are initially recognised at fair value, with transaction costs recognised in the income statement as incurred. Subsequently, they are measured at fair value and any gains or losses are recognised in the income statement as they arise.

1.1.6 Equity instruments

The Company subsequently measures investment in equity investments at fair value through profit or loss, unless the Company's management has elected to classify irrevocably some of its equity investments as equity instruments at FVTOCI, when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. Such classification is determined on an instrument-by-instrument basis.

Gains and losses on these equity instruments classified at FVTOCI are never recycled to profit or loss. Dividends are recognised in profit or loss as dividend income when the right of the payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI.

3.3.1 Financial Liabilities

Initial Measurement

All financial liabilities are initially recognised at fair value. Transaction cost that are directly attributable to the acquisition or the issue of financial liability, which are not at fair value through profit or loss, are adjusted to fair value at initial recognition.

Subsequent Measurement

Financial liabilities except cumulative compulsorily convertible preference shares and derivative financial liability, are subsequently carried at amortized cost using the effective interest method.

3.4 Derecognition of financial assets and liabilities

3.4.1 Financial Asset

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Company also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Company has transferred the financial asset if, and only if, either:

a) The Company has transferred its contractual rights to receive cash flows from the financial asset

or

b) It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass–through' arrangement

Pass-through arrangements are transactions whereby the Company retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following three conditions are met:

- The Company has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates
- The Company cannot sell or pledge the original asset other than as security to the eventual recipients
- The Company has to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the Company is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if either:

- The Company has transferred substantially all the risks and rewards of the asset or,
- The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset
- The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Company has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Company's continuing involvement, in which case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

3.4.2 Financial Liability

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de recognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.

3.5 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 counter parties.

3.6 Impairment of financial assets

3.6.1 Overview of the Expected Credit Loss (ECL) principles

The Company has created provisions on all financial assets wherever required, except for financial assets classified as FVTPL, based on the expected credit loss method.

The ECL provision is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss. The 12-month ECL is 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 instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

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

For non-impaired financial instruments

- Stage 1 is comprised of all non-impaired financial instruments which have not experienced a significant increase in credit risk (SICR) since initial recognition. A 12-month ECL provision is made for stage 1 financial instruments. In assessing whether credit risk has increased significantly, the Company compares the risk of a default occurring on the financial instrument as at the reporting date, with the risk of a default occurring on the financial instrument as at the date of initial recognition.
- Stage 2 is comprised of all non-impaired financial instruments which have experienced a SICR since initial recognition. The Company recognises lifetime ECL for stage 2 financial instruments. In subsequent reporting periods, if the credit risk of the financial instrument improves such that there is no longer a SICR since initial recognition, then entities recognize 12 months of ECL.

For impaired financial instruments:

Financial instruments are classified as stage 3 when there is objective evidence of impairment as a result of one or more loss events that have occurred after initial recognition with a negative impact on the estimated future cash flows of a loan or a portfolio of loans. The Company recognises lifetime ECL for impaired financial instruments.

3.6.2 The calculation of ECLs

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, schemes, ticket size, loan to value and geographies, the Company has bifurcated its loan portfolio into various pools. PD is calculated using Incremental NPA approach considering fresh slippage using historical information. Where historical information is not available for arriving at reasonable default probability, published probability of default for similar loan segments are used by the Company.

Exposure at Default (EAD) - The Exposure at Default is an estimate of the exposure at a future default date, considering expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

Loss Given Default (LGD) – The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive. The Company uses computed discounted recoveries in NPA accounts that are closed during the year where historical information is available and uses Foundational Internal Ratings Based approach (FIRB) norms in the absence of sufficient historical trends.

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.

Write-offs

Loans and other assets are written off (either partially or in full) when there is no realistic prospect of recovery. This is generally the case when it is determined that the customer does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. Any subsequent recoveries against such loans are credited to the statement of profit and loss.

Collateral

To mitigate its credit risks on financial assets, the Company seeks to use collateral, where possible. The collateral comes in various forms, such as gold, securities, stock, current asset etc. However, the fair value of collateral affects the calculation of ECLs. The fair value of the same is based on data provided by third party or management judgements.

Impairment of Trade receivables

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables.

3.7 Determination of fair value

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, if market participants act in their economic best interest.

A fair value measurement of a non-financial asset considers 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 enough data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

The financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

Level 1 financial instruments – Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

Level 2 financial instruments – Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Company will classify the instruments as Level 3.

Level 3 financial instruments – Those that include one or more unobservable input that is significant to the measurement as whole.

3.8 Foreign Currency translation

Transactions in foreign currencies, if any, are initially recorded in the functional currency at the spot rate of exchange ruling at the date of the transaction. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated into the functional currency at the spot rate of exchange at the reporting date. All differences arising on non–trading activities are taken to other income/expense in the statement of profit and loss.

Non–monetary items that are measured at historical cost in a foreign currency are translated using the spot exchange rates as at the date of recognition.

3.9 Derivative Financial Liability

The company enters into derivative financial instruments such as foreign exchange forward contracts to manage its exposure to foreign exchange rate risk. Derivatives are recognized at fair value and carried as assets when their fair value is positive and as liabilities when their fair value is negative. The resulting gain/loss is recognized in the Statement of Profit and Loss immediately unless the derivative is designated and is effective as a hedging instrument, in which event the timing of the recognition in the Statement of Profit and Loss depends on the nature of the hedge relationship.

3.10 Finance cost

Finance costs represents Interest expense recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial liabilities other than financial liabilities classified as FVTPL.

Interest expense includes issue costs that are initially recognized as part of the carrying value of the financial liability and amortized over the expected life using the effective interest method. These include fees including upfront costs incurred in relation to borrowings, commissions payable to advisers and other expenses such as external legal costs, provided these are incremental costs that are directly related to the issue of a financial liability. Interest accrued on lease liability recognized and measured in accordance with Ind AS 116 "Leases" also forms part of Finance cost.

3.11 Other income and expenses

All Other income and expense are recognized in the period they occur.

3.12 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand, short-term deposits with an original maturity of three months or less and forex balances, 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, forex balances and short- term deposits, as defined above, net of outstanding bank overdrafts, if any, as they are considered an integral part of the Company's cash management.

3.13 Property, plant and equipment

Property, plant and equipment (PPE) are measured at cost less accumulated depreciation and accumulated impairment, (if any). The total cost of assets comprises its purchase price, freight, duties, taxes and any other incidental expenses directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.

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.

Subsequent expenditure related to an item of tangible asset are added to its gross value only if it increases the future benefits of the existing asset, beyond its previously assessed standards of performance and cost can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

3.13.1 Depreciation

Tangible assets are stated at historical cost less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Depreciation is charged based on a review by the management during the year and at the rates derived based on the useful lives of the assets as specified in Schedule II of the Companies Act, 2013 on Straight Line Method. The estimated useful lives are as follows:

Particulars	Useful life
Building	60 years
Computer	3 years
Furniture and Fixtures	5 to 30 years
Plant and Equipment	5 to 20 years
Vehicles	5 to 8 years
Windmill	22 years
Office equipment	15 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.

Property plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in 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.

3.14 Intangible assets

The Company's intangible assets consist of computer software.

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 and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

Intangible assets are amortised using the Written down value method to write down the cost of intangible assets to their residual values over their estimated useful lives. Intangible assets comprising of software are amortised on a Written down value basis over a period of 3 years keeping residual value 5%.

Gains or losses from derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit and Loss when the asset is derecognised.

3.15 Investment Property

Properties, held to earn rentals and/or capital appreciation are classified as investment property and measured and reported at cost, including transaction costs, borrowing cost and other directly attributable cost in bringing the asset to its working condition for its intended use. Subsequent expenditure is capitalized to the assets carrying amount only when it is probable that the future economic benefit associated with the expenditure will flow to the company.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of property is recognised in the Statement of Profit and Loss in the same period.

The fair value of investment property is disclosed in the notes accompanying these financial statements. Fair value has been determined by an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

3.16 Impairment of non-financial assets

The Company's assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. 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 considered. 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.

3.17 Post-employment benefits

3.17.1 Defined contribution schemes

Contributions to the Employees Provident Fund Scheme maintained by the Central Government, Employee State Insurance Corporation (ESIC) etc. are accounted for on an accrual basis. Retirement benefit in the form of provident fund is a defined contribution scheme.

The company has no obligation, other than the contribution payable under the schemes. The company recognizes contribution payable to the provident fund scheme / ESIC as expenditure, when an employee renders the related service. If the contribution payable to the scheme / ESIC for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset.

3.17.2 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 tenure 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 contributions to a Gratuity Fund administered by the Life Insurance Corporation of India.

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

Other long-term employee benefits

Company's liabilities towards compensated absences to employees are accrued on the basis of valuations, as at the Balance Sheet date, carried out by an independent actuary using Projected Unit Credit Method. Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised immediately in the Statement of Profit and Loss. The Company presents the provision for compensated absences under provisions in the Balance Sheet.

3.17.3 Employee Stock Option & Employee Stock Appreciation Right

The Company has formulated its Employees Stock Option Schemes and Stock Appreciation Right Schemes (SAR). The fair value of options granted under Employee Stock Option Plan is recognised as an employee benefits expense with a corresponding increase in Provisions and the fair value of SAR granted is recognized as an employee benefit expense having a corresponding increase in financial liability. The total amount to be expensed is determined by reference to the fair value of the options. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest.

3.18 Provisions

Provisions are recognised when the enterprise has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

When the effect of the time value of money is material, the enterprise determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

3.19 Taxes

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

3.19.1 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 (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

3.19.2 Deferred tax

Deferred tax assets and liabilities are recognised for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are only recognised for temporary differences, unused tax losses and unused tax credits if it is probable that future taxable amounts will arise to utilise those temporary differences and losses. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax relating to items recognised outside profit and loss is recognised either in other comprehensive income or in equity. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities are realised simultaneously.

3.19.3 Goods and services tax /value added taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the goods and services tax/value added taxes paid, except:

i. When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable

ii. When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from and / or payable to, the taxation authority is included as part of receivables or payables respectively in the balance sheet.

3.20 Contingent Liabilities and assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. The company does not have any contingent assets in the financial statements.

3.21 Earnings Per Share

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic EPS is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividend and attributable taxes) by the weighted average number of equity shares outstanding during the year.

For calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

3.22 Dividends on ordinary shares

The Company recognises a liability to make cash or non-cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the statement of profit and loss.

3.23 Leases

The determination of whether an arrangement is a lease, or contains a lease, is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets or whether the arrangement conveys a right to use the asset.

Company as a lessee

The Company's lease asset class consist of building and equipment. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company has, at the date of transition, recognized a right-of use asset and a corresponding lease liability for all active lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term lease) and low value assets. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight line basis over the term of the lease.

The right-of-use assets are recognized at cost, which comprises the present value of the lease liability as at the date of transition. Right-of-use assets are depreciated on a straight-line basis over the shorter of the balance lease term and useful life of the underlying asset. The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit on the lease or, if not readily determinable, using the incremental borrowing rates. Interest accrued on lease liability and lease payments made, are subsequently adjusted to the initial recognition of lease liability.

Company as a lessor

Leases where the Company does not transfer substantially all the risks and benefits incidental to ownership of the leased items are operating leases. Rental Income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included in rental income in the statement of profit and loss.

3.24 Cash flow statement

Cash flows are reported using indirect method, whereby net profits before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from regular revenue generating (operating activities), investing and financing activities of the Company are segregated.

4 Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with the Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosure and the disclosure of contingent liabilities, at the end of the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

4.1 Business Model Assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

4.2 Defined employee benefit assets and liabilities

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

4.3 Fair value measurement:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

4.4 Impairment of financial assets

The measurement of impairment losses across all categories of financial assets requires judgement the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by several factors, changes in which can result in different levels of allowances. It has been the Company's policy to regularly review its models in the context of actual loss experience, regulatory advisories, market conditions and forecasts and revise when necessary.

4.5 Effective Interest Rate (EIR) method

The Company's EIR methodology, recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges).

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well expected changes to India's base rate and other fee income/expense that are integral parts of the instrument.

4.6 Provisions

At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

4.7 Other estimates:

These include contingent liabilities, useful lives of tangible and intangible assets etc.

Notes to standalone financial statements for the year ended March 31, 2024

(Rupees in lakhs, except for share data and unless otherwise stated)

5 Cash and cash equivalents

Particulars	As at 31st March 2024	As at 31st March 2023
Cash on hand	8,195.84	9,275.14
Balances with Banks		
- in current accounts	83,955.65	1,13,093.97
- in deposit accounts having original maturity less than three months*	35,266.24	1,29,829.96
Others		
-Foreign currency balances	418.11	162.52
Total	**1,27,835.84**	**2,52,361.58**

* Includes earmarked balances of INR 3,527.93 as at 31st March 2024 (31st March 2023 - INR 4,800) towards margin money, security & debenture redemption reserve.

6 Bank Balance other than above

Particulars	As at 31st March 2024	As at 31st March 2023
Deposit with original maturity for more than three months but less than twelve months*	6,221.76	9,994.37
Balance with Banks in escrow accounts	7,608.14	7,006.88
Total	**13,829.91**	**17,001.25**

* Includes earmarked balances of INR 6,118.86 as at 31st March 2024 (31st March 2023 - INR 9,737.63) towards margin money, security, debenture redemption reserve & staff security deposits.

7 Receivables

Particulars	As at 31st March 2024	As at 31st March 2023
TRADE RECEIVABLES		
Receivables considered good - Unsecured		
Receivables from Money Transfer business	1,579.26	837.00
Wind Mill income receivable	1,957.47	2,241.65
Other Trade Receivables	95.60	54.51
Sub-Total	**3,632.32**	**3,133.15**
Less: Allowances for Impairment Loss	**-**	**-**
Total Net receivable	**3,632.32**	**3,133.15**

(i) Of the total receivables as above, the following pertains to receivables due from directors or other officers of the Company either severally or jointly with any other person or from firms or private companies respectively in which any director is a partner, a director or a member:

Particulars	As at 31st March 2024	As at 31st March 2023
From Directors, relatives of Directors or Officers of the Company	3.13	1.99
From firms or trusts in which any director is a partner or member	2.78	0.17
From Companies in which any director is a director or a member	55.48	12.34
Total	**61.40**	**14.51**

(Rupees in lakhs, except for share data and unless otherwise stated)

(ii) Trade receivables are non-interest bearing. These consist primarily of receivable from government and other parties, and does not involve any credit risk.

(iii) Ageing Schedule of Trade Receivables (As at 31st March, 2024)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables- considered good	1,816.03	176.73	1,490.00	149.56	-	3,632.32
(ii) Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables- credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables- credit impaired	-	-	-	-	-	-

(iv) Ageing Schedule of Trade Receivables (As at 31st March,2023)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables- considered good	1,031.26	639.68	857.39	505.18	99.64	3,133.15
(ii) Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables- credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables- credit impaired	-	-	-	-	-	-

(Rupees in lakhs, except for share data and unless otherwise stated)

8 Loans (At amortised Cost)

Particulars	As at 31st March 2024	As at 31st March 2023
A.		
Retail Loans	21,42,676.46	17,31,869.35
High Value Loans	28,496.60	29,572.39
Staff Loan	61.07	65.75
Total	**21,71,234.13**	**17,61,507.49**
Less: Impairment loss allowance	(29,729.05)	(36,454.29)
Total (A) - Net	**21,41,505.08**	**17,25,053.20**
B.		
I) Secured by tangible assets		
Retail Loans	21,31,553.90	17,29,301.22
High Value Loans	28,139.63	29,276.96
II) Secured by intangible assets	-	-
Total (I) - Gross	**21,59,693.53**	**17,58,578.18**
Less : Impairment loss allowance	(29,076.26)	(34,771.08)
Total (I) - Net	**21,30,617.26**	**17,23,807.10**
II) Covered by Bank / Government Guarantees	-	-
III) Unsecured		
Retail Loans	11,122.56	2,568.13
High Value Loans	356.97	295.43
Staff Loan	61.07	65.75
Total (III) - Gross	**11,540.60**	**2,929.31**
Less : Impairment loss allowance	(652.78)	(1,683.22)
Total (III) - Net	**10,887.82**	**1,246.10**
Total (I+II+III) - Net	**21,41,505.08**	**17,25,053.20**
C.		
I) Loans in India		
i) Public Sector	-	-
ii) Others	21,71,234.13	17,61,507.49
II) Loans outside India	-	-
Total (C) - Gross	**21,71,234.13**	**17,61,507.49**
Less: Impairment Loss Allowance	(29,729.05)	(36,454.29)
Total (C)- Net	**21,41,505.08**	**17,25,053.20**

The Company has continued its co-lending arrangements with banks for Gold loans. A total disbursement of INR 2,60,287.10 (31st March, 2023 - INR 3,40,362.20) was undertaken during the year under the Co-lending mechanism. As at 31st March, 2024, the total managed assets under the Co-lending mechanism amounted to INR 98,220.05 (INR 1,15,378.42 as at 31st March, 2023).

(Rupees in lakhs, except for share data and unless otherwise stated)

Credit Quality of Assets

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances. Details of the Company's internal grading system are discussed in Note 44.

Particulars	March 31, 2024				March 31, 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Internal rating grade								
Performing								
High grade	19,27,698.70	-	-	19,27,698.70	15,47,599.04	-	-	15,47,599.04
Standard grade	78,698.08	-	-	78,698.08	68,730.70	-	-	68,730.70
Sub-standard grade	-	89,792.58	-	89,792.58	-	72,625.47	-	72,625.47
Past due but not impaired	-	39,898.26	-	39,898.26	-	35,391.15	-	35,391.15
Non- performing								
Individually impaired	-	-	35,146.50	35,146.50	-	-	37,161.13	37,161.13
Total	**20,06,396.79**	**1,29,690.84**	**35,146.50**	**21,71,234.13**	**16,16,329.75**	**1,08,016.61**	**37,161.13**	**17,61,507.49**

An analysis of changes in the gross carrying amount in relation to receivables under financing activities is, as follows:

Particulars	2023-24				2022-23			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	**16,16,329.75**	**1,08,016.61**	**37,161.13**	**17,61,507.49**	**15,65,191.55**	**1,17,162.63**	**49,959.29**	**17,32,313.47**
New assets originated or purchased	47,56,424.49	-	-	47,56,424.49	43,34,393.64	-	-	43,34,393.64
Assets derecognised or repaid (excluding write offs)	(37,08,895.63)	(3,68,407.88)	(2,59,913.50)	(43,37,217.02)	(36,67,625.20)	(3,76,561.05)	(2,59,958.04)	(43,04,144.30)
Assets written off during the period	-	-	(9,480.84)	(9,480.84)	-	-	(1,055.32)	(1,055.32)
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	(4,47,119.31)	4,47,119.31	-	-	(4,34,456.12)	4,34,456.12	-	-
Transfers to Stage 3	(2,10,342.51)	(57,037.20)	2,67,379.71	-	(1,81,174.12)	(67,041.08)	2,48,215.20	-
Gross carrying amount closing balance	**20,06,396.79**	**1,29,690.84**	**35,146.50**	**21,71,234.13**	**16,16,329.75**	**1,08,016.61**	**37,161.13**	**17,61,507.49**

(Rupees in lakhs, except for share data and unless otherwise stated)

Reconciliation of ECL balance is given below:

Particulars	2023-24				2022-23			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	9,006.98	507.60	26,939.71	36,454.29	7,187.86	835.83	22,768.90	30,792.59
New assets originated or purchased	19,124.88	-	-	19,124.88	24,153.35	-	-	24,153.35
Assets derecognised or repaid (excluding write offs)	(17,420.88)	(1,932.72)	(1,64,571.33)	(1,83,924.92)	(18,903.65)	(2,813.53)	(1,74,715.80)	(1,96,432.98)
Assets written off during the period	-	-	(9,480.84)	(9,480.84)	-	-	(1,055.32)	(1,055.32)
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	(1,797.80)	1,797.80	-	-	(2,421.00)	2,421.00	-	-
Transfers to Stage 3	(845.76)	(195.31)	1,041.07	-	(1,009.59)	(315.05)	1,324.64	-
Impact on year end ECLs of exposures transferred between stages during the year	-	266.73	1,67,288.90	1,67,555.63	-	379.36	1,78,617.30	1,78,996.65
ECL allowance - closing balance	**8,067.43**	**444.10**	**21,217.52**	**29,729.05**	**9,006.98**	**507.60**	**26,939.71**	**36,454.29**

Transferred financial assets that are derecognised in their entirety but where the Company has continuing involvement

The Company had sold some loans and advances measured at amortised cost, as a source of finance in previous reporting periods. As per terms of the deal, risk and reward had been transferred to the customer. Hence, as per the derecognition criteria of IND AS 109, including transfer of substantially all risks and rewards relating to assets being transferred to the buyer being met, the assets were derecognised. The table below summarises the carrying amount of the derecognised financial assets:

Particulars	As at 31st March 2024	As at 31st March 2023
Carrying amount of derecognised financial assets	19,310.23	-
Gain/(loss) from derecognition	7,738.88	-

(Rupees in lakhs, except for share data and unless otherwise stated)

9 Investments

Particulars	As at 31st March 2024	As at 31st March 2023
(i) At Amortized Cost / At Cost		
Debt securities (At Amortized Cost)		
Unlisted Debentures		
Investment Richa Lifespace Private Limited	612.50	612.50
Investment Diyug Construction Private Limited	282.85	282.85
Investment Richa Realtors Private Limited	1,300.00	1,300.00
Equity instruments (At Cost)		
Subsidiary-Unquoted*		
Inv-Muthoot Housing Finance Company Limited	17,291.02	14,791.02
Inv-Muthoot Pappachan Technologies Limited	3.00	3.00
	19,489.37	**16,989.37**
(ii) At Fair Value through Profit or Loss		
Alternate Investment Funds		
Inv-JM Financial India Fund II	275.38	236.50
Inv-BPEA India Credit - Trust II	-	168.86
Others - Unquoted		
Inv-Strugence Debt Fund	997.61	997.61
Others - Quoted		
Inv-Union Mutual Fund	2,501.85	-
	3,774.84	**1,402.98**
(iii) At Fair Value through Other Comprehensive Income		
Equity instruments		
Subsidiary-Quoted		
Inv-Muthoot Microfin Limited*	1,70,977.50	-
Subsidiary-Unquoted		
Inv-Muthoot Microfin Limited	-	1,66,298.57
Others-Quoted		
Inv-Equity Shares (DP account with Motilal Oswal)	2,449.60	1,690.38
Others-Unquoted		
Inv-Muthoot Pappachan Chits Private Limited	22.03	14.94
Inv-Avenues India Private Limited	479.10	479.10
Inv-Fair Asset Technologies (P) Limited	721.31	720.64
Inv-The Thinking Machine Media Private Limited	9.00	9.00
Inv-Speckle Internet Solutions Private Limited	42.86	42.86
Others - Quoted		
Inv-PMS - Motilal Oswal	327.60	231.12
	1,75,028.99	**1,69,486.61**
Total Gross (A)	**1,98,293.20**	**1,87,878.95**
i) Investments outside India	-	-
ii) Investments in India	1,98,293.20	1,87,878.95
Total Gross (B)	**1,98,293.20**	**1,87,878.95**
Less : Allowance for impairment loss (C)	(1,207.44)	(1,207.44)
Total ((A) - (C))	**1,97,085.75**	**1,86,671.51**

** Muthoot Microfin Limited completed its Initial Public Offering (IPO) during the year, pursuant to which its shares where listed on the National Stock Exchange and Bombay Stock Exchange on December 26, 2023.*

(Rupees in lakhs, except for share data and unless otherwise stated)

Debt Instruments measured at Amortised Cost

Credit Quality of Assets

Particulars	31-03-2024				31-03-2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Internal rating grade								
Performing								
High grade	-	-	-	-	-	-	-	-
Standard grade	-	-	-	-	-	-	-	-
Sub-standard grade	-	-	-	-	-	-	-	-
Past due but not impaired	-	-	-	-	-	-	-	-
Non- performing								
Individually impaired	-	-	2,195.35	2,195.35	-	-	2,195.35	2,195.35
Total	**-**	**-**	**2,195.35**	**2,195.35**	**-**	**-**	**2,195.35**	**2,195.35**

An analysis of changes in the gross carrying amount in relation to Debt Instruments measured at Amortised Cost is, as follows

Particulars	31-03-2024				31-03-2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	**-**	**-**	**2,195.35**	**2,195.35**	**-**	**-**	**2,195.35**	**2,195.35**
New assets originated or purchased	-	-	-	-	-	-	-	-
Assets derecognised or repaid (excluding write offs)	-	-	-	-	-	-	-	-
Assets written off during the period	-	-	-	-	-	-	-	-
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	-	-	-	-	-	-	-	-
Transfers to Stage 3	-	-	-	-	-	-	-	-
Gross carrying amount closing balance	**-**	**-**	**2,195.35**	**2,195.35**	**-**	**-**	**2,195.35**	**2,195.35**

(Rupees in lakhs, except for share data and unless otherwise stated)

Reconciliation of ECL balance is given below:

Particulars	31-03-2024				31-03-2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	**-**	**-**	**1,207.44**	**1,207.44**	**-**	**-**	**1,207.44**	**1,207.44**
New assets originated or purchased	-	-	-	-	-	-	-	-
Assets derecognised or repaid (excluding write offs)	-	-	-	-	-	-	-	-
Assets written off during the period	-	-	-	-	-	-	-	-
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	-	-	-	-	-	-	-	-
Transfers to Stage 3	-	-	-	-	-	-	-	-
ECL allowance - closing balance	**-**	**-**	**1,207.44**	**1,207.44**	**-**	**-**	**1,207.44**	**1,207.44**

(Rupees in lakhs, except for share data and unless otherwise stated)

10 Other financial assets

Particulars	As at 31st March 2024	As at 31st March 2023
Security deposits	6,388.29	6,140.45
Interest accrued on fixed deposits with banks	321.33	626.97
Deposits	237.40	171.62
Deposit with original maturity for more than twelve months*	404.03	107.54
Receivables from auction proceeds	-	4,803.44
Receivable towards assignment transactions	7,553.29	-
Other financial assets	671.15	2,635.69
Total	**15,575.49**	**14,485.70**

* Includes earmarked balances of INR 218.87 as at 31st March 2024 (31st March 2023 - INR 32.54) towards margin money & security to pension fund regulatory and development authority.

(i) Other Financial Assets above consists of the following receivables due from directors or other officers of the Company either severally or jointly with any other person or from firms or private companies respectively in which any director is a partner, a director or a member:

Particulars	As at 31st March 2024	As at 31st March 2023
From Directors, relatives of Directors or Officers of the Company	-	-
From firms in which any director is a partner	-	-
From Companies in which any director is a director or a member	3,426.08	3,060.78
Total	**3,426.08**	**3,060.78**

11 Investment Property

Particulars	As at 31st March 2024	As at 31st March 2023
Inventory – Projects		
Opening Balance	26,119.76	30,236.55
Transferred from / (to) property, plant and equipment	-	-
Acquisitions	-	-
Disposal	-	(4,116.78)
Closing balance	**26,119.76**	**26,119.76**
Depreciation and Impairment		
Opening balance	-	-
Charge for the year	-	-
Closing Balance	**-**	**-**
Net Block	**26,119.76**	**26,119.76**

11.1. Investment Property includes lien marked properties of INR 9,460.56 as at 31st March, 2024 (March 31, 2023 - INR 9,460.56)

11.2. Fair Value of Investment Property as at March 31, 2024 - INR 28,742.97 (March 31, 2023 - INR 27,823.11)

11.3. Investment Property does not contain any immovable property which is not held in the name of the company

(Rupees in lakhs, except for share data and unless otherwise stated)

12 Property, Plant and Equipment

Particulars	Buildings	Computer	Furniture & Fixtures	Land	Plant & Equipment	Vehicles	Windmill	Office Equipment	Equipment - Finance Lease	Total
As at 31st March 2022	**5,850.61**	**5,225.19**	**24,234.93**	**12,555.55**	**15,098.09**	**306.01**	**7,449.78**	**345.33**	**-**	**71,065.49**
Addition during the year	448.51	821.37	1,244.81	-	2,254.79	1.42	-	116.06	-	**4,886.96**
Disposals	(39.60)	-	-	(22.77)	-	-	-	-	-	**(62.37)**
As at 31st March 2023	**6,259.52**	**6,046.56**	**25,479.73**	**12,532.78**	**17,352.88**	**307.43**	**7,449.78**	**461.39**	**-**	**75,890.08**
Addition during the year	-	1,894.54	919.91		2,833.41	-	-	125.31	-	**5,773.16**
Disposals	-	-	-	-	-	(0.98)	-	-	-	**(0.98)**
As at 31st March 2024	**6,259.52**	**7,941.10**	**26,399.64**	**12,532.78**	**20,186.28**	**306.45**	**7,449.78**	**586.70**	**-**	**81,662.27**
Accumulated Depreciation:										
As at 1st April 2022	**462.12**	**4,527.30**	**14,150.32**	**-**	**10,092.62**	**217.71**	**2,560.12**	**139.88**	**0.00**	**32,150.07**
Charged for the year	102.06	637.45	1,608.42	-	1,473.31	14.60	511.74	90.83	-	**4,438.41**
Disposals	-	-	-	-	-	-	-	-	-	-
As at 31st March 2023	**564.17**	**5,164.75**	**15,758.74**	**-**	**11,565.93**	**232.32**	**3,071.87**	**230.71**	**0.00**	**36,588.48**
Charged for the year	105.39	944.51	1,528.59	-	2,041.70	20.04	511.74	174.29	-	**5,326.27**
Disposals	-	-	-	-	-	-	-	-	-	**-**
As at 31st March 2024	**669.57**	**6,109.26**	**17,287.34**	**-**	**13,607.62**	**252.36**	**3,583.61**	**405.00**	**0.00**	**41,914.75**
Net book value:										
As at 31st March 2023	**5,695.35**	**881.81**	**9,720.99**	**12,532.78**	**5,786.95**	**75.11**	**4,377.92**	**230.68**	**-**	**39,301.60**
As at 31st March 2024	**5,589.95**	**1,831.84**	**9,112.31**	**12,532.78**	**6,578.66**	**54.09**	**3,866.17**	**181.70**	**-**	**39,747.51**

12.1. Property Plant & Equipment details does not contain any immovable property which is not held in the name of the company

(Rupees in lakhs, except for share data and unless otherwise stated)

13 Intangible Assets

Particulars	Intangible assets under development	Other Intangible Assets - Computer Software
As at 31st March 2022	**-**	**2,759.25**
Addition during the year	676.00	568.60
Disposals	-	-
As at 31st March 2023	**676.00**	**3,327.85**
Addition during the year	14.61	1,989.47
Disposals/capitalised during the year	(676.00)	-
As at 31st March 2024	**14.61**	**5,317.32**
Accumulated Depreciation:		
As at 31st March 2022	**-**	**1,821.67**
Charged for the year	-	661.71
Disposals	-	-
As at 31st March 2023	**-**	**2,483.37**
Charged for the year		739.21
Disposals	-	-
As at 31st March 2024	**-**	**3,222.58**
Net book value:		
As at 31st March 2023	**676.00**	**844.48**
As at 31st March 2024	**14.61**	**2,094.74**

14 Right-of-use assets & Lease Liability

14.1. The Company operates its branch network predominantly through premises taken on lease at strategic locations identified by the management. Majority of the lease arrangements are long term in nature and are non-cancellable from the point of view of the lessor. Other than such leasehold property, the Company has also undertaken lease arrangements for safety device equipments.

Particulars	As at 31st March 2024	As at 31st March 2023
Depreciation charge for Right-of-use assets		
Leasehold Property	14,291.21	13,395.64
Equipments	1.56	2.65
Interest expense on lease liabilities	9,904.20	8,924.09
Income from subleasing right-of-use assets	129.50	132.68
Total cash outflow for leases	20,183.67	18,722.79
Carrying amount of right-of-use assets		
Leasehold Property	83,008.99	79,934.43
Equipments	0.00	1.56
Lease Liability		
Leasehold Property	95,455.65	88,963.26
Equipments	-	1.75

(Rupees in lakhs, except for share data and unless otherwise stated)

14.2. The expense relating to payments not included in the measurement of the lease liability is as follows:

Particulars	As at 31st March 2024	As at 31st March 2023
Short-term leases	29.16	24.66

14.3. Carrying value of right-of-use assets at the end of the reporting period:

Particulars	As at 31st March 2024	As at 31st March 2023
Balance as at April 1, 2023 / April 1, 2022	79,935.99	57,939.67
Additions	17,365.77	35,394.60
Depreciation charge for the year	(14,292.77)	(13,398.28)
Balance as at March 31, 2024 / March 31, 2023	83,008.99	79,935.99

14.4. Movement in lease liabilities:

Particulars	As at 31st March 2024	As at 31st March 2023
Balance as at April 1, 2023 / April 1, 2022	88,965.01	64,656.45
Additions	16,770.11	34,107.26
Interest on lease liabilities	9,904.20	8,924.09
Payment of lease liabilities	(20,183.67)	(18,722.79)
Balance as at March 31, 2024 / March 31, 2023	95,455.65	88,965.01

14.5. Maturity analysis of lease liabilities

Particulars	As at 31st March 2024	As at 31st March 2023
Less than one year	20,640.26	17,868.12
One to five years	76,358.46	67,401.65
More than five years	46,540.91	51,383.10
Total undiscounted lease liabilities	1,43,539.63	1,36,652.88

15 Other Non-Financial assets

Particulars	As at 31st March 2024	As at 31st March 2023
Prepaid expenses	1,409.09	906.24
Advance to Creditors	1,183.61	483.91
Advance for Property	-	19,000.17
Pre-Deposit Fee	788.02	753.95
GST / Service Tax Receivables	541.52	544.39
Gratuity Fund	3,045.77	2,551.55
Other Receivable	201.52	75.69
Total	**7,169.52**	**24,315.90**

(Rupees in lakhs, except for share data and unless otherwise stated)

(a) Advance for Property as on March 31, 2024 consists of - INR Nil (P.Y. INR 1,487.26) and INR Nil (P.Y.INR 17,512.91) advanced by the Company to its Directors and their relatives, M/s. MPG Hotels & Infrastructure Ventures Private Limited (a Company in which the Directors are interested) and M/s. Muthoot Estate Investments (a firm in which the Directors of the Company are partners) respectively for purchase of immovable property by the Company from them.

16 Derivative Financial Liability

The Company undertakes derivative transactions for hedging exposures relating to foreign exchange borrowings. The table below shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts. The nominal amounts indicate the value of transactions outstanding as at the year end and are not indicative of either the market risks or credit risk.

Particulars	As at 31st March 2024		As at 31st March 2023	
	Notional amounts	Fair value liabilities	Notional amounts	Fair value liabilities
Currency Derivatives:				
Forward Contracts	55,288.11	231.18	-	-
Total	**55,288.11**	**231.18**	**-**	**-**
Derivatives held for risk management purposes included above are as follows:				
(i) Fair value hedging	-	-	-	-
(ii) Cash flow hedging				
Currency derivatives	55,288.11	231.18	-	-
(iii) Net investment hedging	-	-	-	-
(iv) Undesignated derivatives	-	-	-	-
Total [(i) to (iv)]	**55,288.11**	**231.18**	**-**	**-**

16.1. The Company is exposed to certain risks in relation to its ongoing business. The primary risk managed using derivative instruments is foreign currency risk.

16.2. The Company has designated forward contracts as a hedging instrument to mitigate foreign exchange risk from its exposure on foreign currency borrowings.

16.3. There are no derivatives not designated as hedging instruments. The Company has not opted for hedge accounting for derivatives.

17 Payables

Particulars	As at 31st March 2024	As at 31st March 2023
Trade payables:		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprise	-	-
Other payables:		
Total outstanding dues of micro enterprises and small enterprises	551.58	813.40
Total outstanding dues of creditors other than micro enterprises and small enterprise*	3,464.47	3,201.57
Total	**4,016.05**	**4,014.97**

(Rupees in lakhs, except for share data and unless otherwise stated)

(i) Disclosure under Micro, Small, and Medium Enterprises Development Act, 2006 :

Based on the intimation received by the Company, some of the suppliers have confirmed to be registered under "The Micro, Small and Medium Enterprises Development ('MSMED') Act, 2006". Accordingly, the disclosures relating to amounts unpaid as at the year ended together with interest paid /payable are furnished below:

Particulars	As at 31st March 2024	As at 31st March 2023
Principal amount remaining unpaid during the year	551.58	813.40
Interest due thereon	-	-
Interest remaining accrued and unpaid at the end of the year	-	-
Total interest accrued and remained unpaid at year end	-	-

(ii) Ageing Schedule of Payables (As on 31/03/2024)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	505.51	32.77	4.71	1.61	544.59
(ii) Others	3,058.47	269.62	58.25	71.20	3,457.53
(iii) Disputed Dues- MSME	-	-	-	6.99	6.99
(iv) Disputed Dues- Others	0.43	-	0.89	5.62	6.94
Total	**3,564.40**	**302.39**	**63.84**	**85.41**	**4,016.05**

Ageing Schedule of Payables (As on 31/03/2023)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	790.85	9.05	4.26	2.24	806.41
(ii) Others	2,974.24	153.40	47.26	3.03	3,177.93
(iii) Disputed Dues- MSME	-	-	6.99	-	6.99
(iv) Disputed Dues- Others	3.35	-	-	20.29	23.64
Total	**3,768.44**	**162.45**	**58.51**	**25.57**	**4,014.97**

18 Debt Securities (At Amortised Cost)

Particulars	As at 31st March 2024	As at 31st March 2023
Secured Non-Convertible Debentures	-	88.00
Secured Non-Convertible Debentures - Listed*	2,87,032.66	2,54,717.90
Secured Non-Convertible Debentures - Covered Bonds / MLD - Listed*	-	49,837.07
Total	**2,87,032.66**	**3,04,642.97**
Debt securities in India	2,87,032.66	3,04,642.97
Debt securities outside India	-	-
Total	**2,87,032.66**	**3,04,642.97**

**Includes issue expenses amortised as per EIR.*

(Rupees in lakhs, except for share data and unless otherwise stated)

Maturity Profile of Non-Convertible Debentures

Particulars	Amount
FY 2024-25	58,034.56
FY 2025-26	82,093.69
FY 2026-27	76,050.63
FY 2027-28	8,320.74
FY 2028-29	42,776.54
FY 2029-30	9,728.70
FY 2030-31	7,697.95
FY 2031-32	3,351.89
Adjustments on account of effective rate of interest	(1,022.04)
TOTAL	**2,87,032.66**

Particulars	As at 31st March 2024	As at 31st March 2023	Security
Debentures issued by way of Private Placement			
Allotment on 01/10/2018	-	88.00	Subservient charge on all current assets of the Company, both present and future
Listed Debentures issued by way of Private Placement			
Allotment on 09/08/2023	10,000.00	-	First Pari-passu charge on the present and future standard loan receivables and current assets along with other lenders and NCD investors with a minimum asset coverage ratio of 1.1 X time of the value of the outstanding amounts of the Debentures and it shall be maintained at all times until the redemption of the Debentures.
Allotment on 21/12/2023	20,000.00	-	First Pari-passu charge on the present and future standard loan receivables and current assets along with other lenders and NCD investors with a minimum asset coverage ratio of 1.25 X time of the value of the outstanding amounts of the Debentures and it shall be maintained at all times until the redemption of the Debentures.
Listed Debentures issued by way of Public Issue			
Allotment on 02/02/2022	40,000.00	40,000.00	Subservient charge with existing secured creditors on all loan receivables (both present and future) of the company in favour of Debenture Trustee, to be held on pari passu basis among the present and / or future NCD holders
Allotment on 29/10/2021	12,363.07	24,956.79	Subservient charge with existing secured creditors on all loan receivables (both present and future) of the company in favour of Debenture Trustee, to be held on pari passu basis among the present and / or future NCD holders

(Rupees in lakhs, except for share data and unless otherwise stated)

Particulars	As at 31st March 2024	As at 31st March 2023	Security
Allotment on 07/05/2021	7,758.40	17,586.43	Subservient charge with existing secured creditors on all loan receivables (both present and future) of the company in favour of Debenture Trustee, to be held on pari passu basis among the present and / or future NCD holders
Allotment on 15/03/2021	8,501.12	16,965.09	Subservient charge with existing secured creditors on all loan receivables (both present and future) of the company in favour of Debenture Trustee, to be held on pari passu basis among the present and / or future NCD holders.
Allotment on 29/01/2021	5,196.77	26,698.38	Subservient charge with existing secured creditors on all loan receivables (both present and future) of the company in favour of Debenture Trustee, to be held on pari passu basis among the present and / or future NCD holders.
Allotment on 29/10/2020	11,629.19	25,128.91	Subservient charge with existing secured creditors, on certain loan receivables (both present and future) of the Company, to be held on pari passu basis among the present and / or future NCD holders.
Allotment on 17/07/2020	4,784.23	8,331.60	Subservient charge with existing secured creditors, on certain loan receivables (both present and future) of the Company and mortgage and charge over the immovable property admeasuring 54 cents situated at Survey No 764/6A, Arulvaimozhy Village, Thovala Thaluk, Kanyakumari District, Tamil Nadu, to be held on pari passu basis among the present and / or future NCD holders.
Allotment on 07/02/2020	9,083.08	17,374.50	Subservient charge with existing secured creditors, on certain loan receivables (both present and future) of the Company.
Allotment on 06/09/2022	39,884.19	39,884.19	Subservient charge with existing secured creditors on all loan receivables (both present and future) of the company in favour of Debenture Trustee, to be held on pari passu basis among the present and / or future NCD holders.
Allotment on 02/02/2023	28,316.38	28,316.38	Subservient charge with existing secured creditors on all loan receivables (both present and future) of the company in favour of Debenture Trustee, to be held on pari passu basis among the present and / or future NCD holders.
Allotment on 02/05/2023	17,209.77	-	Subservient charge with existing secured creditors on all loan receivables (both present and future) of the company in favour of Debenture Trustee, to be held on pari passu basis among the present and / or future NCD holders.
Allotment on 20/09/2023	22,839.84	-	Subservient charge with existing secured creditors on all loan receivables (both present and future) of the company in favour of Debenture Trustee, to be held on pari passu basis among the present and / or future NCD holders.

(Rupees in lakhs, except for share data and unless otherwise stated)

Particulars	As at 31st March 2024	As at 31st March 2023	Security
Allotment on 01/11/2023	20,488.66	-	Subservient charge with existing secured creditors on all loan receivables (both present and future) of the company in favour of Debenture Trustee, to be held on pari passu basis among the present and / or future NCD holders.
Allotment on 31/01/2024	30,000.00	-	Subservient charge with existing secured creditors on all loan receivables (both present and future) of the company in favour of Debenture Trustee, to be held on pari passu basis among the present and / or future NCD holders.
Listed Debentures privately placed under Targeted Long-Term Repo Operations (TLTRO)			
Allotment on 28/05/2020	-	10,000.00	First Pari-passu charge on the present and future standard loan receivables along with other lenders and NCD investors with a minimum asset coverage ratio of 1.10 times the value of the outstanding principal amounts of the Debentures.
Non Convertible Debentures issued in the form of Covered Bond / Market Linked Debentures			
Allotment on 15/12/2021	-	20,000.00	First Pari-passu charge on the present and future current assets of the Company along with other lenders and NCD investors with a minimum asset coverage ratio of 1.10 times of the value of the outstanding principal amounts of the Debentures
Allotment on 29-06-2021	-	30,000.00	First ranking exclusive and continuing charge to be created pursuant to the Deed of Hypothecation on book debts which shall be maintained at 1.20 times the value of the aggregate principal amount outstanding on the Debentures including accrued Coupon thereon, Default Interest accrued thereon
TOTAL	**2,88,054.70**	**3,05,330.27**	
Adjustments on account of effective rate of interest	(1,022.04)	(687.30)	
TOTAL	**2,87,032.66**	**3,04,642.97**	

(Rupees in lakhs, except for share data and unless otherwise stated)

19 Borrowings (other than debt securities) - At Amortised Cost

Particulars	As at 31st March 2024	As at 31st March 2023
(a) Term loans		
(i) from banks	6,62,069.52	5,02,962.85
(ii) from other parties		
- financial institutions	15,721.79	437.50
(b) Loans repayable on demand		
(i) from banks (WCDL & CC)	8,52,805.79	7,46,415.46
Total	**15,30,597.10**	**12,49,815.81**
Borrowings in India	15,30,597.10	12,49,815.81
Borrowings outside India	-	-

a) Security details :

Secured Term loans from banks

The Loans are secured by way of hypothecation of Loan receivables, other current assets & specified fixed assets of the Company equivalent to security cover stipulated by respective banks. The loans aggregating to INR 5,97,957.43 (31st March 2023 : INR 4,74,755) are guaranteed by promoter directors (Mr. Thomas John Muthoot, Mr.Thomas George Muthoot, Mr. Thomas Muthoot) of the Company. Out of the same, loans aggregating to INR 2,84,520.48 (31st March 2023 : INR 1,86,800) are guaranteed by Ms. Preethi John Muthoot, Director of the Company also.

Secured Term loans from other parties

The Loans are secured by way of hypothecation of Loan Receivables of the Company equivalent to security cover stipulated by respective lender. The loans aggregating to INR Nil (31st March 2023 : INR 437.50) are guaranteed by the promoter director, Mr. Thomas John Muthoot.

Secured Loans repayable on demand

The Cash credit limit from banks are secured by way of hypothecation of Loan Receivables of the Company equivalent to security cover stipulated by respective banks. The Cash credit aggregating to INR 7,93,250.72 (31st March 2023 : INR 7,47,174) are guaranteed by promoter directors (Mr. Thomas John Muthoot, Mr.Thomas George Muthoot and Mr. Thomas Muthoot) of the Company. Out of the same, loans aggregating to INR 4,45,851.13 (31st March 2023 : INR 4,16,457) are guaranteed by Ms. Preethi John Muthoot, Director of the Company also.

b) Terms of repayment

Secured loans from Banks

Name of Party	As at 31st March 2024	As at 31st March 2023	Terms of Repayment
Term Loan from Banks			
State Bank of India Car Loan	-	0.50	Repayable in 16 monthly instalments on diminishing value method
Axis Bank	-	15,714.29	Repayable in 4 quarterly instalments of INR 3,928 each from May 2023 (INR 10,000 availed additionally during the year ended March, 2023)
Axis Bank	9,714.29	17,000.00	Repayable in 4 quarterly instalments of INR 2,429 Lakhs each from April 2024
Axis Bank	15,000.00	-	Repayable in 7 quarterly instalments of INR 2,142.85 Lakhs each from April 2024

(Rupees in lakhs, except for share data and unless otherwise stated)

Name of Party	As at 31st March 2024	As at 31st March 2023	Terms of Repayment
Axis Bank	15,000.00	-	Repayable in 7 quarterly instalments of INR 2,142.85 Lakhs each from April 2024
Axis Bank	3,500.00	-	Repayable in 7 quarterly instalments of INR 500 Lakhs each from June 2024
Axis Bank	2,800.00	-	Repayable in 7 quarterly instalments of INR 400 Lakhs each from July 2024
Axis Bank	3,900.00	-	Repayable in 7 quarterly instalments of INR 557 lakhs each from August 2024
Bandhan Bank	4,770.97	7,498.24	Repayable in 7 quarterly instalments of INR 681.81 Lakhs each from April 2024
Bandhan Bank	12,727.27	17,500.00	Repayable in 8 quarterly instalments of INR 1,590.90 Lakhs each from June 2024
Bandhan Bank	15,000.00	-	Repayable in 11 quarterly instalments of INR 1,363.63 lakhs each from July 2024
Bank of Baroda	-	6,000.00	Repayable in 2 quarterly instalments of INR 3,000 each from April 2023
Bank of India	28,418.40	-	Repayable in 18 quarterly instalments of INR 1,579 Lakhs each from June 2024
Bank of India	9,471.42	-	Repayable in 18 quarterly instalments of INR 526.31 Lakhs each from June 2024
Bank of India	4,997.76	-	Repayable in 19 quarterly instalments of INR 263.20 Lakhs each from April 2024
Bank of India	4,997.88	-	Repayable in 19 quarterly instalments of INR 263.20 Lakhs each from April 2024
Bank of Maharashtra	-	4,536.31	Repayable in 3 quarterly instalments of INR 1,500 each from June 2023
Bank of Maharashtra	17,640.88	25,186.85	Repayable in 7 quarterly instalments of INR 2,500 Lakhs each from June 2024
Bank of Maharashtra	45,810.16	-	Repayable in 30 monthly instalments of INR 1,515.15 lakhs each from April 2024
Bank of Maharashtra	25,026.03	-	Repayable in 57 monthly instalments of INR 438.60 lakhs each from April 2024
Canara Bank	-	8,636.00	Repayable in 2 quarterly instalments of INR 4,318 each from June 2023
Canara Bank	5,998.39	18,000.00	Repayable in 2 quarterly instalments of INR 3,000 Lakhs each from June 2024
Canara Bank	9,090.38	16,363.64	Repayable in 5 quarterly instalments of INR 1,818.18 Lakhs each from June 2024
Canara Bank	22,500.00	30,000.00	Repayable in 12 quarterly instalments of INR 1,875 Lakhs each from June 2024
Canara Bank	20,314.00	-	Repayable in 13 quarterly instalments of INR 1,562 Lakhs each from June 2024
Canara Bank	32,810.93	-	Repayable in 15 quarterly instalments of INR 2,188 Lakhs each from June 2024

(Rupees in lakhs, except for share data and unless otherwise stated)

Name of Party	As at 31st March 2024	As at 31st March 2023	Terms of Repayment
Central Bank of India	-	1,837.03	Repayable in 2 quarterly instalments of INR 937.5 each from May 2023
Central Bank of India	-	1,844.01	Repayable in 2 quarterly instalments of INR 937.50 each from May 2023
Central Bank of India	1,945.55	5,974.51	Repayable in 2 quarterly instalments of INR 1,000 lakhs each from June 2024
Central Bank of India	3,867.75	11,962.16	Repayable in 2 quarterly instalments of INR 2,000 lakhs each from June 2024
Central Bank of India	8,927.46	20,981.01	Repayable in 3 quarterly instalments of INR 3,000 each from June 2024
Central Bank of India	12,148.19	-	Repayable in 13 quarterly instalments of INR 937.50 lakhs each from June 2024
DBS Bank	-	2,857.14	Repayable in 12 monthly instalments of INR 238 each from April 2023
DBS Bank	-	2,857.14	Repayable in 12 monthly instalments of INR 238 each from April 2023
Federal Bank	5,998.92	10,000.00	Repayable in 6 quarterly instalments of INR 1,000 lakhs each from June 2024
Federal Bank	9,999.79	-	Repayable in 14 quarterly instalments of INR 714.28 lakhs each from June 2024
IDBI Bank	10,000.00	-	Repayable in 25 quarterly instalments of INR 400 lakhs each from March 2025
Indian Bank	-	6,043.06	Repayable in 2 quarterly instalments of INR 3,000 each from June 2023
Indian Bank	2,523.35	12,591.27	Repayable in 3 monthly instalments of INR 833.33 lakhs from April 2024
Indian Bank	10,768.11	16,117.74	Repayable in 8 quarterly instalments of INR 1,333.33 lakhs each from June 2024
Indian Bank	5,504.29	9,161.20	Repayable in 6 quarterly instalments of INR 909.09 lakhs each from June 2024
Indian Bank	14,665.59	20,148.77	Repayable in 8 quarterly instalments of INR 1,818.18 lakhs each from June 2024
Punjab National Bank	17,808.33	36,002.31	Repayable in 3 quarterly instalments of INR 4,546 Lakhs each from June 2024 and 1 quarterly instalments of INR 4,174 Lakhs in March 2025
Punjab National Bank	21,815.90	-	Repayable in 8 quarterly instalments of INR 2,727.27 Lakhs each from June 2024
Punjab National Bank	39,989.80	-	Repayable in 11 quarterly instalments of INR 3,636.36 Lakhs each from June 2024
Punjab & Sind Bank	-	2,999.96	Repayable in 3 quarterly instalments of INR 1,000 each from June 2023 (one instalment was prepaid during the year ended March, 2023)
Punjab & Sind Bank	2,843.41	8,843.42	Repayable in 2 quarterly instalments of INR 1,500 lakhs each from May 2024

(Rupees in lakhs, except for share data and unless otherwise stated)

Name of Party	As at 31st March 2024	As at 31st March 2023	Terms of Repayment
Punjab & Sind Bank	6,399.96	12,799.92	Repayable in 4 quarterly instalments of INR 1,600 lakhs each from June 2024
Punjab & Sind Bank	4,999.98	9,000.00	Repayable in 5 quarterly instalments of INR 1,000 lakhs each from June 2024
State Bank of India	-	10,499.44	Repayable in 3 quarterly instalments of INR 3,500 each from May 2023
State Bank of India	9,750.00	22,749.09	Repayable in 3 quarterly instalments of INR 3,250 Lakhs each from May 2024
State Bank of India	44,443.29	44,549.97	Repayable in 16 quarterly instalments of INR 2,778 Lakhs each from April 2024
State Bank of India	59,999.46	-	Repayable in 18 quarterly instalments of INR 3,334 Lakhs each from July 2024
UCO Bank	611.16	3,112.07	Repayable in 1 quarterly instalments of INR 625 Lakhs each from June 2024
UCO Bank	3,083.68	6,246.70	Repayable in 4 quarterly instalments of INR 781.25 Lakhs each from May 2024
UCO Bank	-	3,740.59	Repayable in 3 quarterly instalments of INR 1,250 each from April 2023
UCO Bank	-	4,982.31	Repayable in 4 quarterly instalments of INR 1,250 each from May 2023
UCO Bank	5,616.31	9,374.70	Repayable in 6 quarterly instalments of INR 937.50 Lakhs each from May 2024
UCO Bank	9,993.76	14,999.93	Repayable in 8 quarterly instalments of INR 1,250 Lakhs each from June 2024
UCO Bank	12,491.98	17,500.00	Repayable in 10 quarterly instalments of INR 1,250 Lakhs each from May 2024
UCO Bank	26,241.81	-	Repayable in 14 quarterly instalments of INR 1,875 Lakhs each from May 2024
Ujjivan Bank	357.14	1,785.71	Repayable in 1 quarterly instalments of INR 357 each from April 2024
Ujjivan Bank	357.14	1,785.71	Repayable in 1 quarterly instalments of INR 357 each from May 2024
Yes Bank	2,840.84	5,684.84	Repayable in 4 quarterly instalments of INR 711 Llakhs each from June 2024
Adjustments on account of effective rate of interest	(3,412.18)	(2,504.69)	
Total	**6,62,069.52**	**5,02,962.85**	

(Rupees in lakhs, except for share data and unless otherwise stated)

Name of Party	As at 31st March 2024	As at 31st March 2023	Terms of Repayment
Term Loan from Others			
Bajaj Finance	-	437.50	Repayable in 3 monthly instalments of INR 146 each from April 2023
Bajaj Finance	6,750.00	-	Repayable in 27 monthly instalments of INR 250 lakhs each from April 2024
NABKISAN Finance	8,999.93	-	Repayable in 11 quarterly instalments of INR 818.18 lakhs each from July 2024
Adjustments on account of effective rate of interest	(28.14)	-	
Total	**15,721.79**	**437.50**	

20 Subordinated Liabilities (At Amortised Cost)

Particulars	As at 31st March 2024	As at 31st March 2023
Subordinated Debt*	1,08,212.91	1,41,424.46
Subordinated Debt - Listed*	38,349.01	38,320.83
Perpetual Debt Instruments*	67,555.79	48,113.39
Total	**2,14,117.72**	**2,27,858.69**
Borrowings in India	2,14,117.72	2,27,858.69
Borrowings outside India	-	-

**Includes issue expenses amortised as per EIR.*

20.1 Subordinated Debt instruments are unsecured, subordinated to the claims of all other creditors with a minimum initial maturity of 5 years.

20.2 Maturity Profile of Subordinated Debt:

Particulars	Amount
FY 2024-25	25,991.84
FY 2025-26	15,876.99
FY 2026-27	24,804.50
FY 2027-28	21,254.71
FY 2028-29	45,176.03
FY 2029-30	15,000.00
Adjustments on account of effective rate of interest	(1,542.15)
TOTAL	**1,46,561.92**

20.3 Perpetual Debt Instruments are perpetual, unsecured instruments, which have been issued as per RBI guidelines. Unamortised Borrowing Cost on Perpetual Debt Instruments is INR 2,344.21 (31st March 2023: INR 1,786.61).

20.4 The percentage of total PDI to the Tier I Capital of the Company as at 31st March 2024 is 18.60% (31st March 2023 - 15.72%). PDI in excess of 15% of previous year Tier I Capital is considered as Tier II Capital for computation of regulatory capital.

(Rupees in lakhs, except for share data and unless otherwise stated)

21 Other Financial Liabilities

Particulars	As at 31st March 2024	As at 31st March 2023
Interest Payable	44,146.38	48,413.01
Expenses Payable	5,040.28	3,588.56
Security deposits received	761.45	933.92
Unpaid matured debt and interest accrued thereon	3,764.93	4,828.69
Cumulative Compulsorily Convertible Preference Shares (CCCPS) (refer note a & b below)	16,202.00	15,732.00
Others	821.24	1,113.98
Total	**70,736.29**	**74,610.16**

Note a

(i) The Company has issued 15,00,00,000, 14% CCCPS of INR 10 each at a price of INR 10 each to BPEA Credit – India Fund III – Scheme C & BPEA Credit – India Fund III – Scheme F (Collectively referred as investors) amounting to INR 15,000. The equity shares issued upon conversion of the CCPS will in all respects rank pari passu with equity shares at the time of conversion.

(ii) CCCPS shall be convertible to equity shares at the option of the investor at any time after the expiry of a period of 43 (forty three) months from the Closing Date (refer paragraph iii for exception) or upon the expiry of a period of 10 (ten) years from the Closing Date and shall be converted at lower of the fair values of the Equity Shares as determined by the:

(a) valuation report dated December 9, 2020 issued by Ernst & Young Merchant Banking Services LLP in relation to the issuance of the CCCPS; or

(b) valuation report to be issued by a registered valuer (in a form acceptable to the holders of the CCCPS) following the issuance of the Conversion Notice by the holders of the CCCPS.

(iii) The holders of the CCCPS may issue the Conversion Notice at any time after the Closing Date, upon the occurrence of any of the following events:

(a) non-payment of dividend by the Company in manner stipulated as per agreement on the relevant dividend payment dates,

(b) credit rating of the Company falling below A- (as certified by any credit rating agency); and/or

(c) any failure by the Company to maintain a Net Interest Margin of 7.0 (Seven percent) % or higher;

(d) any failure by the Company to maintain an overall Capital to Risk Assets Ratio of 16.0 (Sixteen percent) % or higher;

(e) any failure by the Company to maintain the aggregate Tier 2 Capital at 50% (Fifty percent) or lower than the aggregate Tier 1 Capital; or

(f) any failure by the Company to maintain the Gross Non-Performing Assets at 5.5% (Five decimal five percent) or lower and Net Non-Performing Assets at 4.0% (Four percent) or lower, to be tested on a semi-annual basis for Company as on (a) 31 March of each financial year, and (b) 30 September of each financial year

Note b - Change in fair value

Particulars	As at 31st March 2024	As at 31st March 2023
Cumulative change in fair value of the preference shares attributable to changes in credit risk	1,202.00	732.00
Change during the year in the fair value of the preference shares attributable to changes in credit risk	470.00	519.00

(Rupees in lakhs, except for share data and unless otherwise stated)

22 Provisions

Particulars	As at 31st March 2024	As at 31st March 2023
Provision for employee benefits		
- Gratuity	3,169.44	2,745.95
- Provision for compensated absences	428.14	338.74
- Employee stock option outstanding	1,456.73	355.14
Total	**5,054.30**	**3,439.83**

23 Other Non-Financial Liabilities

Particulars	As at 31st March 2024	As at 31st March 2023
Statutory dues payable	3,368.26	2,696.64
Total	**3,368.26**	**2,696.64**

24 Equity share capital

(a) Authorised share capital:

Equity Shares

Particulars	No. of Shares	Amount
At 31st March 2022	22,50,00,000	22,500.00
Add: Increased during the year	-	-
At 31st March 2023	22,50,00,000	22,500.00
Add: Increased during the year	-	-
At 31st March 2024	22,50,00,000	22,500.00

Preference Shares

Particulars	No. of Shares	Amount
At 31st March 2022	20,00,00,000	20,000.00
Add: Increased during the year	-	-
At 31st March 2023	20,00,00,000	20,000.00
Add: Increased during the year	-	-
At 31st March 2024	20,00,00,000	20,000.00

(b) Issued capital

Particulars	No. of Shares	Amount
At 31st March 2022	19,38,00,800	19,380.08
Add: Increased during the year	-	-
At 31st March 2023	19,38,00,800	19,380.08
Add: Increased during the year	-	-
At 31st March 2024	19,38,00,800	19,380.08

(Rupees in lakhs, except for share data and unless otherwise stated)

(c) Subscribed and Fully Paid Up Capital

Particulars	No. of Shares	Amount
At 31st March 2022	19,37,05,560	19,370.56
Add: Increased during the year	-	-
At 31st March 2023	19,37,05,560	19,370.56
Add: Increased during the year	-	-
At 31st March 2024	19,37,05,560	19,370.56

(d) Terms/ rights attached to equity shares :

The Company has only one class of equity shares having a face value of INR 10. Each holder of equity share is entitled to one vote per share. All shares rank pari passu with regard to dividend and repayment of capital. In the event of liquidation of Company, the holder of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts.

(e) Shareholder's having more than 5% equity shareholding in the Company

Particulars	As at 31st March 2024	As at 31st March 2023
	No. of shares and % of holding	
Mr. Thomas John Muthoot	5,14,56,049 - 26.56%	5,14,56,049 - 26.56%
Mr. Thomas George Muthoot	5,14,56,021 - 26.56%	5,14,56,021 - 26.56%
Mr. Thomas Muthoot	5,14,56,053 - 26.56%	5,14,56,053 - 26.56%
Ms. Preethi John Muthoot	1,29,13,704 - 6.67%	1,29,13,704 - 6.67%
Ms. Nina George	1,29,13,704 - 6.67%	1,29,13,704 - 6.67%
Ms. Remy Thomas	1,29,13,704 - 6.67%	1,29,13,704 - 6.67%

(f) Shares held by the promoters at the end of the year

Particulars	As at 31st March 2024	As at 31st March 2023
	No. of shares and % of holding	
Mr. Thomas John Muthoot	5,14,56,049 - 26.56%	5,14,56,049 - 26.56%
Mr. Thomas George Muthoot	5,14,56,021 - 26.56%	5,14,56,021 - 26.56%
Mr. Thomas Muthoot	5,14,56,053 - 26.56%	5,14,56,053 - 26.56%

25 Other Equity

Particulars	As at 31st March 2024	As at 31st March 2023
Securities Premium	38,129.85	38,129.85
Statutory Reserve (pursuant to Section 45-IC of the RBI Act, 1934)	76,356.10	65,099.92
Retained Earnings	1,89,875.70	1,65,732.44
Other Comprehensive income	1,02,389.29	1,00,970.68
Total	**4,06,750.94**	**3,69,932.89**

(Rupees in lakhs, except for share data and unless otherwise stated)

25.1 Nature and purpose of reserve

Securities Premium

Securities premium is used to record the premium on issue of shares. This can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

Statutory Reserve

Statutory Reserve represents the Reserve Fund created under Section 45-IC of the Reserve Bank of India Act, 1934. Accordingly, INR 11,256.18 (March 31, 2023: INR 9,196.22) representing 20% of profit for the year has been transferred to the reserve.

Retained Earnings

This Reserve represents the cumulative profits of the Company. This is a free reserve which can be utilised for any purpose as may be required.

Other Comprehensive Income

Other comprehensive income consists of re-measurement of net defined benefit liability and fair value changes on equity instruments measured through other comprehensive income.

26 Interest Income (On Financial Assets measured at Amortised Cost)

Particulars	For the Year Ended 31st March 2024	For the Year Ended 31st March 2023
Interest on Loans	3,69,368.70	3,30,483.09
Interest Income from Investments	-	98.88
Interest on Deposit with Banks	2,135.76	1,541.07
Other Interest Income	-	44.49
Total	**3,71,504.46**	**3,32,167.53**

27 Others

Particulars	For the Year Ended 31st March 2024	For the Year Ended 31st March 2023
Income from Money transfer	476.73	657.10
Income from Forex Operations	994.72	330.17
Income from Power Generation	886.41	879.84
Income from Investment	1,081.77	630.37
Other Income	26.01	56.58
Total	**3,465.64**	**2,554.06**

(Rupees in lakhs, except for share data and unless otherwise stated)

28 Finance Costs

Particulars	For the Year Ended 31st March 2024	For the Year Ended 31st March 2023
Interest on Borrowings	1,16,634.52	85,602.82
Interest on Debt Securities	27,198.79	31,718.17
Interest on Subordinate Liabilities	18,062.78	22,466.18
Interest on Lease Liabilities	9,904.20	8,924.09
Dividend on CCCPS	2,100.00	2,100.00
Other Charges	6,602.09	6,321.29
Total	**1,80,502.38**	**1,57,132.55**

29 Impairment on Financial Instruments

Particulars	For the Year Ended 31st March 2024	For the Year Ended 31st March 2023
Provision for impairment on loan assets	(6,725.24)	5,661.71
Loans written off	9,480.84	1,055.32
Total	**2,755.59**	**6,717.02**

30 Net (Gain) / Loss on fair value changes

Particulars	For the Year Ended 31st March 2024	For the Year Ended 31st March 2023
(A) Net (gain)/ loss on financial instruments at fair value through profit or loss		
(i) On trading portfolio		
- Investments	(148.75)	(229.07)
(ii) On fair valuation of cumulative compulsorily convertible preference shares	470.00	519.00
Total Net gain/(loss) on fair value changes	**321.25**	**289.93**
Fair Value changes:		
- Realised	(184.33)	(184.33)
- Unrealised	505.58	474.26
Total Net gain/(loss) on fair value changes	**321.25**	**289.93**

(a) Fair value changes in this schedule are other than those arising on account of accrued interest income/expense.

31 Employee benefits expenses

Particulars	For the Year Ended 31st March 2024	For the Year Ended 31st March 2023
Salaries and Wages	66,948.87	51,772.54
Contributions to provident and other funds	3,607.04	2,929.59
Share based payments & stock appreciation rights	1,385.52	586.09
Incentives	4,658.93	2,193.44
Bonus & Exgratia	1,570.88	1,412.78
Staff Welfare Expenses	793.68	1,050.30
Total	**78,964.92**	**59,944.74**

(Rupees in lakhs, except for share data and unless otherwise stated)

32 Depreciation expense

Particulars	For the Year Ended 31st March 2024	For the Year Ended 31st March 2023
Depreciation of Tangible Assets	5,326.27	4,438.41
Amortization of Intangible Assets	739.21	661.71
Depreciation of Right of Use Assets	14,292.77	13,398.28
Total	**20,358.25**	**18,498.40**

33 Other Expenses

Particulars	For the Year Ended 31st March 2024	For the Year Ended 31st March 2023
Rent, taxes and energy costs	4,595.64	5,622.11
Repairs and maintenance	2,988.26	2,623.98
Advertisement and publicity	4,179.70	8,744.64
Communication costs	7,436.32	8,257.99
Printing and stationery	1,340.91	1,169.48
Legal & professional charges	7,638.87	4,566.36
Insurance	1,646.96	1,446.87
Auditor's fees and expenses	42.79	37.06
Director's fees, allowances and expenses	844.21	668.99
Security charges	4,411.19	4,859.32
Travelling and conveyance	3,240.82	2,633.25
Donations & CSR expenses	571.09	454.08
Write off - other receivables	-	2,345.48
Other expenditure	1,057.58	870.97
Total	**39,994.32**	**44,300.56**

(a) Auditors Remuneration

Particulars	For the Year Ended 31st March 2024	For the Year Ended 31st March 2023
As auditor		
Statutory Audit fees	31.00	30.00
Tax Audit fees	-	-
For other services		
Certification and other matters	6.00	4.00
Out of pocket expenditure	2.30	-
Total	**39.30**	**34.00**

Above figures are exclusive of GST

(Rupees in lakhs, except for share data and unless otherwise stated)

(b) CSR Expenditure

As required under Section 135 of the Companies Act, 2013, the Company was required to spend INR 1,060.59 in the reporting year in pursuance of its Corporate Social Responsibility Policy, being two per cent of the average net profits of the company made during the three immediately preceding financial years. The Company has during the year, spent a total of INR 570.39 towards CSR expenditure (including INR 166.54 out of earlier year unspent transferred to designated bank account). The unspent portion of INR 656.74 pertaining to the current year has been transferred to the designated bank account for unspent corporate social responsibility by the Company.

Particulars	As on 31-03-2024	As on 31-03-2023
(a) Amount required to be spent by the company during the year	1,060.59	845.49
(b) Amount of expenditure incurred	403.85	452.26
(c) Shortfall at the end of the year	656.74	393.23
(d) Total of previous year shortfall (net of amount spent out of earlier year shortfall)	628.42	401.73
(e) Reason for shortfall	To better serve the students, the project's scope was expanded from solely offering a sports facility for football, volleyball, cricket, and other sports to establishing a comprehensive sports academy. This academy will not only provide top-tier sports training but also include educational facilities where students can attend regular academic classes, all meeting international standards. This change was prompted by the unavailability of schools we initially planned to partner with. Groundwork at the site is underway, and we are currently updating the architectural plans to accommodate these enhanced specifications.	With regard to the Sports Infrastructure project at Palakkad, based on advise from Architects, a wider road alternative had to be considered, evaluation and negotiations of which delayed the start of the construction work.
(f) Nature of CSR activities	CSR activities were undertaken in the fields of Health, Education & Livelihood.	CSR activities were undertaken in the fields of Health, Education & Livelihood.
(g) Details of related party transactions	N/A	N/A
(h) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	N/A	N/A

(c) In view of regulatory advise and based on approval of the Board of Directors, the Company had during the year written off non-financial assets amounting to INR Nil (INR 2,345.48 during the year ended March 31, 2023) against Employees Provident Fund recovered from the Company in respect of dues towards provident fund of erstwhile staff.

(Rupees in lakhs, except for share data and unless otherwise stated)

34 Earnings Per Share

Basic earnings per share (EPS) is calculated by dividing the net profit for the year attributable to equity holders of Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the net profit attributable to equity holders of the company (after adjusting for interest on the convertible preference shares and interest on the convertible bond, in each case, net of tax, if any) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

Particulars	For the Year Ended 31st March 2024	For the Year Ended 31st March 2023
Net profit attributable to ordinary equity holders	56,280.89	45,981.08
Weighted average number of ordinary shares for basic earnings per share	19,37,05,560	19,37,05,560
Effect of dilution:	74,92,507	74,92,507
Weighted average number of ordinary shares adjusted for effect of dilution	20,11,98,067	20,11,98,067
Earnings per share		
Basic Earnings per share	29.05	23.74
Diluted Earnings per share	27.97	22.85

35 Income Tax

The components of income tax expense for the year ended 31st March, 2024 and year ended 31st March, 2023 are:

Particulars	For the Year Ended 31st March 2024	For the Year Ended 31st March 2023
Current Income tax expense	20,062.43	17,609.54
Deferred tax relating to origination and reversal of temporary differences	(185.13)	(1,347.46)
Tax relating to earlier years	2,522.41	-
Total tax expense reported in statement of profit and loss	**22,399.72**	**16,262.08**
OCI Section		
Deferred tax related to items recognised in OCI during the period:		
Net gain / (loss) on equity instruments measured through other comprehensive income	528.19	(91.67)
Remeasurement of the defined benefit liabilities	(100.92)	18.48
Income tax charged to OCI	**427.27**	**(73.19)**

(Rupees in lakhs, except for share data and unless otherwise stated)

Reconciliation of Income tax expense:

The income tax charge shown in the statement of profit and loss differ from the income tax charge that would apply if all the profits had been charged at India corporate tax rate. A reconciliation between the income tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended 31st March 2024 and year ended 31st March 2023 is, as follows:

Particulars	For the Year Ended 31st March 2024	For the Year Ended 31st March 2023
Accounting profit before tax	78,680.62	62,243.16
At India's statutory income tax rate of 25.168%* (2023: 25.168%*)	**19,802.34**	**15,665.36**
Adjustments in respect of current income tax of previous year		
(i) Expenses not eligible for deduction under the Income Tax Act	891.11	2,231.29
(ii) Income chargeable to tax under separate rate of tax (capital gain)	(25.40)	(287.11)
(iii) Deductions eligible under the Income Tax Act	(605.61)	-
Current Income Tax expense reported in the statement of profit or loss	**20,062.43**	**17,609.54**
Effective Income Tax Rate	**25.50%**	**28.29%**

**The Company has exercised the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019.*

Tax relating to earlier years:

Based on the order passed by the Income Tax Interim Board for Settlement, the Company had voluntarily ascertained and remitted income tax aggregating to 2,522.41 during the current year, the tax of which pertained to assessment years 2010-11 to 2017-18, which has been charged to the statement of profit and loss as tax relating to earlier years. The said amount of tax pertains to notices under Section 148 for Assessment Year 2010-11 and Section 153A for the Assessment Years 2011-2012 to 2016-2017 and for Assessment Year 2017-18, assessment of which was deemed to be pending by virtue of explanation (iv) to Section 245A(b) as on date of filing the settlement application.

Deferred Tax

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

	Deferred tax assets	Deferred tax liabilities	Statement of profit and loss	OCI
	As at 31st March 2024	As at 31st March 2024	2023-24	2023-24
Opening Balance		**22,247.61**		
Fixed asset: Timing difference on account of Depreciation and Amortisation	76.51	-	(76.51)	
Bonus Disallowed due to non-payment	40.10	-	(40.10)	-
Provision for gratuity	-	13.21	13.21	-
Provision for Leave Encashment	22.50	-	(22.50)	-
Impairment allowances on financial assets	-	1,692.61	1,692.61	-
Fair Valuation of Financial Assets	913.45	528.19	(913.45)	528.19
Financial liabilities measured at amortised cost	-	452.70	452.70	-
Financial assets measured at amortised cost	893.87	-	(893.87)	-
Financial liabilities measured at fair value	498.13	-	(498.13)	-
Actuarial gain/loss on Employee benefits	-	-	100.92	(100.92)
Total	**2,444.56**	**24,934.32**	**(185.13)**	**427.27**

(Rupees in lakhs, except for share data and unless otherwise stated)

	Deferred tax assets	Deferred tax liabilities	Statement of profit and loss	OCI
	As at 31st March 2023	As at 31st March 2023	2022-23	2022-23
Opening Balance		**23,668.26**		
Fixed asset: Timing difference on account of Depreciation and Amortisation	48.35	-	(48.35)	-
Bonus Disallowed due to non-payment	28.30	-	(28.30)	-
Provision for gratuity	20.36	-	(20.36)	-
Provision for Leave Encashment	22.82	-	(22.82)	-
Impairment allowances on financial assets	497.54	-	(497.54)	-
Fair Valuation of Financial Assets	-	9.51	101.18	(91.67)
Financial liabilities measured at amortised cost	-	361.64	361.64	-
Financial assets measured at amortised cost	263.34	-	(263.34)	-
Financial liabilities measured at fair value	911.09	-	(911.09)	-
Actuarial gain/loss on Employee benefits	-	-	(18.48)	18.48
Total	**1,791.80**	**24,039.40**	**(1,347.46)**	**(73.19)**

36 Retirement Benefit Plan

Defined Contribution Plan

The Company makes contributions to Provident Fund & Employee State Insurance which are defined contribution plans for qualifying employees. The amounts recognized for the aforesaid contributions in the statement of profit and loss are shown below:

Particulars	As at 31st March 2024	As at31st March 2023
Contributions to Provident Fund	2,774.08	2,250.15
Contributions to Employee State Insurance	812.78	666.86
Defined Contribution Plan	**3,586.86**	**2,917.00**

Defined Benefit Plan

The Company has a defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Every employee who has completed five years or more of service gets a gratuity on leaving the service of the company at 15 days salary (last drawn salary) for each completed year of service.

The following tables summaries the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the gratuity plan.

Particulars	As at 31st March 2024	As at31st March 2023
Present value of funded obligations	3,169.44	2,745.95
Fair value of planned assets	3,045.77	2,551.55
Net Defined Benefit obligation/(asset)	**123.66**	**194.40**

Post employment defined benefit plan

Net benefit expense recognised in statement of profit and loss	As at 31st March 2024	As at31st March 2023
Current service cost	530.25	423.13
Net Interest on net defined benefit liability/ (asset)	14.50	8.08
Net benefit expense	**544.76**	**431.21**

(Rupees in lakhs, except for share data and unless otherwise stated)

Balance Sheet

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

Particulars	As at 31st March 2024	As at 31st March 2023
Defined benefit obligation at the beginning of the year	2,745.95	2,711.72
Current service cost	530.25	423.13
Interest cost on benefit obligations	204.85	193.07
Actuarial (Gain) / Loss on Total Liabilities	367.40	(101.50)
Benefits paid	(679.02)	(480.48)
Benefit obligation at the end of the year	**3,169.44**	**2,745.95**

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

Particulars	As at 31st March 2024	As at 31st March 2023
Fair value of plan assets at the beginning of the year	2,551.55	2,598.21
Actual Return on Plan Assets	156.77	156.91
Employer contributions	1,016.47	276.90
Benefits paid	(679.02)	(480.48)
Fair value of plan assets as at the end of the year	**3,045.77**	**2,551.55**

Remeasurement gain/ (loss) in other comprehensive income (OCI)	As at 31st March 2024	As at 31st March 2023
Actuarial gain/(loss) on obligation	-	-
Experience adjustments	(292.98)	20.62
Return on Plan assets, excluding amount included in net interest on the net defined benefit liability/(asset)	(33.58)	(28.08)
Actuarial changes arising from changes in financial assumptions	(74.42)	80.88
Actuarial gain /(loss) (through OCI)	**(400.98)**	**73.42**

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

Particulars	As at 31st March 2024	As at 31st March 2023
Salary Growth Rate	3.00%	3.00%
Discount Rate	7.18%	7.46%
Withdrawal Rate	5.00%	5.00%
Mortality	100% of IALM 2012-14	100% of IALM 2012-14
Interest rate on net DBO	7.46%	7.12%
Expected average remaining working life	27.14	27.19

(Rupees in lakhs, except for share data and unless otherwise stated)

Investments quoted in active markets:

Particulars	As at 31st March 2024	As at 31st March 2023
Equity instruments	-	-
Debt instruments	-	-
Real estate	-	-
Derivatives	-	-
Investment Funds with Insurance Company	100.00%	100.00%
Of which, Unit Linked	-	-
Of which, Traditional/Non-Unit Linked	100.00%	100.00%
Asset-backed securities	-	-
Structured debt	-	-
Cash and cash equivalents	-	-
Total	100.00%	100.00%

A quantitative sensitivity analysis for significant assumptions as at 31st March 2024 and 31st March 2023 are as shown below:

Assumptions	Sensitivity Level	As at 31st March 2024	As at 31st March 2023
Discount Rate	Increase by 1%	2,917.25	2,530.52
Discount Rate	Decrease by 1%	3,462.60	2,996.40
Further Salary Increase	Increase by 1%	3,471.14	3,005.28
Further Salary Increase	Decrease by 1%	2,906.08	2,519.85
Employee turnover	Increase by 1%	3,267.70	2,842.64
Employee turnover	Decrease by 1%	3,056.19	2,635.11
Mortality Rate	Increase in expected lifetime by 1 year	3,159.18	2,737.88
Mortality Rate	Increase in expected lifetime by 3 years	3,139.65	2,754.02

The weighted average duration of the defined benefit obligation as at 31st March 2024 is 10 years (31st March 2023: 11 years).

Gratuity liability is funded through a Gratuity Fund managed by Life Insurance Corporation of India Ltd.

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

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

The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

(Rupees in lakhs, except for share data and unless otherwise stated)

37 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

Particulars	As at 31st March 2024			As at 31st March 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial assets						
Cash and cash equivalents	1,27,835.84	-	1,27,835.84	2,52,361.58	-	2,52,361.58
Bank Balance other than above	13,829.91	-	13,829.91	17,001.25	-	17,001.25
Trade receivables	2,978.27	654.06	3,632.32	1,321.47	1,811.69	3,133.15
Loans	19,69,503.93	1,72,001.15	21,41,505.08	16,71,685.22	53,367.98	17,25,053.20
Investments	6,276.65	1,90,809.10	1,97,085.75	2,919.11	1,83,752.40	1,86,671.51
Other financial assets	2,843.81	12,731.68	15,575.49	10,616.19	3,869.51	14,485.70
Non-financial Assets						
Current tax assets (net)	1,600.91	-	1,600.91	-	-	-
Investment Property	-	26,119.76	26,119.76	-	26,119.76	26,119.76
Property, plant and equipment	-	39,747.51	39,747.51	-	39,301.60	39,301.60
Intangible assets under development	-	14.61	14.61	-	676.00	676.00
Other intangible assets	-	2,094.74	2,094.74	-	844.48	844.48
Right-of-use assets	13,824.78	69,184.21	83,008.99	11,877.78	68,058.21	79,935.99
Other non financial assets	3,098.61	4,070.92	7,169.52	20,989.24	3,326.66	24,315.90
Total assets	**21,41,792.70**	**5,17,427.74**	**26,59,220.44**	**19,88,771.83**	**3,81,128.29**	**23,69,900.12**
Liabilities						
Financial Liabilities						
Derivative Financial Liability	231.18	-	231.18	-	-	-
Trade payables	4,016.05	-	4,016.05	4,014.97	-	4,014.97
Debt Securities	57,810.67	2,29,221.99	2,87,032.66	1,37,482.59	1,67,160.38	3,04,642.97
Borrowings (other than debt security)	11,30,933.63	3,99,663.47	15,30,597.10	9,84,885.45	2,64,930.36	12,49,815.81
Lease Liability	20,640.26	74,815.39	95,455.65	17,868.12	71,096.89	88,965.01
Subordinated Liabilities	25,991.84	1,88,125.88	2,14,117.72	47,775.65	1,80,083.04	2,27,858.69
Other Financial liabilities	41,927.69	28,808.59	70,736.29	33,482.81	41,127.36	74,610.16
Non-financial Liabilities						
Current tax liabilities (net)	-	-	-	2,305.00	-	2,305.00
Provisions	972.07	4,082.23	5,054.30	409.31	3,030.52	3,439.83
Deferred tax liabilities (net)	-	22,489.75	22,489.75	-	22,247.61	22,247.61
Other non-financial liabilities	3,368.26	-	3,368.26	2,696.64	-	2,696.64
Total Liabilities	**12,85,891.65**	**9,47,207.30**	**22,33,098.95**	**12,30,920.54**	**7,49,676.14**	**19,80,596.68**
Net	**8,55,901.05**	**(4,29,779.56)**	**4,26,121.49**	**7,57,851.30**	**(3,68,547.85)**	**3,89,303.45**

(Rupees in lakhs, except for share data and unless otherwise stated)

38 Change in liabilities arising from financing activities

Particulars	As at 1st April 2023	Cash Flows	Ind AS 116 - Lease Liabilities	Others	As at 31st March 2024
Debt Securities	3,04,642.97	(17,275.57)	-	(334.74)	2,87,032.66
Borrowings other than debt securities	12,49,815.81	2,81,403.12	-	(621.83)	15,30,597.10
Lease Liabilities	88,965.01	(20,183.67)	26,674.31	-	95,455.65
Subordinated Liabilities	2,27,858.69	(12,901.09)	-	(839.88)	2,14,117.72
Total liabilities from financing activities	**18,71,282.47**	**2,31,042.79**	**26,674.31**	**(1,796.44)**	**21,27,203.13**

Particulars	As at 1st April 2022	Cash Flows	Ind AS 116 - Lease Liabilities	Others	As at 31st March 2023
Debt Securities	3,79,379.03	(75,398.88)	-	662.82	3,04,642.97
Borrowings other than debt securities	11,53,567.02	97,275.85	-	(1,027.06)	12,49,815.81
Lease Liabilities	64,656.45	(18,722.79)	43,031.35	-	88,965.01
Subordinated Liabilities	2,38,526.64	(9,595.30)	-	(1,072.65)	2,27,858.69
Total liabilities from financing activities	**18,36,129.13**	**(6,441.12)**	**43,031.35**	**(1,436.89)**	**18,71,282.47**

39 Contingent Liabilities (to the extent not provided for)

Particulars	As at 31st March 2024	As at31st March 2023
Contingent Liabilities		
(i) Income Tax Demands	3,679.87	3,420.85
(ii) Service Tax Demands	5,106.18	5,106.18
(iii) Value Added Tax Demands	-	1,327.12
(iv) Goods & Services Tax Demands	787.09	-
(v) Bank Guarantees	215.50	43.81

(vi) The Company had filed a Writ Petition before the Honourable High Court of Madras on 30th July, 2019 challenging the Order passed by the Income Tax Settlement Commission, Chennai Bench abating the proceedings before it relating to the Settlement Application filed by the Company dated December 17, 2017 ("Settlement Application"); and praying for stay on proceedings initiated by the Joint Commissioner of Income Tax (OSD), Central Circle, Thiruvananthapuram post abatement of proceedings by the Settlement Commission. The tax and interest due on the issues forming part of the Settlement Application totaled to ₹ 7,406 lakh. The Settlement Application related to notices received under Section 148 for Assessment Year 2010-11 and Section 153A of the Income Tax Act, as per which MFL was required to prepare true and correct return of which MFL was assessable for the Assessment Years 2011-2012 to 2016-2017 and for Assessment Year 2017-18, assessment of which was deemed to be pending by virtue of explanation (iv) to Section 245A(b) as on date of filing the settlement application. The Honourable High Court of Madras dismissed the petition filed by the Company on June 29, 2022 on the ground that the cause of action of the matter has arisen fully in Kerala and not within the territorial jurisdiction of the Honourable Madras High Court, thereby ousting its jurisdiction to entertain the petition. Accordingly, Company filed a writ petition before the High Court of Kerala, wherein the High Court passed an order on April 03, 2023 directing the interim board for settlement to reconsider the settlement application and to start afresh. The Interim Board of Settlement has passed an order dated November 15, 2023 opining on the settlement of income under the matter along with the interest to be charged and granting immunity to MFL from prosecution and penalty imposed under the Income Tax Act. The Deputy Commissioner of Income Tax, Central Circle, Thiruvananthapuram subsequently passed Orders giving effect to the Order of the Honorable Interim Board for Settlement for the Assessment Years 2010-11 to 2017-18 with demands aggregating to ₹ 13,892.97 lakhs and refunds aggregating to ₹ 4,675.93 lakhs. The said Orders were received on March 19, 2024. The Company evaluated the Orders passed and identified incorrect computations which has been intimated to the Central Circle, Thiruvananthapuram.

(Rupees in lakhs, except for share data and unless otherwise stated)

40 Related Party Disclosures

Names of Related parties with whom transaction has taken place

(A) Subsidiaries

1 Muthoot Microfin Limited
2 Muthoot Housing Finance Company Limited
3 Muthoot Pappachan Technologies Limited

(B) Key Management Personnel	**Designation**
1 Thomas John Muthoot	Managing Director
2 Thomas George Muthoot	Director
3 Thomas Muthoot	Wholetime Director Cum Chief Financial Officer
4 Preethi John Muthoot	Director
5 Kurian Peter Arattukulam	Director
6 Vikraman Ampalakkat	Director
7 Badal Chandra Das	Director
8 Ravi Ramchandran	Director
9 Anthony Abraham Thomas	Director
10 Sachu Sivas	Company Secretary

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

1 MPG Hotels and Infrastructure Ventures Private Limited
2 Muthoot Automotive (India) Private Limited
3 Muthoot Automobile Solutions Private Limited
4 Muthoot Capital Services Limited
5 Muthoot Motors Private Limited
6 Muthoot Risk Insurance and Broking Services Private Limited
7 Muthoot Pappachan Chits (India) Private Limited
8 Muthoot Exim Private Limited
9 Muthoot Kuries Private Limited
10 MPG Security Group Private Limited
11 Muthoot Estate Investments
12 Muthoot Motors (Cochin)
13 Muthoot Pappachan Foundation
14 M-Liga Sports Excellence Private Limited
15 Thinking Machine Media Private Limited
16 Muthoot Hotels Private Limited
17 Speckle Internet Solutions Private Limited
18 Muthoot Pappachan Centre of Excellence in Sports

(D) Relatives of Key Management Personnel

1 Janamma Thomas
2 Nina George
3 Remmy Thomas
4 Thomas M John
5 Suzannah Muthoot
6 Hannah Muthoot
7 Tina Suzanne George
8 Ritu Elizabeth George
9 Shweta Ann George

(Rupees in lakhs, except for share data and unless otherwise stated)

Related Party transactions during the year:

Particulars	Key Management Personnel & Directors		Relatives of Key Management Personnel		Entities over which Key Management Personnel and their relatives are able to exercise significant influence		Subsidiaries	
	Year Ended 31st March 2024	Year Ended 31st March 2023	Year Ended 31st March 2024	Year Ended 31st March 2023	Year Ended 31st March 2024	Year Ended 31st March 2023	Year Ended 31st March 2024	Year Ended 31st March 2023
Revenue								
Auction of Gold Ornaments	-	-	-	-	4,337.03	2,644.20	-	-
Commission Received	-	-	-	-	1,465.90	1,309.19	573.41	518.80
Commission - Bank Guarantee	-	-	-	-	0.50	-	1.00	-
Rent received	-	-	-	-	332.54	301.75	136.24	136.71
Revenue from Travel Services	5.96	1.54	-	0.40	83.81	47.81	59.51	26.64
Interest on ICD	-	-	-	-	-	44.49	-	-
Interest accrued on loans & advances	1,800.00	1,964.98	-	-	-	-	-	-
Expense								
Commission Paid	750.00	600.00	-	-	1.39	2.10	0.72	1.42
Interest paid	221.27	504.84	35.77	71.83	382.07	224.38	-	-
Hotel Service payments	-	-	-	-	40.24	28.16	-	-
Professional & Consultancy Charges	-	-	-	-	2,095.16	2,095.44	2,009.20	1,635.60
Purchase of Gold / Silver Coins	-	-	-	-	6.34	3.02	-	-
Reimbursement of Expenses	-	-	-	-	(13.54)	(32.67)	(22.46)	(20.82)
Rent paid	111.79	108.18	-	-	20.16	19.60	-	-
Remuneration Paid	7,512.75	6,008.79	106.28	52.37	-	-	-	-
Annuity Insurance	-	203.60	-	-	-	-	-	-
Sitting Fee paid	24.50	13.75	-	-	-	-	-	-
Eswarna payments	-	-	-	-	245.64	63.34	-	-
Repairs and maintenance	-	-	-	-	0.18	4.73	-	-

(Rupees in lakhs, except for share data and unless otherwise stated)

Related Party transactions during the year:

Particulars	Key Management Personnel & Directors		Relatives of Key Management Personnel		Entities over which Key Management Personnel and their relatives are able to exercise significant influence		Subsidiaries	
	Year Ended 31st March 2024	Year Ended 31st March 2023	Year Ended 31st March 2024	Year Ended 31st March 2023	Year Ended 31st March 2024	Year Ended 31st March 2023	Year Ended 31st March 2024	Year Ended 31st March 2023
Asset								
Advance for CSR Activities	-	-	-	-	490.17	462.97	-	-
Investment made in Equity	-	-	-	-	-	-	2,500.00	-
Loan repayments received	-	(19,900.00)	-	-	-	-	-	-
Loans Advanced	-	15,000.00	-	-	-	-	-	-
ICD advanced	-	-	-	-	-	7,000.00	-	-
ICD repaid	-	-	-	-	-	(7,000.00)	-	-
Purchase of shares of MML	1,016.43	18,608.52	2,032.87	4,616.48	-	-	-	-
Refund received against advance for property	-	(1,588.53)	-	(133.87)	(19,000.17)	(5,277.60)	-	-
Liability								
Advance received towards Owners share	-	-	-	-	475.00	600.00	-	-
Investment in Debt Instruments	-	-	7.00	0.50	-	-	-	-
Redemption of Inv-Debt Securities	(395.00)	-	(79.91)	(155.00)	(75.21)	(24.99)	-	-
Security Deposit Accepted	-	-	-	-	115.00	87.36	-	0.91
Security Deposit Repaid	-	-	-	-	(104.69)	(70.95)	(0.65)	(4.41)
Bank Guarantee given	-	-	-	-	50.00	-	100.00	-
Dividend Paid	18,032.98	1,170.97	2,784.31	180.80	64.17	4.17	-	-

(Rupees in lakhs, except for share data and unless otherwise stated)

Balance outstanding as at the year end:

Particulars	Key Management Personnel & Directors		Relatives of Key Management Personnel		Entities over which Key Management Personnel and their relatives are able to exercise significant influence		Subsidiaries	
	Year Ended 31st March 2024	Year Ended 31st March 2023	Year Ended 31st March 2024	Year Ended 31st March 2023	Year Ended 31st March 2024	Year Ended 31st March 2023	Year Ended 31st March 2024	Year Ended 31st March 2023
Asset								
Advance for CSR Activities	-	-	-	-	86.32	10.71	-	-
Advance for Property/Shares	-	-	-	-	-	19,000.17	-	-
Advance receivable towards Owners share	-	-	-	-	3,149.67	2,859.42	-	-
Commission Receivable	-	-	-	-	170.80	127.19	60.86	45.33
Expense Reimbursements Receivable	-	-	-	-	0.91	1.09	4.16	1.47
Interest on Loan Receivable	774.25	774.25	-	-	-	-	-	-
Loans Outstanding	15,000.00	15,000.00	-	-	-	-	-	-
Rent Receivable	-	-	-	-	27.29	14.33	12.39	11.95
Travel Service Receivables	2.45	1.99	-	-	33.48	7.90	24.79	4.59
Investment-Equity Outstanding	-	-	-	-	217.00	217.00	55,289.75	49,740.45
Liability								
Collection balance payable	-	-	-	-	0.12	-	-	-
Commission Payable	-	-	-	-	-	0.04	0.07	0.07
Bank Guarantee given	-	-	-	-	50.00	-	100.00	-
Interest Payable	-	-	3.14	6.44	5.26	12.85	-	-
Rent Payable	-	-	-	-	1.90	1.77	-	-
Investment in Debt Instruments	-	395.00	232.64	305.55	114.14	159.66	-	-
PDI outstanding	1,750.00	4,045.00	35.00	390.00	3,470.00	2,793.00	-	-
Professional & Consultancy Charges payable	-	-	-	-	0.09	0.88	20.90	20.90
Security Deposit received	-	-	-	-	57.89	47.57	42.83	43.48
Other Payable	-	-	-	-	-	0.27	-	-

Note : a) Related parties have been identified on the basis of the declaration received by the management and other records available.

(Rupees in lakhs, except for share data and unless otherwise stated)

Compensation of key management personnel of the Company:

Key management personnel are those individuals who have the authority and responsibility for planning and exercising power to directly or indirectly control the activities of the Company and its employees. The Company considers the members of the Board of Directors which include independent directors to be key management personnel for the purposes of IND AS 24 Related Party Disclosures.

Particulars	Year Ended 31st March 2024	Year Ended 31st March 2023
Short–term employee benefits	7,537.04	6,022.54
Post-employment benefits	0.22	203.60
Total compensation paid to key managerial personnel	**7,537.25**	**6,226.14**

41 Capital

Capital Management

The primary objective of the Company's capital management policy is to ensure that the Company complies with externally imposed capital requirements and maintains healthy credit ratings and capital ratios in order to support its business and to maximize shareholder value.

Being an NBFC-SI, the RBI requires the Company to maintain a minimum capital to risk weighted assets ratio ("CRAR") consisting of a minimum Tier 1 Capital of 12% and a combined Tier 1 & Tier 2 Capital of 15% of our aggregate risk weighted assets. The capital management process of the Company ensures to maintain a healthy CRAR at all the times. The Company has issued perpetual debt instruments aggregating to INR 20,000 (March 31, 2023 - INR 10,000) during the year thereby strengthening the regulatory capital levels.

Regulatory capital	As at 31st March 2024	As at 31st March 2023
Tier 1 Capital	3,63,171	3,06,097
Tier 2 Capital	94,900	90,219
Total capital	**4,58,071**	**3,96,316**
Risk weighted assets	**22,89,044**	**18,57,078**
CRAR		
Tier 1 Capital (%)	15.87%	16.48%
Tier 2 Capital (%)	4.15%	4.86%

Tier 1 Capital comprises of share capital, share premium, reserves, retained earnings including current year profits, cumulative compulsorily convertible preference shares and perpetual debt instruments subject to permissible limits. Certain adjustments are made to Ind AS–based results and reserves, in order to ensure compliance with the directions of the Reserve Bank of India. Tier 2 Capital consists of Subordinated Debt Instruments subject to permissible limits as per the directions of the Reserve Bank of India, general provisions and PDI in excess of 15% of Tier 1 Capital of the Company as at the previous year end.

(Rupees in lakhs, except for share data and unless otherwise stated)

42 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

Fair Value Hierarchy of assets and liabilities

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy as at March 31, 2024:

Particulars	At FVTPL			
	Level-1	Level-2	Level-3	Total
Financial Assets				
Investment-JM Financial India Fund II	275.38	-	-	275.38
Investment-Strugence Debt Fund	-	997.61	-	997.61
Investment-Union Mutual Fund	2,501.85	-	-	2,501.85
Financial Liabilities				
Derivative Financial Liability	-	-	231.18	231.18
Cumulative Compulsorily Convertible Preference Shares (CCCPS)	-	-	16,202.00	16,202.00

Particulars	At FVTOCI			
	Level-1	Level-2	Level-3	Total
Investment-Muthoot Microfin Limited	1,70,977.50	-	-	1,70,977.50
Investment-Muthoot Pappachan Chits Private Limited	-	22.03	-	22.03
Investment-Avenues India Private Limited	-	479.10	-	479.10
Investment-Fair Asset Technologies (P) Limited	-	721.31	-	721.31
Investment-Equity Shares (DP account with Motilal Oswal)	2,449.60	-	-	2,449.60
Investment-PMS - Motilal Oswal	327.60	-	-	327.60
Investment-The Thinking Machine Media Private Limited	-	9.00	-	9.00
Investment-Speckle Internet Solutions Private Limited	-	42.86	-	42.86

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy as at March 31, 2023:

Particulars	At FVTPL			
	Level-1	Level-2	Level-3	Total
Financial Assets				
Inv-JM Financial India Fund II	236.50	-	-	236.50
Inv-Strugence Debt Fund	-	997.61	-	997.61
Inv-BPEA India Credit - Trust II	168.86	-	-	168.86
Financial Liabilities				
Derivative Financial Liability	-	-	-	-
Cumulative Compulsorily Convertible Preference Shares (CCCPS)	-	-	15,732.00	15,732.00

(Rupees in lakhs, except for share data and unless otherwise stated)

Particulars	At FVTOCI			
	Level-1	Level-2	Level-3	Total
Investment-Muthoot Microfin Limited	-	1,66,298.57	-	1,66,298.57
Investment-Muthoot Pappachan Chits Private Limited	-	14.94	-	14.94
Investment-Avenues India Private Limited	-	479.10	-	479.10
Investment-Fair Asset Technologies (P) Limited	-	720.64	-	720.64
Investment-Equity Shares (DP account with Motilal Oswal)	1,690.38	-	-	1,690.38
Investment-PMS - Motilal Oswal	231.12	-	-	231.12
Investment-The Thinking Machine Media Private Limited	-	9.00	-	9.00
Investment-Speckle Internet Solutions Private Limited	-	42.86	-	42.86

Fair value technique

Investment at fair value through profit and loss

For investment at fair value through profit and loss, valuation are done using quoted prices from active markets or on published Net Asset Values of the investment at the measurement date or at the nearest available date.

Equity instruments

The equity instruments which are actively traded on public stock exchanges with readily available active prices on a regular basis are classified as Level 1. Units held in mutual funds are measured based on their published net asset value (NAV), taking into account redemption and/or other restrictions are generally Level 1. Equity instruments in non-listed entities are initially recognised at transaction price and re-measured as per fair valuation report and valued as at the measurement date or at the nearest available date has been classified as Level 2.

Financial Liabilities with significant unobservable inputs (Level 3)

This level of hierarchy includes financial liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data, this level of hierarchy includes cumulative compulsory convertible preference shares.

The fair value of the CCCPS is measured using the Monte Carlo Simulation technique. The Monte Carlo Simulation Method is one where a risk-neutral framework is used to simulate a range of simulated values, representing all the potential paths a variable could move over the period of the simulation. The inputs to this model are taken from observable market where possible, but where this is not feasible, a degree of judgement is exercised in establishing fair values. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Significant unobservable inputs	As at 31st March 2024		As at 31st March 2023	
	Increase by 1%	Decrease by 1%	Increase by 1%	Decrease by 1%
Discount Rate of CCCPS Conversion Feature	(390.15)	401.26	(544.00)	564.72
Discount for Lack of Marketability	(249.27)	249.27	(242.03)	242.03

(Rupees in lakhs, except for share data and unless otherwise stated)

Movements in Level 3 financial instruments measured at fair value

Particulars	As at 31st March 2024	As at 31st March 2023
Financial liability maesured at FVTPL		
Cumulative Compulsorily Convertible Preference Shares (CCCPS)		
Opening Balance	15,732.00	15,213.00
Issued during the year	-	-
Converted during the year	-	-
Change in fair value	470.00	519.00
Closing balance	**16,202.00**	**15,732.00**

Fair value of financial instruments not measured at fair value

Set out below is a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments that are not carried at fair value in the financial statements. This table does not include the fair values of non-financial assets and non-financial liabilities.

Particulars	Level	Carrying Value		Fair Value	
		As at 31st March 2024	As at 31st March 2023	As at 31st March 2024	As at 31st March 2023
Financial assets					
Cash and cash equivalents	1	1,27,835.84	2,52,361.58	1,27,835.84	2,52,361.58
Bank Balance other than above	1	13,829.91	17,001.25	13,829.91	17,001.25
Trade receivables	3	3,632.32	3,133.15	3,632.32	3,133.15
Loans	3	21,41,505.08	17,25,053.20	21,41,505.08	17,25,053.20
Investments	3	18,281.93	15,781.93	18,281.93	15,781.93
Other Financial assets	3	15,575.49	14,485.70	15,575.49	14,485.70
Financial assets		**23,20,660.57**	**20,27,816.81**	**23,20,660.57**	**20,27,816.81**
Financial Liabilities					
Trade Payable	3	4,016.05	4,014.97	4,016.05	4,014.97
Debt securities	3	2,87,032.66	3,04,642.97	2,87,032.66	3,04,642.97
Borrowings (other than debt securities)	3	15,30,597.10	12,49,815.81	15,30,597.10	12,49,815.81
Lease Liability	3	95,455.65	88,965.01	95,455.65	88,965.01
Subordinated liabilities	3	2,14,117.72	2,27,858.69	2,14,117.72	2,27,858.69
Other financial liabilities	3	54,534.29	58,878.16	54,534.29	58,878.16
Financial Liabilities		**21,85,753.46**	**19,34,175.60**	**21,85,753.46**	**19,34,175.60**

Valuation techniques

Short-term financial assets and liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and balances, trade receivables, balances other than cash and cash equivalents and trade payables without a specific maturity. Such amounts have been classified as Level 3 on the basis that no adjustments have been made to the balances in the balance sheet.

(Rupees in lakhs, except for share data and unless otherwise stated)

Loans and advances to customers

The fair values of loans and receivables are estimated by discounted cash flow models that incorporate assumptions for credit risks, probability of default and loss given default estimates. Since comparable data is not available, credit risk is derived using historical experience, management view and other information used in its collective impairment models.

Fair values of portfolios are calculated using a portfolio-based approach, grouping loans as far as possible into homogenous groups based on similar characteristics ie, type of loan. The Company then calculates and extrapolates the fair value to the entire portfolio using effective interest rate model that incorporate interest rate estimates considering all significant characteristics of the loans. The credit risk is applied as a top-side adjustment based on the collective impairment model incorporating probability of defaults and loss given defaults. Hence, the carrying amount of such financial assets at amortised cost net of impairment loss allowance is of reasonable approximation of their fair value.

Financial liability at amortised cost

The fair values of financial liability held-to-maturity are estimated using a effective interest rate model based on contractual cash flows using actual yields. Since the cost of borrowing on the reporting date is not expected to be significantly different from the actual yield considered under effective interest rate model, the carrying value of financial liabilities at amortised cost is considered a reasonable approximation of their fair value.

43 Segment Reporting

In accordance with Para 4 of IND AS 108, Operating Segments, segment information has been presented in the consolidated financial statements of Muthoot FinCorp Limited and therefore, no separate disclosure has been given in standalone financial statement.

44. Risk Management

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support the company's operations. The Company's principal financial assets include loans, investments, cash and cash equivalents and other receivables that derive directly from its operations.

As a financial lending institution, Company is exposed to various risks that are related to lending business and operating environment. The principal objective in Company 's risk management processes is to measure and monitor the various risks that Company is subject to and to follow policies and procedures to address such risks.

The Company's Risk Management Committee of the Board of Directors constituted in accordance with the RBI directives has overall responsibility for overseeing the implementation of the risk management policy. The committee meets quarterly to review the Risk Management practices and working of the Enterprise Risk Management Department. The Committee consits of members of the Board including the Managing Director and is chaired by an Independent Director. The Enterprise Risk Management department periodically places its report to the committee for review. The committee's suggestions for improving the Risk Management Practices are implemented by the Enterprise Risk Management department.

The Company has implemented comprehensive policies and procedures to assess, monitor and manage its risk. The risk management process is continuously reviewed, improved and adapted in the changing risk scenario and the agility of the risk management process is monitored and reviewed for its appropriateness in the changing risk landscape. The process of continuous evaluation of risks includes taking stock of the risk landscape on an event-driven basis. The Company has an elaborate process for risk management. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

The major type of risk Company faces in business are credit risk, liquidity risk, market risk and operational risk.

(Rupees in lakhs, except for share data and unless otherwise stated)

I) Credit Risk

Credit Risk arises from the risk of loss that may occur from the default of Company's customers under loan agreements. Customer defaults and inadequate collateral may lead to loan losses.

The Company addresses credit risk through following major processes:

- Standardize the process of identifying new risks and designing appropriate controls for these risks
- Minimize losses due to defaults or untimely payments by borrowers
- Maintain an appropriate credit administration and loan review system
- Establish metrics for portfolio appraisal and monitoring
- Design appropriate credit risk mitigation techniques

A) Impairment Assessment

The Company is primarily engaged in the business of providing gold and SME loans. Whereas tenure of gold loans primarily range from 6 to 12 months, tenure of SME loans and loans against property range from 3 months to 180 months.

The Company's impairment assessment and measurement approach is set out in this note. It should be read in conjunction with the summary of material accounting policies.

Definition of default and care

The Company considers a financial instrument defaulted and therefore Stage 3 (credit-impaired) for ECL calculations in all cases when the borrower becomes 90 days past due on his / her contractual payments.

As a part of a qualitative assessment of whether a customer is in default, the Company also considers a variety of instances that may indicate unlikeness to pay. When such events occur, the Company carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations.

The Company has considered a financial instrument as 'cured' and therefore re-classified out of Stage 3 during the year only once the entire dues have been received.

Company's internal credit rating grades and staging criteria for loans are as follows:

Rating	Loans Days past due (DPD)	Stages
High grade	Not yet due	Stage I
Standard grade	1-30 DPD	Stage I
Sub-standard grade	31-60 DPD	Stage II
Past due but not impaired	61-89 DPD	Stage II
Individually impaired	90 DPD or More	Stage III

Exposure at Default (EAD)

The outstanding balance as at the reporting date is considered as EAD by the company.

Probability of default (PD)

The Probability of Default is an estimate of the likelihood of default over a given time horizon. To calculate the ECL for a Stage 1 loan, the Company assesses the possible default events within 12 months for the calculation of the 12 month ECL. For Stage 2 and Stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments. The Company uses historical information where available to determine PD. For Gold and SME loans, considering the different products, schemes, ticket size, loan to value and geographies, the Company has bifurcated its loan portfolio into various pools. PD is calculated using Incremental NPA approach considering fresh slippage using historical information. For loans against property

(Rupees in lakhs, except for share data and unless otherwise stated)

and personal loans, the Company has considered the published average default probability for similar loans from a leading credit bureau report on lending in India as the said portfolio is relatively new to the Company.

Based on its review of macro-economic developments and economic outlook, the Company has assessed that no adjustment is required for temporary overlays to determine qualitative impact on its PD.

Loss Given Default (LGD)

The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the Company expects to receive. LGD rates for Gold Loans have been computed internally based on the discounted recoveries in NPA accounts that are auctioned and upgraded during the year. For other loans, LGD rates have been arrived at guided by the Foundational Internal Ratings Based approach (FIRB) norms.

When estimating ECLs on a collective basis for a group of similar assets, the Company applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

Significant Increase in credit risk

The internal rating model evaluates the loans on an ongoing basis. The rating model also assesses if there has been a significant increase in credit risk since the previously assigned risk grade. One key factor that indicates significant increase in credit risk is when contractual payments are more than 30 days past due.

II) Liquidity risk

Asset Liability Management (ALM)

Liquidity risk is the risk of being unable to raise necessary funds from the market at optimal cost to meet operational and debt servicing requirements. The purpose of liquidity management is to ensure sufficient cash flow to meet all financial commitments and to capitalise on opportunities for business expansion. Board of Directors will have overall responsibility of monitoring, supervision and control of the Asset Liability Management (ALM) mechanism. An Asset Liability Management Committee (ALCO) consisting of the Managing Director and senior executives of the Company shall be responsible for the day to day as well as periodic monitoring and control of Asset Liability management. The discussions of the ALCO is placed before the Board of Directors for review. Our treasury team sources funds from multiple sources, including from banks, financial institutions, capital & retail markets to maintain a healthy mix of sources. The treasury team is responsible for diversifying fund raising sources, managing interest rate risks and maintaining a strong relationship with banks, financial institutions, mutual funds, insurance companies, other domestic and foreign financial institutions and rating agencies to ensure the liquidity risk is well addressed.

(Rupees in lakhs, except for share data and unless otherwise stated)

The table below shows the maturity pattern of the assets and liabilities:

Maturity pattern of assets and liabilities as on 31st March 2024:

Particulars	Up to 1 month	1 to 2 months	2 to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total
Cash and cash equivalents	88,850.59	-	35,266.24	-	3,719.00	-	-	-	1,27,835.84
Bank Balance other than (a) above	7,608.14	-	-	1,220.52	5,001.24	-	-	-	13,829.91
Receivables	2,450.37	81.49	39.19	172.05	235.15	654.06	-	-	3,632.32
Loans	2,48,769.68	68,052.26	55,864.56	1,94,192.47	14,02,624.96	40,487.59	32,284.41	99,229.15	21,41,505.08
Investments	5,279.04	-	-	-	997.61	-	275.38	1,90,533.72	1,97,085.75
Other Financial assets	710.90	289.97	181.92	507.11	1,153.91	3,865.73	2,719.88	6,146.08	15,575.49
Total	**3,53,668.73**	**68,423.73**	**91,351.91**	**1,96,092.16**	**14,13,731.88**	**45,007.37**	**35,279.67**	**2,95,908.95**	**24,99,464.40**
Derivative Financial Liability	14.78	216.39	-	-	-	-	-	-	231.18
Payables	4,016.05	-	-	-	-	-	-	-	4,016.05
Debt Securities	-	21,460.86	-	4,314.24	32,035.56	1,57,563.96	50,959.65	20,698.38	2,87,032.66
Borrowings (other than Debt Securities)	1,70,652.81	31,716.69	72,628.51	1,36,256.43	7,19,679.19	3,18,175.58	78,303.30	3,184.59	15,30,597.10
Subordinated Liabilities	2,691.42	1,295.65	1,164.03	8,351.40	12,489.34	40,642.73	65,359.12	82,124.02	2,14,117.72
Other Financial liabilities	10,599.37	2,987.64	1,036.54	2,567.72	24,736.43	20,240.23	6,846.67	1,721.69	70,736.29
Total	**1,87,974.42**	**57,677.24**	**74,829.08**	**1,51,489.79**	**7,88,940.52**	**5,36,622.50**	**2,01,468.75**	**1,07,728.68**	**21,06,730.99**

Maturity pattern of assets and liabilities as on 31st March 2023:

Particulars	Up to 1 month	1 to 2 months	2 to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total
Cash and cash equivalents	2,27,802.11	19,512.58	1,427.90	-	3,619.00	-	-	-	2,52,361.58
Bank Balance other than (a) above	7,006.88	-	-	2,631.51	7,362.86	-	-	-	17,001.25
Receivables	927.34	35.83	35.83	107.49	214.98	1,811.69	-	-	3,133.15
Loans	2,50,236.70	1,04,093.49	1,36,409.60	6,01,793.91	5,79,151.52	16,723.45	1,571.06	35,073.47	17,25,053.20
Investments	1,921.50	-	-	-	997.61	168.86	-	1,83,583.53	1,86,671.51
Other Financial assets	9,328.70	99.23	59.69	160.25	968.31	1,015.66	707.57	2,146.27	14,485.70
Total	**4,97,223.23**	**1,23,741.13**	**1,37,933.02**	**6,04,693.16**	**5,92,314.29**	**19,719.66**	**2,278.63**	**2,20,803.28**	**21,98,706.39**
Payables	4,014.97	-	-	-	-	-	-	-	4,014.97
Debt Securities	22,409.62	9,996.89	8,445.98	33,281.80	63,348.31	1,09,209.32	44,243.12	13,707.93	3,04,642.97
Borrowings (other than Debt Securities)	2,34,555.05	40,678.22	1,12,994.26	1,14,244.01	4,82,413.91	2,38,293.05	26,637.31	-	12,49,815.81
Subordinated Liabilities	5,889.30	4,040.52	3,174.20	9,075.22	25,596.41	41,934.45	45,729.27	92,419.32	2,27,858.69
Other Financial liabilities	14,766.93	1,215.26	952.67	4,049.22	12,498.72	30,030.44	8,363.83	2,733.08	74,610.16
Total	**2,81,635.86**	**55,930.89**	**1,25,567.12**	**1,60,650.25**	**5,83,857.34**	**4,19,467.26**	**1,24,973.54**	**1,08,860.33**	**18,60,942.59**

(Rupees in lakhs, except for share data and unless otherwise stated)

III) Market risk

Market Risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates and other market changes. The Company is exposed to three types of market risk as follows:

a) Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is subject to interest rate risk, principally because we lend to clients at fixed interest rates and for periods that may differ from our funding sources, while our borrowings are at both fixed and variable interest rates for different periods. We assess and manage our interest rate risk by managing our assets and liabilities. Our Asset Liability Management Committee evaluates asset liability management, and ensures that all significant mismatches, if any, are being managed appropriately.

The following table demonstrates the sensitivity to a reasonably possible change in the interest rates on the portion of borrowings affected. With all other variables held constant, the profit before taxes affected through the impact on floating rate borrowings is as follows:

Particulars	March 31, 2024	March 31, 2023
On Borrowings		
1% increase	(19,070.32)	(17,768.95)
1% decrease	19,070.32	17,768.95

b) Price risk

Equity price risk is the risk that the fair value of equities decreases as the result of changes in level of equity indices and individual stocks. The trading and non-trading equity price risk exposure arises from equity securities classified at FVOCI. A 10% increase/(decrease) in the equity price (traded and non-traded) would have the impact as follows:

Particulars	Increase/(Decrease) in percentage	Sensitivity of profit or loss	Sensitivity of Other Comprehensive Income
As at 31st March 2024	10/(10)	377.48 /(377.48)	19,232.03 / (19,232.03)
As at 31st March 2023	10/(10)	140.30 /(140.30)	18,428.10 /(18,428.10)

A sudden fall in the gold price can result in increased customers defaults where the loan amount and interest exceeds the market value of gold, though the sentimental value of the gold jewellery to the customers may induce repayment and redemption of the collateral. This risk is partly mitigated by the fact that a minimum 25% margin is retained on the value of gold jewellery for the purpose of calculation of the loan amount. Further, the gold jewellery collateral is appraised solely based on the weight of its gold content, excluding weight and value of the stone studded in the jewellery if any. Though an occasional decrease in gold prices will not increase price risk significantly on account of our adequate collateral security margins, a sustained decrease in the market price of gold can additionally cause a decrease in the size of our loan portfolio and our interest income.

(Rupees in lakhs, except for share data and unless otherwise stated)

c) Foreign currency risk

Foreign currency risk is the risk that the value of the financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency risk for the Company arises majorly on account of foreign currency borrowings. The Company has hedged its foreign currency risk on its foreign currency borrowings as at March 31, 2024 by entering into forward contracts. The counterparties for such hedge transactions are banks. The Company's exposure on account of Foreign Currency Borrowings at the end of the reporting period as follows:

Particulars	March 31, 2024		March 31, 2023	
	Amount in USD	Amount in INR	Amount in USD	Amount in INR
Foreign currency borrowings	658.76	54,193.29	-	-

Since the foreign currency exposure is completely hedged by equivalent derivative instrument, there will not be any significant impact on sensitivity analysis due to the possible change in the exchange rates where all the variables are held constant. On the date of maturity of the derivative instrument, the sensitivity of profit and loss to changes in the exchange rates will be nil.

d) Prepayment risk

Prepayment risk is the risk that the Company will incur a financial loss because its customers and counterparties repay or request repayment earlier or later than expected.

IV) Operational and business risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to operate effectively, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Company cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes, such as the use of internal audit.

(Rupees in lakhs, except for share data and unless otherwise stated)

45 Employee Stock Option Plan and Stock Appreciation Plan

The Company has instituted MFL Employee Stock Option Schemes and MFL Employee Stock Appreciation Right Schemes with an objective to reward employees for their association with the Company, their performance, as well as to attract, retain and motivate employees to contribute to the growth and profitability of the Company.

45.1. Employee Stock Option Plan

(i) The particulars on the Stock Option Plan are as follows:

Scheme name	MFL Employee Stock Option Scheme 2018
Date of Shareholders Meeting, where approval to introduce and implement ESOP was granted	July 13, 2018
Date of Board Meeting where grant of options were approved	August 12, 2022
Date of grant	August 30, 2022
	October 18, 2023
No. of employees to whom such options were granted	744
Number of options granted	23,57,550
Method of settlement	Equity
Vesting conditions	The actual vesting of options will depend on continuation to hold the services being provided to the Company at the time of exercise of options, performance based parameters and such other conditions as mentioned in the ESOP Scheme.
Vesting period	**For ESOP Scheme II & IV, 2018** Option will be vested at the: End of year 1 from grant date : 20% End of year 2 from grant date : 30% End of year 3 from grant date : 50% **For ESOP Scheme V, 2018** Option will be vested at the: End of year 1 from grant date : 33.33% End of year 2 from grant date : 33.33% End of year 3 from grant date : 33.33% **For ESOP Scheme III, 2018** Option will be vested at the: End of year 3 from grant date : 100% **For ESOP Scheme VI, 2018** Option will be vested at the: End of year 1 from grant date : 50% End of year 2 from grant date : 50%
Exercise Price (Amount in INR as per MFL ESOP Scheme 2018)	100.00
Exercise period	The options can be exercised over a period of 10 years from the date of grant
Pricing Formula	As per valuation from a registered valuer

(Rupees in lakhs, except for share data and unless otherwise stated)

(ii) Movement during the year in Options:

Particulars	Current year MFL ESOP 2018	Previous year MFL ESOP 2018
No. of Options :		
Outstanding at the beginning of the year	7,87,919	-
Granted during the year	14,92,984	8,64,566
Vested during the year	1,90,156	-
Exercised during the year (pending allotment)	7,902	-
Lapsed during the year	-	-
Forfeited during the year*	84,099	76,647
Outstanding at the end of year	21,88,902	7,87,919
Unvested at the end of year	20,06,648	7,87,919
Exercisable at the end of year	1,82,254	-
Money realized by exercise of options (INR)	7.90	-

** Due to employee separations post grant of option during the year*

(iii) The fair value of the options was estimated on the date of grant using the Black-Scholes model with the following significant assumptions:

Particulars	Current year MFL ESOP 2018	Previous year MFL ESOP 2018
Weighted average option fair value (Amount in INR)	214.20	141.00
Market price (Amount in INR)	309.63	197.66
Exercise price (Amount in INR)	100.00	100.00
Expected volatility of share price (%) *	40.50% - 43.20%	42.06% - 43.20%
Option Life (years)	5.51 to 6.51 years	5.51 to 6.51 years
Expected dividends yield (%)	-	-
Risk free interest rate (%)	7.07% to 7.31%	7.07% to 7.12%

**The expected price volatility is determined using annualized standard deviation (a measure of volatility used in Black-Scholes-Merton option pricing) and the historic volatility based on remaining life of the options*

(iv) The total expense recognised for the period arising from MFL ESOP 2018 amounted to INR 1,101.59 (March 31, 2023 - INR 355.14) and the carrying amount for the corresponding liabilities as at March 31, 2024 amounted to INR 1,456.73 (March 31, 2023 - INR 355.14).

(Rupees in lakhs, except for share data and unless otherwise stated)

45.2. Employee Stock Appreciation Plan

(i) The particulars on the Stock Appreciation Plan are as follows:

Scheme name	MFL Employee SAR Scheme 2018
Date of Shareholders Meeting, where approval to introduce and implement SAR was granted	July 13, 2018
Date of Board Meeting where grant of SAR were approved	August 12, 2022
Date of grant	August 30, 2022 October 18, 2023
No. of employees to whom such SAR were granted	2,373
Number of SAR granted	12,85,330
Method of settlement	Cash
Vesting conditions	The actual vesting of SAR will depend on continuation to hold the services being provided to the Company at the time of exercise, performance based parameters and such other conditions as mentioned in the SAR Scheme.
Vesting period	**For SAR Scheme II & III, 2018** SAR will be vested at the: End of year 1 from grant date : 20% End of year 2 from grant date : 30% End of year 3 from grant date : 50%
Exercise Price (Amount in INR as per MFL SAR Scheme 2018)	225.00
Pricing Formula	As per valuation from a registered valuer

(ii) Movement during the year in SAR Options:

Particulars	Current year MFL SAR 2018	Previous year MFL SAR 2018
No. of SAR:		
Outstanding at the beginning of the year	11,63,592.00	-
Granted during the year	42,537	12,42,793
Vested during the year	1,96,703.00	-
Exercised during the year	1,95,721.00	-
Lapsed during the year	-	-
Forfeited during the year*	36,992	79,201
Outstanding at the end of year	9,73,416	11,63,592
Unvested at the end of year	9,73,416	11,63,592
Exercisable at the end of year	-	-

** Due to employee separations post grant of option during the year*

(Rupees in lakhs, except for share data and unless otherwise stated)

(iii) The fair value of the options was estimated on the date of grant using the Black-Scholes model with the following significant assumptions:

Particulars	Current year MFL SAR 2018	Previous year MFL SAR 2018
Weighted average option fair value (Amount in INR)	63.18	74.18
Market price (Amount in INR)	309.63	257.05
Exercise price (Amount in INR)	225.00	225.00
Expected volatility of share price (%)*	26.97% - 34.42%	26.97% - 34.30%
Option Life (years)	0.46 to 2.59 years	0.46 to 2.46 years
Expected dividends yield (%)	-	-
Risk free interest rate (%)	6.50% to 7.22%	6.79% to 7.10%

**The expected price volatility is determined using annualized standard deviation (a measure of volatility used in Black-Scholes-Merton option pricing) and the historic volatility based on remaining life of the options*

(iv) The total expense recognised for the period arising from MFL SAR 2018 amounted to INR 283.93 (March 31, 2023 - INR 230.95) and the carrying amount for the corresponding liabilities as at March 31, 2024 amounted to INR 348.76 (March 31, 2023 - INR 230.95)

46 Disclosure pursuant to RBI Notification - RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 Dated 13 March 2020 - A comparison between provisions required under Income recognition, asset classification and provisioning (IRACP) and impairment allowances as per Ind AS 109 'Financial instruments'

As at March 31, 2024

Asset classification as per RBI Norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss allowance (Provisions) as required under Ind AS 109	Net carrying amount	Provision required as per IRACP norms*	Difference between Ind AS 109 provision and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7)=(4)-(6)
(a) Performing Assets						
Standard	Stage 1	20,06,396.79	8,067.43	19,98,329.36	8,046.16	21.26
	Stage 2	1,29,690.84	444.10	1,29,246.74	518.76	(74.66)
Subtotal - Performing Assets		**21,36,087.63**	**8,511.53**	**21,27,576.10**	**8,564.93**	**(53.40)**
(b) Non-Performing Assets (NPA)						
(i) Substandard	Stage 3	12,160.39	3,094.44	9,065.95	1,217.80	1,876.64
(ii) Doubtful up to:						
1 year	Stage 3	2,157.70	2,157.04	0.65	441.09	1,715.96
1 to 3 year	Stage 3	6,151.92	5,473.36	678.56	1,916.07	3,557.29
More than 3 years	Stage 3	10,344.47	6,160.66	4,183.81	5,241.88	918.78
Subtotal (ii)		**18,654.09**	**13,791.06**	**4,863.03**	**7,599.03**	**6,192.03**
(iii) Loss	Stage 3	4,332.02	4,332.02	-	4,332.02	-
Subtotal - NPA		**35,146.50**	**21,217.52**	**13,928.98**	**13,148.86**	**8,068.66**
Total	**Stage 1**	20,06,396.79	8,067.43	19,98,329.36	8,046.16	21.26
	Stage 2	1,29,690.84	444.10	1,29,246.74	518.76	(74.66)
	Stage 3	35,146.50	21,217.52	13,928.98	13,148.86	8,068.66
Total		**21,71,234.13**	**29,729.05**	**21,41,505.08**	**21,713.79**	**8,015.26**

**Computed on the value as per the IRACP norms.*

(Rupees in lakhs, except for share data and unless otherwise stated)

As at March 31, 2023

Asset classification as per RBI Norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss allowance (Provisions) as required under Ind AS 109	Net carrying amount	Provision required as per IRACP norms*	Difference between Ind AS 109 provision and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7)=(4)-(6)
(a) Performing Assets						
Standard	Stage 1	16,16,329.75	9,006.98	16,07,322.77	6,474.19	2,532.78
	Stage 2	1,08,016.61	507.60	1,07,509.01	432.07	75.54
Subtotal - Performing Assets		**17,24,346.36**	**9,514.58**	**17,14,831.78**	**6,906.26**	**2,608.32**
(b) Non-Performing Assets (NPA)						
(i) Substandard	Stage 3	6,169.30	880.38	5,288.91	616.60	263.79
(ii) Doubtful up to:						
1 year	Stage 3	5,616.39	5,593.12	23.26	1,123.28	4,469.85
1 to 3 year	Stage 3	10,315.46	9,359.05	956.41	3,094.64	6,264.41
More than 3 years	Stage 3	10,443.88	6,491.05	3,952.83	5,221.94	1,269.11
Subtotal (ii)		**26,375.73**	**21,443.22**	**4,932.51**	**9,439.85**	**12,003.37**
(iii) Loss	Stage 3	4,616.11	4,616.11	-	4,616.11	-
Subtotal - NPA		**37,161.13**	**26,939.71**	**10,221.42**	**14,672.56**	**12,267.15**
Total	**Stage 1**	16,16,329.75	9,006.98	16,07,322.77	6,474.19	2,532.78
	Stage 2	1,08,016.61	507.60	1,07,509.01	432.07	75.54
	Stage 3	37,161.13	26,939.71	10,221.42	14,672.56	12,267.15
Total		**17,61,507.49**	**36,454.29**	**17,25,053.20**	**21,578.82**	**14,875.47**

**Computed on the value as per the IRACP norms.*

47 Additional Disclosures as Required by the Reserve Bank of India

(i) Frauds

During the year there have been certain instances of fraud on the Company by officers and employees where gold loan related misappropriations / cash embezzlements / burglaries have occurred for amounts aggregating to an amount of INR 428.96 (March 31, 2023 - INR 664.83) of which the Company has recovered INR 29.90 (March 31, 2023 - INR 39.74). The Company has taken insurance cover for such losses and has filed insurance claims in this regard. Further, the Company is in the process of recovering these amounts from the employees and taking legal actions, where applicable. The value of frauds and burglaries (net of recovery), has been fully provided for.

(ii) The Company extends loans to its customers against security of gold not exceeding 75% of the value of gold. Value of gold for this purpose is taken from the rates published by the Association of Gold Loan Companies (AGLOC). AGLOC publishes the value of gold based on the immediately preceding 30 days average price of 22 karat Gold published by Bombay Bullion Association. The Company holds 48.21 tonnes of Gold as at March 31, 2024 (March 31, 2023 - 48.01 tonnes). The loan amount provided against security of gold works out to 68.89% of the value of gold as on 31st March 2024 (As at 31st March 2023 - 63.28%).

(iii) The Company's Percentage of Gold Loan to Total Assets is 73.34% as at 31st March 2024 (As at 31st March 2023 - 70.79%).

(Rupees in lakhs, except for share data and unless otherwise stated)

(v) Disclosures required as per Reserve Bank of India Circular No RBI/2019-20/88/DOR.NBFC (PD) CC. No. 102/03.10.001/2019-20 dated November 04, 2019

(i) Funding concentration based on significant counterparty (both deposits and borrowings):

Particulars	No. of significant counterparties	Amount	% of Total Deposits	% of Total Liabilities*
As at March 31, 2024	17	14,54,202.42	N.A.	65.12%
As at March 31, 2023	17	11,89,567.73	N.A.	60.06%

** Total Liabilities excludes Equity and Other Equity*

(ii) Top 20 large deposits:

The Company does not accept Deposits

(iii) Top 10 borrowings:

Particulars	Amount	% of Total Borrowings
As at March 31, 2024	11,79,901.26	58.07%
As at March 31, 2023	9,96,442.96	55.91%

(iv) Funding concentration based on significant instrument / product:

Particulars	As at March 31, 2024		As at March 31, 2023	
	Amount	% of Total Liabilities*	Amount	% of Total Liabilities*
Working Capital Demand Loan	8,528.06	38.19%	7,46,415.46	37.69%
Working Capital (Term) Loan	6,777.91	30.35%	5,03,400.35	25.42%
Secured NCD	2,870.33	12.85%	3,04,642.97	15.38%
Subordinated Debt	1,465.62	6.56%	1,79,745.30	9.08%
Perpetual Debt Instrument	675.56	3.03%	48,113.39	2.43%
Total	**20,317.47**	**90.98%**	**17,82,317.46**	**89.99%**

** Total Liabilities excludes Equity and Other Equity*

(v) Stock Ratios:

(i) Commercial papers as a % of total public funds, total liabilities and total assets:

Particulars	As at March 31, 2024	As at March 31, 2023
Total Public Funds	-	-
Total Liabilities	-	-
Total Assets	-	-

(ii) Non-convertible debentures (original maturity of less than one year) as a % of total public funds, total liabilities and total assets:

Particulars	As at March 31, 2024	As at March 31, 2023
Total Public Funds	2.85%	7.71%
Total Liabilities	2.59%	6.94%
Total Assets	2.17%	5.80%

a) Public Funds include Debt Securities, Borrowings (other than debt securities) and Subordinated Liabilities

b) Total Liabilities excludes Equity and Other Equity

(Rupees in lakhs, except for share data and unless otherwise stated)

(iii) Other short-term liabilities, if any as a % of total public funds, total liabilities and total assets:

Particulars	As at March 31, 2024	As at March 31, 2023
Total Public Funds	60.44%	61.35%
Total Liabilities	54.99%	55.21%
Total Assets	46.18%	46.14%

a) Other Short Term Liabilities include all liabilities maturing within 12 months (excluding Commercial Paper & Non-Convertible Debentures)

(iv) Institutional set-up for liquidity risk management

The Asset - Liability Committee (ALCO) constituted by the Board is responsible for ensuring proper liquidity risk management and adherence to the limits set by the regulator and the Board as well as for deciding the business strategies of the company in line with the company's budget and decided risk management objectives. The ALCO consists of the Managing Director as Chairman of the Committee and includes the Executive Director & CFO, Chief Executive Officer, Chief Risk Officer, Head – Finance, Head - Treasury and Head-Internal Audit & Quality Assurance.

The ALM Support Groups are responsible for analysing, monitoring and reporting the risk profiles to the ALCO. The company also prepares forecasts / simulations showing the effects of various possible changes in market conditions on the Companys position and recommends action needed to adhere to limits prescribed by the regulator as well as Company's internal limits with regard to liquidity risks. The ALCO meets once every month or as and when required and reviews the position of liquidity and other market risks. Breaches or critical issues are put up to the risk management committee of the Board.

(vi) Liquidity Coverage Ratio Disclosure

Particulars	As at March 31, 2024		As at December 31, 2023	
	Total Unweighted Value	Total Weighted Value	Total Unweighted Value	Total Weighted Value
High Quality Liquid Assets				
Total High Quality Liquid Assets (HQLA)	92,877.92	92,877.92	98,299.92	98,299.92
Cash Outflows				
Deposits (for deposit taking companies)	-	-	-	-
Unsecured wholesale funding	4,990.15	5,738.68	6,249.18	7,186.55
Secured wholesale funding	19,966.19	22,961.12	31,600.17	36,340.19
Additional requirements, of which:			-	
Outflows related to derivative exposures and other collateral requirements	-	-	-	-
Outflows related to loss of funding on debt products	-	-	-	-
Credit and liquidity facilities	1,85,554.97	2,13,388.21	1,74,027.70	2,00,131.86
Other contractual funding obligations	14,162.52	16,286.90	10,124.63	11,643.33
Other contingent funding obligations	-	-	-	-
TOTAL CASH OUTFLOWS	**2,24,673.83**	**2,58,374.91**	**2,22,001.68**	**2,55,301.93**

(Rupees in lakhs, except for share data and unless otherwise stated)

Particulars	As at March 31, 2024		As at December 31, 2023	
	Total Unweighted Value	Total Weighted Value	Total Unweighted Value	Total Weighted Value
Cash Inflows				
Secured lending	47,397.00	35,547.75	58,657.67	43,993.25
Inflows from fully performing exposures	3,05,335.29	2,29,001.47	3,19,080.41	2,39,310.31
Other cash inflows	-	-	11,783.33	8,837.50
TOTAL CASH INFLOWS	**3,52,732.29**	**2,64,549.22**	**3,89,521.41**	**2,92,141.06**
TOTAL HQLA		**92,877.92**		**98,299.92**
TOTAL NET CASH OUTFLOWS (Weighted value of Total Cash Outflows - Minimum of (Weighted value of Total Cash Inflows, 75% of Weighted value of Total Cash Outflows)		**64,593.73**		**63,825.48**
LIQUIDITY COVERAGE RATIO (%)		**143.79%**		**154.01%**

Particulars	As at September 30, 2023		As at June 30, 2023	
	Total Unweighted Value	Total Weighted Value	Total Unweighted Value	Total Weighted Value
High Quality Liquid Assets				
Total High Quality Liquid Assets (HQLA)	76,713.42	76,713.42	66,195.58	66,195.58
Cash Outflows				
Deposits (for deposit taking companies)	-	-	-	-
Unsecured wholesale funding	12,010.73	13,812.34	3,454.82	3,973.04
Secured wholesale funding	16,149.33	18,571.73	24,182.26	27,809.60
Additional requirements, of which:				
Outflows related to derivative exposures and other collateral requirements	-	-	-	-
Outflows related to loss of funding on debt products	-	-	-	-
Credit and liquidity facilities	91,617.16	1,05,359.73	83,516.83	96,044.35
Other contractual funding obligations	13,427.84	15,442.02	11,755.11	13,518.38
Other contingent funding obligations	-	-	-	-
TOTAL CASH OUTFLOWS	**1,33,205.05**	**1,53,185.81**	**1,22,909.02**	**1,41,345.37**
Cash Inflows				
Secured lending	61,579.00	46,184.25	85,315.00	63,986.25
Inflows from fully performing exposures	2,30,258.06	1,72,693.55	2,08,446.12	1,56,334.59
Other cash inflows	2,666.67	2,000.00	22,126.67	16,595.00
TOTAL CASH INFLOWS	**2,94,503.73**	**2,20,877.80**	**3,15,887.79**	**2,36,915.84**
TOTAL HQLA		**76,713.42**		**66,195.58**
TOTAL NET CASH OUTFLOWS (Weighted value of Total Cash Outflows - Minimum of (Weighted value of Total Cash Inflows, 75% of Weighted value of Total Cash Outflows)		**38,296.45**		**35,336.34**
LIQUIDITY COVERAGE RATIO (%)		**200.31%**		**187.33%**

a) High Quality Liquid Assets consists of cash on hand and balances with banks in current accounts

b) Weighted Value is calculated at 115% of unweighted outflows and 75% of unweighted inflows

48 Disclosures under the Listing Agreement for Debt Securities

(i) Debenture Trustees:

Trustees for Public Issue

SBICAP Trustee Company Limited
Mistry Bhavan, 4th Floor, 122
Dinshaw Vachha Road,
Churchgate, Mumbai - 400020
Tel : 022-4302 5555
Fax : 022-22040465
Email : corporate@sbicaptrustee.com

Trustees for Public Issue

Catalyst Trusteeship Limited
901, 9th Floor, Tower-B, Peninsula
Business Park, Senapati Bapat Marg,
Lower Parel (W), Mumbai-400013
Office +91 (022) 49220555
Fax +91 (022) 49220505
Email: dt.mumbai@ctltrustee.com

Trustees for Listed Private Placement & Public Issue

Vardhman Trusteeship Private Limited
The Capital, 412 A. 4th Floor,
A-Wing, Bandra Kurla Complex
Bandra (East), Mumbai 400 051, Maharashtra
Tel: +91 22 4264 8335
E-mail: corporate@vardhmantrustee.com

Trustees for Perpetual Debt Instrument

Vistra ITCL (India) Limited (formerly IL&FS Trust Company Limited)
The Qube, 6th floor, A wing, Hasan Pada Road,
Mittal Industrial Estate, Marol, Andheri (East)
Mumbai – 400059
Tel: +91 22 69300000
Fax: +91 22 28500029
Email: mumbai@vistra.com

(ii) Security:

1. Privately Placed Secured Debentures outstanding as at the year ended March 31, 2024 are secured by first pari-passu charge on the present and future standard loan receivables and current assets along with other lenders and NCD investors with a minimum asset coverage ratio of 1.1 / 1.25 times of the value of the outstanding amounts of the Debentures (as more specifically disclosed in Note 18).
2. Debentures issued by way of public issue outstanding as at the year ended March 31, 2024 are secured by subservient charge with existing secured creditors, on loan receivables (both present and future) of the Company, to be held on pari passu basis among the present and / or future NCD holder (as more specifically disclosed in Note 18).
3. The details of security for Covered Bonds issued in the nature of secured, redeemable, listed non-convertible debentures on a private placement basis and listed debentures placed under Targeted Long Term Repo Operations (TLTRO) that were redemeed during the current year but were outstanding as at the end of the previous year are specifically disclosed in Note 18.

(iii) Utilisation of Funds raised by way of Public Issue of Debt Securities:

The Company has utilised the Net Proceeds raised by way of allotment of Public Issue of Debt Securities and other Listed Debt Securities, in accordance with the objects of such issue of debt securities. As at March 31, 2024, no portion of such allotted proceeds remain unutilized (March 31, 2023 - Nil).

(Rupees in lakhs, except for share data and unless otherwise stated)

(iv) Disclosure of Loan and advances pursuant to Regulation 53(f) of the Securities and ExchangeBoard of India (Listing Obligation and Disclosure Requirements) Regulations, 2015:

Particulars	Year ended 31st March 2024		Year ended 31st March 2023	
	Advanced / invested during year	Maximum outstanding during the year	Advanced / invested during year	Maximum outstanding during the year
Loans & Advances				
Loans & advances in the nature of loans to subsidiaries	Nil	Nil	Nil	Nil
Loans & advances in the nature of loans to associates or to any person whose shareholding is 10% or more in the Company or any entity where the promoter/promoter group holds 10% or more shareholding:				
Thomas John Muthoot	-	5,000.00	5,000.00	7,000.00
Thomas George Muthoot	-	5,000.00	5,000.00	7,000.00
Thomas Muthoot	-	5,000.00	5,000.00	5,900.00
Investment				
Investment in subsidiaries:				
*Muthoot Microfin Limited**	-	37,995.73	-	34,946.43
Muthoot Housing Finance Company Limited	2,500.00	17,291.02	-	14,791.02
Muthoot Pappachan Technologies Limited	-	3.00	-	3.00
Investment in associate or in any entity where the promoter/promoter group holds 10% or more of shareholding or in any entity where the promoters are interested:				
Muthoot Pappachan Chits (I) Private Limited	-	8.00	-	8.00
Speckle Internet Solutions Private Limited	-	200.00	-	200.00
The Thinking Machine Media Private Limited	-	9.00	-	9.00
Inter Corporate Deposit advanced and repaid during the year:				
Muthoot Capital Services Limited	-	-	7,000.00	7,000.00

**The Company has acquired equity shares of Muthoot Microfin Limited from its shareholders aggregating to a value of INR 3,049.29 during the year (Previous year - INR 23,225)*

49 There are no unclaimed amounts due for transfer to The Investor Education and Protection Fund established under Section 125 of the Companies Act, 2013.

50 Sustainability Initiatives to support the Environment

The Company has 19 Wind Turbine Generators installed in Tamil Nadu having a combined power generation capacity of 23.225 Megawatt (March 31, 2023 - 23.225 Megawatt). During the year ended March 31, 2024, the said windmills generated 262.02 lakhs units of electrical energy (300.73 lakh units during the year ended March 31, 2023).

(Rupees in lakhs, except for share data and unless otherwise stated)

51 Additional disclosures as per Schedule III of Companies Act, 2013

(i) The Company does not have any immovable property whose title deeds are not held in the name of the Company.

(ii) The fair value of investment property measured for disclosure purposes in the financial statements is based on the valuation by an independent registered valuer.

(iii) The Company has not revalued its Property, Plant and Equipment or Right of Use Assets during the current or previous year.

(iv) The Company has not revalued Intangible Assets during the current or previous year.

(v) The Company has not given any loans or advances in the nature of loans that are a) repayable on demand or b) without specifying any terms or period of repayment; to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person during the current or previous year.

(vi) The Company does not have any Capital Work in Progress as at the end of the current or previous year.

(vii) The ageing schedule of Intangible Assets under development as at March 31, 2024 is as below:

For the year ended March 31, 2024:

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Projects in progress	14.61	-	-	-	14.61
Projects temporarily suspended	-	-	-	-	-

For the year ended March 31, 2023:

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Projects in progress	676.00	-	-	-	676.00
Projects temporarily suspended	-	-	-	-	-

(viii) The company does not hold any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder and no proceedings have been initiated or is pending against the company for the same.

(ix) The quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

(x) The Company has not made any default in repayment of its financial obligations and is not declared wilful defaulter by any bank or financial Institution or other lender.

(xi) The company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

(xii) There are no charges or satisfaction yet to be registered with ROC beyond the statutory period.

(xiii) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

(Rupees in lakhs, except for share data and unless otherwise stated)

(xiv) Capital to risk-weighted assets ratio, Tier I CRAR and Tier II CRAR has been disclosed in Note 41 and Liquidity Coverage Ratio in Note 47

(xv) The Company has not entered into any Scheme of Arrangements which requires the approval of the Competent Authority in terms of sections 230 to 237 of the Companies Act,2013 for the financial years ended March 31, 2024 and March 31, 2023.

(xvi) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall: (a) 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 (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(xvii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall: (a) 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 (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(xviii) The company does not have any transaction which is not recorded in the books of account but has been surrendered or disclosed as income during the year in tax assessments under the Income tax Act, 1961.

(xix) The Company has not traded or invested in Crypto currency or Virtual Currency during the current or previous financial year.

52 The Company has accounting software to manage its books of account, incorporating an audit trail (edit log) feature. This feature is consistently utilized throughout the year for all transactions recorded in the software, and backup is taken periodically of these transactions. Additionally, measures are in place to establish necessary controls aimed at preventing or identifying any tampering with the audit trail feature.

53 Previous year's figures have been regrouped/rearranged, wherever necessary to conform to current year's classifications / disclosure.

(Rupees in lakhs, except for share data and unless otherwise stated)

54 Details disclosed under the Master Direction- Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023

Sr. no.	Particulars	As at 31st March 2024		As at 31st March 2023	
		Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
	LIABILITY SIDE				
1	**Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid**				
	a. Debentures				
	Secured	3,07,449.82	405.77	3,30,315.56	264.09
	Unsecured	-	-	-	-
	b. Deferred credits	-	-	-	-
	c. Term loans	6,78,234.33	-	5,03,659.48	-
	d. Inter-corporate loans and borrowings	-	-	-	-
	e. Commercial paper	-	-	-	-
	f. Public Deposits	-	-	-	-
	g. Other loans:				
	Working capital loans from banks	8,53,477.19	-	7,46,624.01	-
	Perpetual Debt Instruments	67,566.16	-	48,119.37	-
	Subordinated Debts	1,69,166.37	3,359.16	2,01,997.20	4,564.59

Sr. no.	Particulars	As at 31st March 2024	As at 31st March 2023
		Amount outstanding	Amount outstanding
	ASSET SIDE		
2	**Break-up of Loans and advances including bills receivables (Other than those included in (4) below)**		
	a. Secured	21,30,617.26	17,23,807.10
	b. Un-Secured	10,887.82	1,246.10
3	**Break-up of Leased Assets and stock on hire and other assets counting towards asset financing activities**		
	(i) Lease assets including lease rentals under sundry debtors:		
	(a) Financial Lease	-	-
	(b) Operating Lease	-	-
	(ii) Stock on hire including hire charges under sundry debtors		
	(a) Assets on hire	-	-
	(b) Repossessed Assets	-	-
	(iii) Other loans counting towards asset financing activities		
	(a) Loans where assets have been repossessed	-	-
	(b) Loans other than (a) above	-	-

(Rupees in lakhs, except for share data and unless otherwise stated)

Sr. no.	Particulars	As at 31st March 2024 Amount outstanding	As at 31st March 2023 Amount outstanding
4	**Break-up of Investments**		
	Current Investments		
	1. Quoted:		
	i. Shares		
	(a) Equity	2,449.60	1,690.38
	(b) Preference	-	-
	ii. Debentures and Bonds	-	-
	iii. Units of Mutual Funds	2,501.85	-
	iv. Government Securities	-	-
	v. Others	327.60	231.12
	2. Un-Quoted:		
	i. Shares		
	(a) Equity	-	-
	(b) Preference	-	-
	ii. Debentures and Bonds	-	-
	iii. Units of Mutual Funds	-	-
	iv. Government Securities	-	-
	v. Others (Debt Fund)	997.61	997.61
	Long Term Investments		
	1. Quoted:		
	i. Shares		
	(a) Equity	1,70,977.50	-
	(b) Preference	-	-
	ii. Debentures and Bonds	-	-
	iii. Units of Mutual Funds	-	-
	iv. Government Securities	-	-
	v. Others	-	-
	2. Un-Quoted:		
	i. Shares		
	(a) Equity	17,367.91	1,81,159.39
	(b) Preference	1,200.41	1,199.74
	ii. Debentures and Bonds	987.91	987.91
	iii. Units of Mutual Funds	-	-
	iv. Government Securities	-	-
	v. Others (Alternate Investment Fund)	275.38	405.36

(Rupees in lakhs, except for share data and unless otherwise stated)

5 Borrower group wise classification of assets financed as in (2) & (3) above

Category	As at 31st March 2024			As at 31st March 2023		
	Amount net of provisions			Amount net of provisions		
	Secured	Unsecured	Total	Secured	Unsecured	Total
1. Related Parties						
a. Subsidiaries	-	-	-	-	-	-
b. Companies in the same group	-	-	-	-	-	-
c. Other related parties	15,774.25	-	15,774.25	15,774.25	-	15,774.25
2. Other than related Parties	21,14,843.02	10,887.82	21,25,730.83	17,08,032.85	1,246.10	17,09,278.95
Total	**21,30,617.26**	**10,887.82**	**21,41,505.08**	**17,23,807.10**	**1,246.10**	**17,25,053.20**

6 Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted);

Category	As at 31st March 2024		As at 31st March 2023	
	Market value/Breakup or Fair value or NAV	Book Value (Net of Provisions)	Market value/Breakup or Fair value or NAV	Book Value (Net of Provisions)
1. Related Parties				
a. Subsidiaries	1,88,271.52	1,88,271.52	1,81,092.59	1,81,092.59
b. Companies in the same group	31.03	31.03	23.94	23.94
c. Other related parties	42.86	42.86	42.86	42.86
2. Other than related Parties	9,947.79	8,740.35	6,719.56	5,512.12
Total	**1,98,293.20**	**1,97,085.75**	**1,87,878.95**	**1,86,671.51**

7 Other Information

Particulars	As at 31st March 2024	As at 31st March 2023
(i) Gross Non-Performing Assets		
(a) Related Parties	-	-
(b) Other than related parties	35,146.50	37,161.13
(ii) Net Non-Performing Assets		
(a) Related Parties	-	-
(b) Other than related parties	13,928.98	10,221.42
(iii) Assets Acquired in satisfaction of debt	-	-

Additional Disclosures

1 Capital Adequacy Ratio

Particulars	As at 31st March 2024	As at 31st March 2023
CRAR (%) 20.01%	21.34%	
CRAR – Tier 1 Capital (%)	15.87%	16.48%
CRAR – Tier 2 Capital (%)	4.15%	4.86%
Amount of subordinated debt raised as Tier-2 capital (eligible amount, restricted to 50% of Tier-1 capital)	64,746.99	73,053.28
PDI raised during the year	20,000.00	10,000.00
PDI outstanding at the end of the year*	67,555.79	48,113.39

**Includes issue expenses amortised as per EIR.*

(Rupees in lakhs, except for share data and unless otherwise stated)

The percentage of Tier 1 PDI to the Tier 1 Capital of the Company as at 31st March 2024 is 12.64% (31st March 2023 - 13.22%). PDI in excess of 15% of the previous year Tier 1 Capital has been considered under Tier 2 Capital.

There have not been instances of non-payment of interest on PDI during the current and previous financial year.

2 Investments

Particulars	As at 31st March 2024	As at 31st March 2023
Value of Investments		
(i) Gross Value of Investments		
(a) In India	1,98,293.20	1,87,878.95
(b) Outside India	-	-
(ii) Provisions for Depreciation		
(a) In India	(1,207.44)	(1,207.44)
(b) Outside India	-	-
(iii) Net Value of Investments		
(a) In India	1,97,085.75	1,86,671.51
(b) Outside India		
Movement of provisions held towards depreciation of investments		
(i) Opening Balance	1,207.44	1,207.44
(ii) Add: Provisions made during the year	-	-
(iii) Less: Write off/write back of excess provisions during the year	-	-
(iv) Closing balance	1,207.44	1,207.44

3 Derivatives

3.1 Forward Rate Agreement/Interest Rate Swap

Particulars	As at 31st March 2024	As at 31st March 2023
(i) The notional principal of swap agreements	-	-
(ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	-	-
(iii) Collateral required by the NBFC upon entering into swaps	-	-
(iv) Concentration of credit risk arising from the swaps $	-	-
(v) The fair value of the swap book @	-	-

$ Examples of concentration could be exposures to particular industries or swaps with highly geared companies

@ If the swaps are linked to specific assets, liabilities, or commitments, the fair value would be the estimated amount that the NBFC would receive or pay to terminate the swap agreements as on the balance sheet date

3.2 Exchange Traded Interest Rate (IR) Derivative

Particulars	As at 31st March 2024	As at 31st March 2023
(i) Notional principal amount of exchange traded IR derivatives undertaken during the year	-	-
(ii) Notional principal amount of exchange traded IR derivatives outstanding	-	-
(iii) Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective"	-	-
(iv) Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective"	-	-

(Rupees in lakhs, except for share data and unless otherwise stated)

3.3 Disclosure on risk exposure in derivatives

(A) Qualitative Disclosure

The company's hedge accounting practice only allows for effective hedging relationships to be considered as hedges as per the relevant Ind AS. Hedge effectiveness is determined at the inception of the hedge relationship and through periodic prospective effectiveness assessments to ensure that an economic relationship exist between the hedged item and hedging instruments. The company enters into hedge relationships where the critical terms of the hedging instrument match with the terms of the hedged item and so a qualitative and quantitative assessment of effectiveness is performed.

(B) Quantitative Disclosure

Particulars	As at 31st March 2024	As at 31st March 2023
(i) Derivatives (Notional Principal Amount)	55,288.11	-
(ii) Marked to Market Positions		
(a) Assets (+)	-	-
(b) Liability (-)	(231.18)	-
(iii) Credit Exposure	-	-
(iv) Unhedged Exposures	-	-

4 Securitisation and Assignment transactions

4.1 The Company did not undertake any securitisation transactions during the year (March 31, 2023 : Nil).

4.2 Details of assignment transactions undertaken:

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
i) Total number of loan assets assigned during the year (Nos)	2,998	-
ii) Book value of loan assets assigned during the year including MRR	23,782.22	-
iii) Sale consideration received during the year	21,404.00	-

4.3 Disclosure pursuant to (Transfer of Loan Exposures) Reserve Bank of India Circular No. RBI/ DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 dated September 24, 2021:

(i) Details of assignment transactions in respect of loans not in default:

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Count of Loan accounts assigned (Nos)	2,998	-
Amount of loan accounts assigned	21,404.00	-
Weighted average maturity (in months)	72	-
Weighted average holding period (in months)	12	-
Retention of beneficial economic interest (%)	10%	-
Coverage of tangible security coverage (%)	100%	-
Rating-wise distribution of rated loans	Unrated	-
Break-up of loans transferred / acquired through assignment / novation and loan participation	Only assignment	-
Instances where we have agreed to replace loans transferred to transferee(s) or pay damages arising out of any representation or warranty	Nil	-

(ii) The Company has neither acquired nor transferred stressed loans during the year and the previous year. Loans not in default have not been acquired during the year and the previous year.

(Rupees in lakhs, except for share data and unless otherwise stated)

5 Asset Liability Management (Maturity pattern of certain items of Assets & Liabilities)

March 31, 2024

Description	1 to 7 DAYS	8 to 14 days	15 days to 30/31 days	Over 1 month upto 2 Month	Over 2 months upto 3 months	Over 3 month & up to 6 month	Over 6 Month & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Advances	1,97,514.98	15,304.25	35,950.44	68,052.26	55,864.56	1,94,192.47	14,02,624.96	40,487.59	32,284.41	99,229.15	21,41,505.08
Investments	5,279.04	-	-	-	-	-	997.61	-	275.38	1,90,533.72	1,97,085.75
Borrowings	1,45,539.73	10,246.39	14,780.11	9,557.92	67,292.54	1,48,922.07	7,64,204.09	5,16,382.28	1,94,622.08	1,06,006.99	19,77,554.19
Foreign Currency assets	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities	-	-	2,778.00	44,915.29	6,500.00	-	-	-	-	-	54,193.29

March 31, 2023

Description	1 to 7 DAYS	8 to 14 days	15 days to 30/31 days	Over 1 month upto 2 Month	Over 2 months upto 3 months	Over 3 month & up to 6 month	Over 6 Month & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Advances	1,91,926.79	16,734.66	41,575.25	1,04,093.49	1,36,409.60	6,01,793.91	5,79,151.52	16,723.45	1,571.06	35,073.47	17,25,053.20
Investments	-	-	1,921.50	-	-	-	997.61	168.86	-	1,83,583.53	1,86,671.51
Borrowings	1,63,067.75	22,366.13	77,420.09	54,715.62	1,24,614.44	1,56,601.03	5,71,358.62	3,89,436.82	1,16,609.70	1,06,127.25	17,82,317.46
Foreign Currency assets	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities	-	-	-	-	-	-	-	-	-	-	-

(Rupees in lakhs, except for share data and unless otherwise stated)

6 Exposures

Exposure to Real Estate Sector:

Category	As at 31st March 2024	As at 31st March 2023
a. Direct Exposure		
i. Residential Mortgages		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented (including non-fund based (NFB) limits)	1,61,034.08	37,590.47
ii. Commercial Real Estates		
Lending secured by mortgages on commercial real estate (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction etc.) (including non- fund based (NFB) limits).	-	-
iii. Investments in Mortgage Backed Securities (MBS) and other securitized exposures		
a. Residential	-	-
b. Commercial Real Estate	-	-
b. Indirect exposure		
((i) Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	19,486.37	16,986.37
(ii) Others	26,119.76	45,119.93
Total Exposure to Real Estate Sector	**2,06,640.21**	**99,696.77**

Exposure to Capital Market:

Category		As at 31st March 2024*	As at 31st March 2023*
(i)	direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	40,131.46	1,646.58
(ii)	advances against shares / bonds / debentures or other securities or on clean basis to individuals for Inv-shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
(iii)	advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security ;	-	-
(iv)	advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	-	-
(v)	secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi)	loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii)	bridge loans to companies against expected equity flows / issues;	-	-
(viii)	underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
(ix)	financing to stockbrokers for margin trading	-	-

(Rupees in lakhs, except for share data and unless otherwise stated)

Category	As at 31st March 2024*	As at 31st March 2023*
(x) all exposures to Venture Capital Funds (both registered and unregistered)	-	-
(xi) all exposures to Alternative Investment Funds:		
(i) Category I	-	-
(ii) Category II	158.41	373.12
(iii) Category III	-	-
Total Exposure to Capital Market	**40,289.87**	**2,019.70**

*At cost

Sectoral Exposure

Sectors	As at 31st March 2024			As at 31st March 2023		
	Total Exposure	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
Agriculture and allied activities	-	-	0.00%	-	-	0.00%
MSME	1,81,347.15	4,873.53	2.69%	51,538.59	11,197.95	21.73%
Corporate borrowers	28,496.60	12,651.49	44.40%	29,572.39	12,950.82	43.79%
Services	-	-	0.00%	-	-	0.00%
Unsecured personal loans	11,183.63	114.57	1.02%	2,633.88	1,353.59	51.39%
Auto loans	-	-	0.00%	-	-	0.00%
Retail Loans	19,50,206.75	17,506.93	0.90%	16,77,762.63	11,658.77	0.69%

Intra Group Exposure

Particulars	As at 31st March 2024*	As at31st March 2023*
Total amount of intra-group exposures	55,506.75	68,957.62
Total amount of top 20 intra-group exposures	55,506.75	68,957.62
Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers	2.48%	3.75%

*At cost

(Rupees in lakhs, except for share data and unless otherwise stated)

7 Related Party Disclosure

Nature of relationship	Subsidiaries		Key Management Personnel		Relatives of Key Management Personnel		Entities in which KMP are able to exercise control or have significant influence		Total	
Particulars	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023
Outstanding at the end										
Borrowings	-	-	1,750.00	4,440.00	267.64	695.55	3,584.14	2,952.66	5,601.78	8,088.21
Deposits	-	-	-	-	-	-	-	-	-	-
Placement of deposits	-	-	-	-	-	-	-	-	-	-
Advances	-	-	15,000.00	15,000.00	-	-	-	-	15,000.00	15,000.00
Investments	55,289.75	49,740.45	-	-	-	-	217.00	217.00	55,506.75	49,957.45
Advance for Property/Shares	-	-	-	-	-	-	-	19,000.17	-	19,000.17
Others	266.00	127.79	776.69	776.24	3.14	6.44	3,583.72	3,084.02	4,629.54	3,994.49
Maximum outstanding at the end										
Borrowings	-	-	4,365.00	4,440.00	694.64	695.55	3,141.71	2,952.66	8,201.35	8,088.21
Deposits	-	-	-	-	-	-	-	-	-	-
Placement of deposits	-	-	-	-	-	-	-	-	-	-
Advances	-	-	-	19,900.00	-	-	-	-	-	19,900.00
Investments	55,289.75	49,740.45	-	-	-	-	217.00	217.00	55,506.75	49,957.45
Transactions during the period										
Interest paid	-	-	221.27	504.84	35.77	71.83	382.07	224.38	639.10	801.05
Interest received	-	-	1,800.00	1,964.98	-	-	-	44.49	1,800.00	2,009.47
Auction of Gold Ornaments	-	-	-	-	-	-	4,337.03	2,644.20	4,337.03	2,644.20
Commission Received	574.41	518.80	-	-	-	-	1,466.40	1,309.19	2,040.82	1,827.99
Professional & Consultancy Charges	2,009.20	1,635.60	-	-	-	-	2,095.16	2,095.44	4,104.35	3,731.04
Remuneration Paid	-	-	7,512.75	6,008.79	106.28	52.37	-	-	7,619.03	6,061.15
Loan repayments received	-	-	-	(19,900.00)	-	-	-	-	-	(19,900.00)
Loans Advanced	-	-	-	15,000.00	-	-	-	-	-	15,000.00
ICD advanced	-	-	-	-	-	-	-	7,000.00	-	7,000.00
ICD repaid	-	-	-	-	-	-	-	(7,000.00)	-	(7,000.00)
Purchase of shares of MML	-	-	1,016.43	18,608.52	2,032.87	4,616.48	-	-	3,049.29	23,225.00
Refund received against advance for property	-	-	-	(1,588.53)	-	(133.87)	(19,000.17)	(5,277.60)	(19,000.17)	(7,000.00)
Dividend Paid	-	-	18,032.98	1,170.97	2,784.31	180.80	64.17	4.17	20,881.46	1,355.94
Investment made in Equity	2,500.00	-	-	-	-	-	-	-	2,500.00	-
Others	273.36	140.44	497.26	927.08	(72.91)	(154.10)	1,667.02	1,492.23	2,364.74	2,405.65

(Rupees in lakhs, except for share data and unless otherwise stated)

8 Miscellaneous

Registration obtained from other financial sector regulators

The company has not obtained registrations from any other financial sector regulators during the year.

Disclosure of Penalties imposed by RBI and other regulators

No penalty was imposed on the Company during the year by the RBI and other regulators.

Policy on dealing with Related Party Transactions

The Related Party transactions are entered into complying with the relevant provisions of the Companies Act, 2013.

Ratings assigned by credit rating agencies and migration of ratings during the year

The Company's Long Term Credit Rating by CRISIL stood at CRISIL A+/Stable for FY2023-24 (FY2022-23 - CRISIL A+/Stable). The Long Term Credit Rating by Brickwork stood at BWR A+(outlook stable) for FY2023-24 (FY2022-23 - BWR A+(outlook stable)). The latest debt-wise Rating of the Company are as below:

Type	Rating (2023-24)	Rating (2022-23)	Date of Rating
Short Term Rating	CRISIL A1+ BWR A1+	CRISIL A1+ BWR A1+	29-11-2023 26-08-2022
Long Term Rating	CRISIL AA-/Stable	CRISIL AA-/Stable	29-11-2023
Long Term Rating	BWR AA-/Stable	BWR AA-/Stable	26-08-2022
Perpetual Debt Instruments	CRISIL A /Stable BWR A+/Stable	CRISIL A /Stable BWR A+/Stable	29-11-2023 26-08-2022
Subordinate Debt	CRISIL AA- /Stable BWR AA-/Stable	CRISIL AA- /Stable BWR AA-/Stable	29-11-2023 26-08-2022
Non-Convertible Debentures (NCD)	CRISIL AA- /Stable BWR AA-/Stable	CRISIL AA-/Stable BWR AA-/Stable	29-11-2023 26-08-2022
Covered Bond	N.A.	N.A.	NIL
Market Linked Debentures	N.A.	CRISIL PPMLD AA-/Stable	NIL

Remuneration of Directors – Non-Executive Director

The Company has paid INR 750.00 to Mr. Thomas George Muthoot, Non-Executive Director of the Company during the year (March 31, 2023: INR 600.00). Remuneration (other than Sitting Fee) has not been paid to any of the other Non-Executive Directors.

Loans to Directors, Senior Officers and relatives of Directors

Particulars	As at March 31, 2024	As at March 31, 2023
Directors and their relatives	15,000.00	15,000.00
Entities associated with directors and their relatives	-	-
Senior Officers and their relatives	-	-

Considering the nature of business and transactions entered by the Company during the current and previous year, following are having nil disclosure:

(i) Draw down from reserves

(ii) Off-balance sheet SPVs sponsored

(iii) Overseas assets (joint ventures or subsidiaries abroad)

(iv) Financing of parent company products

(v) Postponement of revenue recognition

(vi) Auditors have not expressed modified opinion on the audited financial statements

(vii) Items of income & expenditure of exceptional nature

(Rupees in lakhs, except for share data and unless otherwise stated)

(viii) Breach in terms of covenants in respect of loans availed by the Company or debt securities issued by the Company including incidence of default
(ix) Divergence in assessed asset classification and provisioning above the RBI prescribed threshold
(x) Details of loans, where moratorium benefit was extended
(xi) Details of restructured accounts
(xii) Default in compliance with the requirements of Companies Act, 2013, including with respect to compliance with accounting and secretarial standards
(xiii) Advances for which intangible securities have been taken as collateral
(xiv) Credit Default Swap contracts
(xv) Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded
(xvi) Unhedged foreign currency exposure

9 Provisions and Contingencies

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Break-up of Provision and contingencies in statement of profit and loss		
Provision towards NPA	(5,722.19)	4,170.81
Provisions for depreciation on Investment	-	-
Provision made towards current tax	20,062.43	17,609.54
Provision for Gratuity & Leave Encashment	512.88	124.88
Provision for Standard Assets	(1,003.05)	1,490.89

10 Additional Disclosures

10.1. Concentration of Advances

Particulars	As at 31st March 2024	As at31st March 2023
Total Advances of twenty largest borrowers	28,464.38	28,540.47
Percentage of Advances of twenty largest borrowers to Total Advances of the NBFC	1.31%	1.62%

10.2. Concentration of Exposures

Particulars	As at 31st March 2024	As at31st March 2023
Total Exposure of twenty largest borrowers / customers	29,238.40	29,321.50
Percentage of Exposure of twenty largest borrowers / customers to Total Exposure of the NBFC on borrowers / customers	1.35%	1.66%

10.3. Concentration of NPA's

Particulars	As at 31st March 2024	As at31st March 2023
Total Exposure to top four NPA accounts	9,340.10	9,340.08

(Rupees in lakhs, except for share data and unless otherwise stated)

10.4. Sector-wise NPA's

Sector-wise NPAs	Percentage of NPAs to Total Advances in that sector	
	As at 31st March 2024	As at 31st March 2023
Agriculture and allied activities	0.00%	0.00%
MSME	2.69%	21.73%
Corporate borrowers	44.40%	43.79%
Services	0.00%	0.00%
Unsecured personal loans	1.02%	51.39%
Auto loans	0.00%	0.00%
Retail Loans	0.90%	0.69%

10.5. Movement of NPA's

Particulars	As at 31st March 2024	As at 31st March 2023
(i) Net NPAs to Net Advances (%)	0.65%	0.59%
(ii) Movement of NPAs (Gross)		
Opening balance	37,161.13	49,959.29
Additions during the year	2,67,379.71	2,48,215.20
Reductions during the year	2,69,394.34	2,61,013.35
Closing balance	35,146.50	37,161.13
(iii) Movement of Net NPAs		
Opening balance	10,221.42	27,190.39
Additions during the year	99,049.74	68,273.27
Reductions during the year	95,342.18	85,242.24
Closing balance	13,928.98	10,221.42
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
Opening balance	26,939.71	22,768.90
Additions during the year	1,68,329.97	1,79,941.93
Write-off / write-back of excess provisions	1,74,052.17	1,75,771.12
Closing balance	21,217.52	26,939.71

10.6. Disclosure of Customer Complaints

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Complaints received by the NBFC from its customers		
1. Number of complaints pending at the beginning of the year	95	39
2. Number of complaints received during the year	14,075	11,148
3. Number of complaints disposed during the year	13,975	11,092
3.1. Of which, number of complaints rejected by the NBFC	304	126
4. Number of complaints pending at the end of the year	195	95

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Maintainable complaints received by the NBFC from Office of Ombudsman		
5. Number of maintainable complaints received by the NBFC from Office of Ombudsman	93	101
5.1. Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	93	101
5.2. Of 5, number of complaints resolved through conciliation/mediation/ advisories issued by Office of Ombudsman	-	2
5.3. Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	-	-
6. Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

Top five grounds of complaints received by the NBFCs from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
(1)	(2)	(3)	(4)	(5)	(6)
March 31, 2024					
Loans and advances related	27	6,652	132.91%	78	-
Online Collection related	18	2,989	28.78%	33	-
Auction related	19	1,606	11.30%	29	-
Process / charges related	-	673	-17.73%	12	-
Service related	8	1,343	93.24%	36	-
Others	23	812	-73.07%	7	-
Total	**95**	**14,075**	**26.26%**	**195**	**-**
March 31, 2023					
Application related	16	2,856	391.00%	27	-
Online Collection related	5	2,321	-1.82%	18	-
Auction related	3	1,443	-31.90%	19	-
Process / charges related	5	818	19.94%	-	-
Service related	-	695	19.01%	8	-
Others	10	3,015	15.56%	23	-
Total	**39**	**11,148**	**20.52%**	**95**	**-**

FINANCIAL STATEMENTS **CONSOLIDATED**

CONSOLIDATED

Rangamani & Co
Chartered Accountants

Krishnan Retna & Associates
Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

TO,

THE MEMBERS OF **MUTHOOT FINCORP LIMITED,**

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying Consolidated Ind AS financial statements of **Muthoot Fincorp Limited ("the holding Company"), Muthoot Centre, TC No 14/ 2074-7, Punnen Road, Thiruvananthapuram – 695 001 and its subsidiaries (together referred as "Group")** which comprise the Consolidated Balance Sheet as at 31st March, 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of changes in equity and the Consolidated Statement of cash flows for the year then ended, including the notes to the Consolidated Ind AS Financial Statements, a summary of significant accounting policies and other explanatory information. [hereinafter referred to as "Consolidated Ind AS Financial Statements"]

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the Consolidated state of affairs of the Group as at 31st March, 2024, and its Consolidated profit including other Comprehensive Income, Consolidated Changes in equity and Consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated financial statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Consolidated Ind AS financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the Consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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For each matter below, our description of how our audit addressed the matter is provided in that context. We have determined the matters described below to be the Key Audit matters to be communicated in our report.

Key Audit Matters	How it's been addressed in Audit
a) Completeness in identification and disclosure of related party transactions in accordance with the applicable reporting framework.	We have accessed the laid down systems and processes of the Holding Company in identifying related party transactions and its ultimate disclosure in the Consolidated Ind AS financial statements in accordance with the applicable reporting framework. We have designed the audit procedures in accordance with the guidelines prescribed in Standard on Auditing (SA 550) to identify the risks of material misstatement arising from an entity's failure to appropriately account for or disclose material related party transactions. We have also reviewed the minutes of meetings of the board of the Holding Company in the course of the audit to identify any transactions that may require disclosure in accordance with the applicable reporting framework.
b) Effectiveness of IT Systems and related controls.	Due to the automated controls and high degree of dependence in information systems, there is a risk that the financial accounting and reporting records may be misstated in case of any control lapses in the IT system related controls. We have designed our audit procedures in accordance with the guidelines laid down in the Standard on Auditing (SA 530) and tested the controls in the Information Technology Systems of Holding Company on a sample basis which has an impact on the financial accounting and reporting records. We have also tested on a sample basis the controls related to access management including user rights in passing entries, approval for authorizing entries, authorization for reversing entries, segregation of duties, system password protection, external software/hardware access rights etc of the Holding Company. We have relied upon the work done by auditors of Subsidiary Companies (SA 600) regarding IT systems and controls. Based on the audit report issued by other auditors, no material weakness was identified in the IT related systems and controls of the subsidiaries.
c) Accuracy, completeness and correctness of accounting and related controls maintained at the entity's branches.	At the branch level, entries related to daily operations are passed. We have addressed this as a key audit matter since any control lapses in the branch level accounting may result in the financial accounting and reporting records of the entity being misstated. We have conducted physical visits to

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	key branches of holding company and central loan processing hub of the holding Company which are considered top based on the significant gold loan and unsecured loan portfolio to identify and evaluate the effectiveness of controls in place .We have also tested on a sample basis the independent financial records maintained at the branch level of the holding company and how the same is considered and incorporated in the Consolidated Ind AS financial statements. We have also assessed and analyzed the internal audit reports of holding company and how the major observations are dealt with and its impact on the Holding Company's financial accounting and reporting records. We have relied upon the work done by auditors of Subsidiary Companies (SA 600) regarding Accuracy, completeness and correctness of accounting and related controls maintained at the Subsidiary Companies' branches. Based on the audit report issued by auditors of subsidiaries, no major weaknesses were identified.

d) Computation of provision towards impairment of loan assets.
 	
As at 31st March 2024, the Group had reported a total impairment loss allowance of 49,932.15 lakhs (31st March 2023 - Rs. 54,978.75 lakhs)
 	
A significant degree of judgment is required to determine the timing and amount of Impairment loss allowance to be recognized with respect to loan assets. Based on our risk assessment, the following are the significant judgments and estimates, that impact impairment loss allowance:
• Completeness and timing of recognition of default, in accordance with the prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Loan Assets;
• Measurement of provision is dependent on the probability of default (PD) and loss given default (LGD) of each category of loan asset. Identification of PD and LGD involves significant judgments and estimates related to forward looking information.
	The audit procedures performed for the holding Company, among others, included:
	▪ Considering the board policies and processes for NPA identification and assessing compliance with the RBI norms.
	▪ Understanding, evaluating and testing the design and effectiveness of key controls around identification of impaired accounts.
	▪ Performing other procedures including substantive audit procedures covering the identification of NPAs such as:
	  • Reading account statements and related information of the borrowers on a sample basis.
	  • Performing inquiries with credit and risk departments to ascertain if there were indicators of stress or an occurrence of an event of default in a particular loan account or any product category which needed to be considered as NPA.
	  • Holding discussions with the management on sectors where there is perceived credit risk and the steps taken to mitigate the risks to identified sectors.

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Information Other than the Consolidated Ind AS Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Annual Report but does not include the Consolidated Ind AS 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 Consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and those charged with governance for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Consolidated Ind AS financial statements that give a true and fair view of the Consolidated financial position, Consolidated financial performance, Consolidated changes in equity and Consolidated cash flows of the Group including its Associates and jointly controlled entities 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.The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for assessing the ability of the Group and of its associates and jointly controlled entities 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for overseeing the financial reporting process of the Group and of its associates and jointly controlled entities.

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Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Ind AS 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 Consolidated Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the Consolidated Ind AS 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the 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 Group and its associates and jointly controlled entities 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 Consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and jointly controlled entities to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Ind AS financial statements, including the disclosures, and whether the Consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and jointly controlled entities to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Consolidated Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Ind AS financial statements may be influenced. We consider quantitative materiality and qualitative factors in planning the scope of our audit work and in evaluating the results of our work; and to evaluate the effect of any identified misstatements in the consolidated Ind AS financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) We did not audit the financial statements / financial information of the subsidiaries, whose financial statements reflect total assets of Rs.13,89,207.80 lakhs as at 31st March, 2024, total revenues of Rs. 2,60,099.19 lakhs and net cash flows amounting to Rs.31,142.77 lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements.

(b) This financial statements / financial information has been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

(C) Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information.

Report on Other Legal and Regulatory Requirements

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

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated financial statements;

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books;

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other Comprehensive Income), the Consolidated Statement of changes in equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated financial statement;

d) In our opinion, the aforesaid Consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant Rules issued thereunder.

e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2024 taken on record by the Board of Directors of the Holding Company, and the reports of the statutory auditors of its subsidiary companies, none of the directors of the Group companies, incorporated in India is disqualified as on 31st March, 2024 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 Group and the operating effectiveness of such controls, refer our separate Report in **"Annexure A".**

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its Directors during the year is in accordance with the provisions of Section 197 of the Act.

h) 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 Consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.

ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts as at 31 March 2024.

iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Holding company and its subsidiaries.

iv. a) The respective Managements of the Holding Company and its subsidiaries, which are Companies incorporated in India, whose financial statements have been audited under the Act, has represented to us and to the other auditors of such subsidiaries that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries, to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries, ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective Management of the Holding Company and its subsidiaries, which are Companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been received by the Holding Company or any of such subsidiaries, from any person or entity, including foreign entity ('Funding Parties") with the understanding, whether recorded in writing or otherwise that the Holding Company or any of such subsidiaries shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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Chartered Accountants

Krishnan Retna & Associates
Chartered Accountants

c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us on the Holding Company and that performed by the auditors of the subsidiaries, which are Companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The dividend declared and paid during the year by the Holding Company is in compliance with Section 123 of the Act.

vi Based on our examination which included test checks, the Group has used an accounting software for maintaining its books of accounts for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Refer Note No.50 to the consolidated financial statements.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1,2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the Financial Year ended March 31,2024.

For Rangamani & Co.,
Chartered Accountants,
ICAI FRN:003052S

CA. R. Krishnan
(Partner)
M.No.025927

UDIN: 24025927BKCRMY1853

Place: Thiruvananthapuram
Date: 20.05.2024

For Krishnan Retna & Associates
Chartered Accountants,
ICAI FRN: 001536S

CA. Nikhil R Kumar
(Partner)
M.No. 231162

UDIN: 24231162BKESUV2120

Place: Thiruvananthapuram
Date: 20.05.2024

Rangamani & Co: PH: 0477-2251474
EMAIL: rangamanis@rediffmail.com

Krishnan Retna & Associates: PH: 0471-2476356
EMAIL: trivandrum@krishnanretna.com

ANNEXURE “A” TO THE INDEPENDENT AUDITORS' REPORT

Referred to in Paragraph 1(f) under 'Report on other Legal and Regulatory Requirements' of the Independent Auditors' Report of even date to the members of Muthoot Fincorp Limited on the Consolidated Ind AS Financial Statements as of and for the year ended 31st March 2024.

REPORT ON THE INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING UNDER CLAUSE (I) OF SUB SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("the Act"):

In conjunction with our audit of the Consolidated Ind AS Financial Statements of the Company as of and for the year ended March 31, 2024, we have audited the internal financial controls over financial reporting of **Muthoot FinCorp Limited** (hereinafter referred to as "the Holding Company") and its subsidiary companies, which includes internal financial controls over financial reporting of the Company and its subsidiaries.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary companies, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company and its subsidiary companies, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, both issued by the 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. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies are sufficient and appropriate to provide a basis for our audit opinion on the Group'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 authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Holding Company and its subsidiary companies, have, 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 31,2024 based on the criteria for internal financial control over financial reporting established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to the subsidiary companies are based solely on the corresponding reports of the auditors of such company.

Our opinion is not modified in respect of the above matter.

For Rangamani & Co.,
Chartered Accountants,
ICAI FRN:003052S

CA. R. Krishnan
(Partner)
M.No.025927

UDIN: 24025927BKCRMY1853

Place: Thiruvananthapuram
Date: 20.05.2024

For Krishnan Retna & Associates
Chartered Accountants,
ICAI FRN: 001536S

CA. Nikhil R Kumar
(Partner)
M.No. 231162

UDIN: 24231162BKESUV2120

Place: Thiruvananthapuram
Date: 20.05.2024

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2024

(INR in lakhs)

Particulars	Notes	As at 31st March 2024	As at 31st March 2023
ASSETS			
Financial assets			
Cash and cash equivalents	5	2,41,911.80	3,35,294.75
Bank Balance other cash and cash equivalent	6	77,408.22	57,793.13
Receivables			
Trade Receivables	7	3,628.54	3,128.49
Loans	8	32,85,997.82	25,72,903.90
Investments	9	17,327.08	15,231.46
Other Financial assets	10	42,734.58	22,619.16
Non-financial Assets			
Current tax assets (net)		3,285.74	1,249.67
Deferred tax assets (net)	36	14,154.78	13,547.86
Investment Property	11	26,119.76	26,119.76
Property, Plant and Equipment	12	47,751.65	45,646.57
Intangible assets under development	13	691.44	880.25
Other Intangible assets	13	2,854.88	1,731.77
Right-of-use assets	14	97,946.96	91,867.68
Other non financial assets	15	8,600.30	25,446.36
Total assets		**38,70,413.55**	**32,13,460.81**
LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
Derivative Financial Liability	16	239.64	89.19
Payables	17		
(I) Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises		15.00	18.22
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		545.29	535.71
(II) Other Payables			
(i) total outstanding dues of micro enterprises and small enterprises		799.49	813.40
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		5,124.54	4,797.02
Debt Securities	18	3,83,276.28	4,41,658.04
Borrowings (other than debt securities)	19	24,64,326.19	18,94,542.99
Lease Liability	14	1,12,786.57	1,02,702.92
Subordinated Liabilities	20	2,14,117.72	2,27,858.69
Other Financial liabilities	21	92,629.70	1,01,203.58
Non-financial Liabilities			
Current tax liabilities (net)		-	2,305.00
Provisions	22	3,594.32	1,619.57
Deferred tax liabilities (net)	36	8,143.40	6,122.67
Other non-financial liabilities	23	5,169.67	3,475.45

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2024

(INR in lakhs)

Particulars	Notes	As at 31st March 2024	As at 31st March 2023
Equity			
Equity share capital	24	19,370.56	19,370.56
Other equity	25	4,13,996.25	3,53,987.04
Equity attributable to equity holders of the parent		4,33,366.81	3,73,357.60
Non-controlling interest		1,46,278.92	52,360.77
Total Equity		5,79,645.73	4,25,718.37
Total Liabilities and Equity		**38,70,413.55**	**32,13,460.81**
See accompanying summary of material accounting policies	*1 to 4*		

In terms of our joint report of even date attached

For Rangamani & Co.
Chartered Accountants
Firm Regn. No. 003052S

Sd/-
CA. Krishnan R
Partner
Membership No.025927
Place: Thiruvananthapuram

For Krishnan Retna & Associates
Chartered Accountants
Firm Regn. No. 001536S

Sd/-
CA. Nikhil R Kumar
Partner
Membership No.231162
Place: Thiruvananthapuram

For and on behalf of the Board of Directors,

Sd/-
Thomas John Muthoot
Managing Director
DIN: 00011618
Place: Thiruvananthapuram

Sd/-
Thomas George Muthoot
Director
DIN: 00011552
Place: Thiruvananthapuram

Sd/-
Thomas Muthoot
Executive Director and
Chief Financial Officer
DIN: 00082099
Place: Boston, USA

Sd/-
Sachu Sivas
Company Secretary
Place: Thiruvananthapuram

Date: May 20, 2024

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024

(INR in lakhs)

Particulars	Notes	For the year ended 31st March 2024	For the year ended 31st March 2023
Revenue from operations			
Interest income	26	5,98,403.44	4,82,757.07
Dividend income		21.34	21.29
Rental income		533.43	469.96
Fees and commission income		21,211.53	12,845.63
Net Gain on fair value changes	27	30,551.52	11,064.95
Sale of service		108.29	92.54
Others	28	7,140.25	5,737.27
Total Revenue from operations		**6,57,969.80**	**5,12,988.70**
Other Income	29	481.84	2,143.83
Total Income		**6,58,451.64**	**5,15,132.53**
Expenses			
Finance costs	30	2,82,808.74	2,23,251.68
Fees and commission expenses		2,167.57	2,252.54
Impairment on financial instruments	31	21,079.77	28,808.90
Employee benefits expenses	32	1,32,851.77	98,739.11
Depreciation, amortization and impairment	33	24,489.03	21,627.70
Other expenses	34	53,400.54	53,222.07
Total Expenses		**5,16,797.41**	**4,27,901.99**
Profit before tax		**1,41,654.23**	**87,230.54**
Tax Expense:	36		
(1) Current tax		35,810.60	25,252.16
(2) Deferred tax charge / (credit)		908.71	(2,663.94)
(3) Tax relating to prior years		137.17	-
Profit for the year		**1,04,797.75**	**64,642.33**
Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss			
Remeasurement of the defined benefit liabilities		(808.12)	(154.93)
Net gain / (loss) on equity instruments measured through other comprehensive income		617.22	(513.48)
Cost of Hedging		8.50	(38.06)
(ii) Income tax relating to items that will not be reclassified to profit or loss		46.11	177.86
Subtotal (A)		(136.29)	(528.61)
(i) Items that will be reclassified to profit or loss			
Remeasurement of loan assets		2,188.14	5,488.45
Cash Flow Hedging Reserve		2.06	(2.05)
(ii) Income tax relating to items that will be reclassified to profit or loss		(551.28)	(1,380.92)
Subtotal (B)		**1,638.93**	**4,105.47**
Other Comprehensive Income (A+B)		**1,502.64**	**3,576.86**

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024

(INR in lakhs)

Particulars	Notes	For the year ended 31st March 2024	For the year ended 31st March 2023
Total Comprehensive Income for the year		**1,06,300.39**	**68,219.18**
Profit for the year attributable to			
Equity holders of the parent		88,493.87	58,877.43
Non-controlling interest		16,303.88	5,764.90
Total Comprehensive income for the year, net of tax			
Equity holders of the parent		89,527.36	61,198.89
Non-controlling interest		16,773.03	7,020.30
Earnings per equity share	35		
Basic (INR)		45.68	30.40
Diluted (INR)		43.98	29.26

See accompanying summary of material accounting policies *1 to 4*

In terms of our joint report of even date attached

For Rangamani & Co.
Chartered Accountants
Firm Regn. No. 003052S

Sd/-
CA. Krishnan R
Partner
Membership No.025927
Place: Thiruvananthapuram

For Krishnan Retna & Associates
Chartered Accountants
Firm Regn. No. 001536S

Sd/-
CA. Nikhil R Kumar
Partner
Membership No.231162
Place: Thiruvananthapuram

For and on behalf of the Board of Directors,

Sd/-
Thomas John Muthoot
Managing Director
DIN: 00011618
Place: Thiruvananthapuram

Sd/-
Thomas George Muthoot
Director
DIN: 00011552
Place: Thiruvananthapuram

Sd/-
Thomas Muthoot
Executive Director and
Chief Financial Officer
DIN: 00082099
Place: Boston, USA

Sd/-
Sachu Sivas
Company Secretary
Place: Thiruvananthapuram

Date: May 20, 2024

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2024

(INR in lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
A. Cash flow from operating activities		
Profit before tax	**1,41,654.23**	**87,230.54**
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation on Property, plant and equipment	6,978.91	5,624.89
Depreciation on Right of Use Assets	16,631.29	15,187.34
Depreciation on intangibles	878.83	815.47
Finance Cost	2,82,808.74	2,23,251.68
Dividend Income	(21.34)	(21.29)
Income from investment	(2,649.55)	(1,463.84)
Unrealised fair value adjustments	(52.09)	88.79
Gain on sale of loan assets	(30,054.95)	(11,153.74)
Profit on sale of assets	(171.50)	(491.84)
Impairment of loan assets	(5,050.41)	7,850.67
Bad debts written off	26,130.18	23,303.70
Impairment on assets held for sale	295.22	336.37
Adjustment towards effective interest rate in respect of borrowings	(2,684.48)	(2,591.26)
Share based payments	846.70	428.10
Operating Profit Before Working Capital Changes	**4,35,539.77**	**3,48,395.57**
Adjustments for Working capital changes:		
(Increase)/Decrease in trade receivables	(500.05)	(6,030.30)
(Increase)/Decrease in Bank balances other than cash and cash equivalents	(601.26)	(237.46)
(Increase)/Decrease in loan assets	(7,31,985.54)	(3,18,661.95)
(Increase)/Decrease in other financial assets	9,691.87	(3,513.89)
(Increase)/Decrease in other non financial assets	16,535.84	2,989.46
Increase/(Decrease) in trade and other payables	319.98	39.97
Increase/(Decrease) in other financial liabilities	(1,891.73)	5,076.04
Increase/(Decrease) in other non financial liabilities	1,694.22	1,159.05
Increase/(Decrease) in provisions	1,166.63	583.95
Operating profit before tax	**(2,70,030.28)**	**29,800.44**
Finance Cost Paid	(2,78,338.81)	(2,09,157.07)
Taxes paid	(40,288.83)	(17,057.38)
Net cash used in operating activities	**(5,88,657.93)**	**(1,96,414.01)**
B. Cash flow from Investing activities		
Sale / Redemption of investments	2,840.32	54,046.60
Fresh investments made	(6,846.00)	(82,313.63)
Purchase of property, plant and equipment, Intangibles	(10,908.35)	(9,909.54)
Sale of property, plant and equipment & investment property	14.04	5,165.00
Increase in fixed deposit	(19,310.32)	(14,960.25)
Dividend income	21.34	21.29
Income from investment	2,649.55	1,463.84
Net cash used in investing activities	**(31,539.41)**	**(46,486.68)**

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2024

(INR in lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
C. Cash flow from Financing activities		
Redemption of debt securities	(58,913.96)	(6,198.72)
Proceeds from issue of equity shares by subsidiary to minority	76,000.00	-
Share issue expenses	(5,498.09)	-
Funds borrowed	5,72,160.01	2,95,485.68
Repayments of subordinated liability	(12,901.09)	(12,095.29)
Payment of lease liability	(23,360.13)	(21,067.96)
Payment of dividend	(20,881.46)	(1,355.94)
Proceeds from issue of equity shares for ESOP	-	2,721.58
Proceeds from issue of preference shares	-	8,181.25
Proceeds from treasury shares	209.11	(2,721.58)
Net cash flows from financing activities	**5,26,814.39**	**2,62,949.00**
D. Net increase / (decrease) in cash and cash equivalents	**(93,382.95)**	**20,048.32**
Net cash and cash equivalents at beginning of the year	3,35,294.75	3,15,246.43
Cash and cash equivalents at 31st March 2024 / 31st March 2023	**2,41,911.80**	**3,35,294.75**

See accompanying summary of material accounting policies

In terms of our joint report of even date attached

For Rangamani & Co.
Chartered Accountants
Firm Regn. No. 003052S

Sd/-
CA. Krishnan R
Partner
Membership No.025927
Place: Thiruvananthapuram

For Krishnan Retna & Associates
Chartered Accountants
Firm Regn. No. 001536S

Sd/-
CA. Nikhil R Kumar
Partner
Membership No.231162
Place: Thiruvananthapuram

For and on behalf of the Board of Directors,

Sd/-
Thomas John Muthoot
Managing Director
DIN: 00011618
Place: Thiruvananthapuram

Sd/-
Thomas George Muthoot
Director
DIN: 00011552
Place: Thiruvananthapuram

Sd/-
Thomas Muthoot
Executive Director and
Chief Financial Officer
DIN: 00082099
Place: Boston, USA

Sd/-
Sachu Sivas
Company Secretary
Place: Thiruvananthapuram

Date: May 20, 2024

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024

A. Equity Share Capital

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

(INR in lakhs)

Particulars	No. of shares	Amount
Equity shares of INR 10 each issued, subscribed and fully paid		
As at April 1, 2022	**19,37,05,560.00**	**19,370.56**
Issued during the year	-	-
As at March 31, 2023	**19,37,05,560.00**	**19,370.56**
Issued during the year	-	-
As at March 31, 2024	**19,37,05,560.00**	**19,370.56**

B. Other Equity

(INR in lakhs)

Particulars	Reserves and Surplus							Other Comprehensive Income						
	Securities Premium Reserve	Statutory Reserve (Pursuant to Section 45-IC of the RBI Act 1934)	Statutory Reserve (Pursuant to Section 29C of the NHB Act 1987)	Retained Earnings	General Reserve	Treasury shares	Employee stock options outstanding	Equity Instruments through Other Comprehensive income	Actuarial valuation of gratuity impact through Other Comprehensive Income	Changes in value of forward element of forward contract / gain/(loss) on hedging instruments	Loan assets through other comprehensive income	Total attributable to equity holders of the parent	Total non-controlling interest	Total
Balance as on 31st March 2022	**38,129.85**	**63,830.95**	**2,068.56**	**1,91,489.84**	**54.60**	**-**	**296.38**	**(1,566.01)**	**13.27**	**-**	**5,091.53**	**2,99,408.97**	**54,336.53**	**3,53,745.50**
Profit for the year	-	-	-	58,877.43	-	-	-	-	-	-	-	58,877.43	5,764.90	64,642.33
Other Comprehensive Income (net of taxes)	-	-	-	-	-	-	-	(384.21)	(61.78)	(24.22)	2,791.68	2,321.46	1,255.39	3,576.86
Changes during the year in employee stock options outstanding	-	-	-	-	(6.05)	-	434.17	-	-	-	-	428.13	-	428.13
Proceeds on transfer during the year	-	-	-	(2,721.58)	-	-	-	-	-	-	-	(2,721.58)	-	(2,721.58)
Transfer to Reserves u/s. 45-IC of RBI Act, 1934	-	12,473.97	-	(12,473.97)	-	-	-	-	-	-	-	-	-	-
Transfer to Reserves u/s. 29-C of NHB Act, 1987	-	-	550.00	(550.00)	-	-	-	-	-	-	-	-	-	-
Dividend Paid	-	-	-	(1,355.94)	-	-	-	-	-	-	-	(1,355.94)	-	(1,355.94)
Tax relating to prior years	-	-	-	354.76	-	-	-	-	-	-	-	354.76	-	354.76
Purchase of shares of subsidiary	-	-	-	(3,326.19)	-	-	-	-	-	-	-	(3,326.19)	(19,898.81)	(23,225.00)
Proceeds on issue of Equity shares	-	-	-	-	-	-	-	-	-	-	-	-	2,721.57	2,721.57
Proceeds on issue of Compulsorily Convertible Preference Shares	-	-	-	-	-	-	-	-	-	-	-	-	8,181.19	8,181.19

B. Other Equity (Cont.)

(INR in lakhs)

Particulars	Reserves and Surplus							Other Comprehensive Income						
	Securities Premium Reserve	Statutory Reserve (Pursuant to Section 45-IC of the RBI Act 1934)	Statutory Reserve (Pursuant to Section 29C of the NHB Act 1987)	Retained Earnings	General Reserve	Treasury shares	Employee stock options outstanding	Equity Instruments through Other Comprehensive income	Actuarial valuation of gratuity impact through Other Comprehensive Income	Changes in value of forward element of forward contract / gain/(loss) on hedging instruments	Loan assets through other comprehensive income	Total attributable to equity holders of the parent	Total non-controlling interest	Total
Balance as on 31st March 2023	**38,129.85**	**76,304.92**	**2,618.56**	**2,30,294.36**	**48.56**	**-**	**730.55**	**(1,950.22)**	**(48.51)**	**(24.22)**	**7,883.21**	**3,53,987.04**	**52,360.77**	**4,06,347.81**
Profit for the year	-	-	-	88,493.87	-	-	-	-	-	-	-	88,493.87	16,303.88	1,04,797.75
Other Comprehensive Income (net of taxes)	-	-	-	-	-	-	-	461.89	(503.20)	6.35	1,068.44	1,033.49	469.16	1,502.64
Changes during the year in employee stock options outstanding	-	-	-	-	(123.97)	-	970.67	-	-	-	-	846.70	-	846.70
Proceeds on transfer during the year	-	-	-	209.14	-	-	-	-	-	-	-	209.14	-	209.14
Transfer to Reserves u/s. 45-IC of RBI Act, 1934	-	20,247.79	-	(20,247.79)	-	-	-	-	-	-	-	-	-	-
Transfer to Reserves u/s. 29-C of NHB Act, 1987	-	-	700.00	(700.00)	-	-	-	-	-	-	-	-	-	-
Dividend Paid	-	-	-	(20,881.46)	-	-	-	-	-	-	-	(20,881.46)	-	(20,881.46)
Purchase of shares of subsidiary	-	-	-	(3,778.36)	-	-	-	-	-	-	-	(3,778.36)	729.07	(3,049.29)
Proceeds on issue of Equity shares by subsidiary (net of share issue expenses)	-	-	-	(5,498.13)	-	-	-	-	-	-	-	(5,498.13)	76,000.00	70,501.87
Conversion of compulsorily convertible preference shares by subsidiary	-	-	-	(416.05)	-	-	-	-	-	-	-	(416.05)	416.05	-
Balance as on 31st March 2024	**38,129.85**	**96,552.71**	**3,318.56**	**2,67,475.57**	**(75.42)**	**-**	**1,701.22**	**(1,488.33)**	**(551.71)**	**(17.87)**	**8,951.65**	**4,13,996.25**	**1,46,278.92**	**5,60,275.17**

See accompanying summary of material accounting policies

In terms of our joint report of even date attached

For Rangamani & Co.
Chartered Accountants
Firm Regn. No. 003052S

Sd/-
CA. Krishnan R
Partner
Membership No.025927
Place: Thiruvananthapuram

For Krishnan Retna & Associates
Chartered Accountants
Firm Regn. No. 001536S

Sd/-
CA. Nikhil R Kumar
Partner
Membership No.231162
Place: Thiruvananthapuram

Date: May 20, 2024

For and on behalf of the Board of Directors,

Sd/-
Thomas John Muthoot
Managing Director
DIN: 00011618
Place: Thiruvananthapuram

Sd/-
Thomas George Muthoot
Director
DIN: 00011552
Place: Thiruvananthapuram

Sd/-
Thomas Muthoot
Executive Director and Chief Financial Officer
DIN: 00082099
Place: Boston, USA

Sd/-
Sachu Sivas
Company Secretary
Place: Thiruvananthapuram

MATERIAL ACCOUNTING POLICIES

1. Corporate Information

Muthoot FinCorp Limited, (the Company), is a Public Limited Company, incorporated on June 10, 1997 under the provisions of Companies Act, 1956. The company is a Non-Deposit Accepting Non-Banking Financial Company (NBFC) registered with Reserve Bank of India (RBI) and was classified as a Non Deposit Taking Systemically Important Loan Company (NDSI). Based on the RBI notification RBI/2021-22/112 DOR.CRE.REC.No.60/03.10.001/2021-22, dated October 22, 2021, the Company is classified as NBFC - Middle Layer (NBFC-ML) under the Scale Based Regulation for Non-Banking Financial Companies.

Muthoot FinCorp Limited, the flagship company of the Muthoot Pappachan Group, provides a diverse mix of retail offerings catering to the various needs of its customers and is primarily engaged in business of Gold, SME Loans, Personal Loans and Loans against Property through its branch network across India. The company also offers Forex Services, Money Transfer Services and Wealth Management Services to its customers in its strive to be the most trusted financial service provider. The company is engaged in real estate business to a very limited extent. The Company's registered office is at Muthoot Centre, TC No 27/ 3022 Punnen Road, Thiruvananthapuram, Kerala, India, 695001. The Registration details of the Company are as follows:

Corporate Identity Number (CIN): U65929KL1997PLC011518

Reserve Bank of India Registration no.: N - 16.00170

The Company has 3 subsidiaries, Muthoot Housing Finance Company Limited (or "MHFCL" or "Muthoot Housing"), Muthoot Pappachan Technologies Limited (or "MPT") and Muthoot Microfin Limited (or "MML" or "Muthoot Microfin") (formerly known as Pancharatna Securities Limited), which are incorporated in India. The Parent Company along with its subsidiaries are referred to as "Group".

Muthoot Housing Finance Company Limited (MHFCL) is a public company domiciled in India and incorporated under provision of the Companies Act, 1956 having Corporate Identity Number (CIN) - U65922KL2010PLC025624, registered with the National Housing Bank ("NHB") under Section 29 A of the National Housing Bank Act, 1987 and primarily engaged in housing finance activities. The company was incorporated on 05th March 2010, and received the Certificate of Registration from the NHB on 11th February 2011, enabling the company to carry on business as a Housing Finance Company without accepting Public Deposits. The Company received its Certificate of Commencement of Business on 1st June 2011.

Muthoot Pappachan Technologies Private Limited (MPT) having Corporate Identity Number (CIN) - U72200KL2012PLC032664 was initially registered as a Private Limited Company on 16th November 2012. Later, it was converted to Muthoot Pappachan Technologies Limited on 5th July 2013. Based in the Technopark campus at Thiruvananthapuram, the company provides consulting-led integrated portfolio of Information Technology (IT) and IT enabled services to its clients. The company in short, aims at providing software solution as service to its customers.

Muthoot Microfin Limited (MML) was incorporated as a Private Limited Company in the year 1992 under the erstwhile Companies Act, 1956 having Corporate Identity Number (CIN) - L65190MH1992PLC066228. Effective from 18 March 1998, the Company was registered as a non-deposit accepting Non-Banking Financial Company (NBFC-ND) under the rules and regulations framed by the Reserve Bank of India. The company has obtained registration under the category of Non-Banking Financial Company – Micro Finance Institutions (NBFC-MFI) w.e.f. 25 March 2015. The operations of the Company are based on the Grameen model of lending. It is designed to promote entrepreneurship among women and inclusive growth. The Company provides financial assistance through micro loans to women engaged in small income generating activities. During the year ended March 31, 2024, MML has completed Initial Public Offer (IPO) of its shares. Pursuant to IPO, its shares were listed on National Stock Exchange (NSE) and BSE Limited (BSE) on December 26, 2023.

2. Basis of preparation

2.1 Statement of Compliance

The consolidated financial statements (CFS) of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and notified under section 133 of the Companies Act, 2013 (the Act) along with other relevant provisions of the Act, the Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 ('the NBFC Master Directions') issued by RBI and National Housing Bank Guidelines/Regulations ('NHB directions') and notification for Implementation of Indian Accounting Standard vide circular RBI/2019-20/170 DOR(NBFC).CC.PD. No.109/22.10.106/2019-20 dated 13 March 2020 ('RBI Notification for Implementation of Ind AS') issued by RBI to the extent applicable.

The financial statements are prepared on a going concern basis, as the Management is satisfied that the Group shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on the going concern assumption.

2.2 Presentation of financial Statements

The Group presents its Balance Sheet in order of liquidity. The Group prepares and presents its Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity in the format prescribed by Division III of Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 'Statement of Cash Flows'.

The Group generally reports financial assets and financial liabilities on a gross basis in the Balance Sheet. They are offset and reported net only when Ind AS specifically permits the same or it has an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event. Similarly, the Group offsets incomes and expenses and reports the same on a net basis when permitted by Ind AS specifically unless they are material in nature.

2.3 Principles of consolidation

The consolidated financial statements incorporate the financial statements of the Parent Company and all its subsidiaries, being the entities that it controls from the date control is gained. Control is evidenced where the investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Power is demonstrated through existing rights that give the ability to direct relevant activities, which significantly affect the entity's returns. The financial statements of subsidiaries are prepared for the same reporting year as the Parent Company. Where necessary, adjustments are made to the financial statements of subsidiaries to align the accounting policies in line with accounting policies of the Parent Company.

These consolidated financial statements are prepared on the following basis in accordance with Ind AS 110 on “Consolidated Financial Statements” specified under Section 133 of the Act. Following subsidiary companies have been considered in the preparation of the consolidated financial statements:

Name of the Company	Country of incorporation	Consolidated as	% equity shareholding of MFL (Current Year)	% equity shareholding of MFL (Previous Year)
Muthoot Housing Finance Company Limited	India	Subsidiary	81.71%	80.66%
Muthoot Pappachan Technologies Limited	India	Subsidiary	60.00%	60.00%
Muthoot Microfin Limited	India	Subsidiary	50.21%	72.36%

i) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which controls commences until the date on which control ceases.

ii) Non-controlling interest ("NCI")

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

iii) Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other component of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in the statement of profit and loss.

iv) Transactions eliminated on consolidation

The financial statements of the Holding Company and its subsidiary used in the consolidation procedure are drawn up to the same reporting date i.e. March 31, 2024. The financial statements of the Holding Company and its subsidiary are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses. Intra-group balances and transactions, and unrealized income and expenses arising from intra-group transactions, are eliminated. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment. The Group follows uniform accounting policies for like transactions and other events in similar circumstances. For additional information as required by Paragraph 2 of the General Instructions for preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013, refer Note 51.

2.4 Basis of measurement

The financial statements have been prepared on a historical cost basis, except for following assets and liabilities which have been measured at fair value:

i) Investments in equity instruments at fair value through other comprehensive income (FVTOCI)

ii) Financial assets and liabilities designated at fair value through profit or loss (FVTPL)

iii) Financial assets measured at fair value through other comprehensive income (FVTOCI)

iv) Investments which are held for trading

v) Assets held for sale are measured at fair value less cost to sell or carrying value whichever is lower

vi) Defined benefit plans.

vii) Derivative Financial Instruments

2.5 Functional and presentation currency

The financial statements are presented in Indian Rupees (INR) which is also functional currency of the Group and the currency of the primary economic environment in which the Group operates. All values are rounded to the nearest lakhs, except when otherwise indicated.

3. Material accounting policies

3.1 Recognition of interest income

Interest income is recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial assets other than credit-impaired assets and financial assets classified as measured at FVTPL.

The EIR in case of a financial asset is computed:

a. As 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.

b. By considering all the contractual terms of the financial instrument in estimating the cash flows.

c. Including all fees received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Any subsequent changes in the estimation of the future cash flows is recognised in interest income with the corresponding adjustment to the carrying amount of the assets.

3.2 Recognition of revenue from sale of goods and services

Revenue (other than for financial instruments) is measured at fair value of the consideration received or receivable. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance found within Ind ASs.

The Group recognises revenue from contracts with customers based on a five-step model as set out in Ind 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 Group 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 Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Group satisfies a performance obligation.

Revenue from contract with customer for rendering services is recognised at a point in time when performance obligation is satisfied.

3.2.1 Dividend income

Dividend income is recognised when the Group's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably.

3.2.2 Income from assignment transactions

Gains arising out of direct assignment transactions comprise the difference between the interest on the loan portfolio and the applicable rate at which the direct assignment is entered into with the assignee, also known as the excess interest spread (EIS).In accordance with Ind AS 109 and as per management practice, in case of assignment transactions with complete transfer of risks and rewards without any retention of residual interest, gain arising on such assignment transactions is recorded upfront in the Statement of Profit and Loss and the corresponding asset is derecognized from the Balance Sheet immediately upon execution of such transaction. Further, where the transfer of financial asset qualifies for derecognition in its entirety, the whole of the interest spread at its present value (discounted over the life of the asset) is recognized on the date of derecognition itself as receivable towards assignment transactions and correspondingly recognized as gain on sale of loan assets.

3.2.3 Rental Income

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included in rental income in the statement of profit and loss, unless the increase is in line with expected general inflation, in which case lease income is recognised based on contractual terms.

3.2.4 Fees and commission income

Fees and commission income such as service charges, commission from fee-based business lines, service income etc. are recognised on point in time basis.

3.2.5 Miscellaneous Income

All other income is recognized on an accrual basis, when there is no uncertainty in the ultimate realization/collection.

3.3 Financial instruments

A. Financial Asset

3.3.1 Initial recognition

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Loans are recognised when funds are transferred to the customers' account. investments are recognized on the date when the company becomes party to the contractual provisions. The group recognizes debt securities, deposits and borrowings when funds reach the group and post allotment, where applicable.

3.3.2 Initial and subsequent measurement of financial instruments

The Group classifies its financial assets into the following measurement categories:

1. Debt instruments at amortised cost
2. Debt instruments at fair value through other comprehensive income (FVTOCI).
3. Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL).
4. Equity instruments measured at fair value through other comprehensive income FVTOCI.

The classification depends on the contractual terms of the financial assets' cash flows and the Group's business model for managing financial assets which are explained below:

Business model assessment

The Group determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Group's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel
- The risks that affect the performance of the business model (and the financial assets held within that business model) and the way those risks are managed
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)
- The expected frequency, value and timing of sales are also important aspects of the Group's assessment.
- The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way

that is different from the Group's original expectations, the Group does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

The SPPI test

As a second step of its classification process, the Group assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

In making this assessment, the Group considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

The Group classifies its financial liabilities at amortised costs unless it has designated liabilities at fair value through the profit and loss account or is required to measure liabilities at fair value through profit or loss such as derivative liabilities.

3.3.3. Financial assets measured at amortised cost

A 'debt instrument' is measured at amortised cost if both the following conditions are met:

a. The financial asset is held within a business model with the objective to hold financial assets to collect contractual cash flows and

b. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement at fair value plus directly attributable costs, these financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the profit or loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in statement of profit and loss.

3.3.4 Financial assets measured at fair value through other comprehensive income

A 'debt instrument' is measured at fair value through other comprehensive income if both the following conditions are met:

a. The financial asset is held within a business model with the objective to hold financial assets to collect contractual cash flows and selling the assets and

b. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding

Debt instruments included within the FVTOCI category are measured at each reporting date at fair value with such changes being recognised in other comprehensive income (OCI). The interest income on these assets is recognised in profit or loss. Impairment losses or reversals, interest revenue and foreign exchange gains and losses are recognised in profit and loss. Upon disposal, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to the income statement.

3.3.5 Financial Instrument measured at fair value through profit or loss

Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as

FVTOCI, is classified as at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition, if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Group's investment is classified as FVTPL, if it is acquired or incurred principally for the purpose of selling or repurchasing in the near term, or forms part of a portfolio of financial instruments that are managed together and for which there is evidence of short-term profit taking.

Financial instruments held at fair value through profit or loss, are initially recognised at fair value, with transaction costs recognised in the income statement as incurred. Subsequently, they are measured at fair value and any gains or losses are recognised in the income statement as they arise.

3.3.6 Equity instruments

The Group subsequently measures investment in equity investments at fair value through profit or loss, unless the Group's management has elected to classify irrevocably some of its equity investments as equity instruments at FVTOCI, when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. Such classification is determined on an instrument-by-instrument basis.

Gains and losses on these equity instruments classified at FVTOCI are never recycled to profit or loss. Dividends are recognised in profit or loss as dividend income when the right of the payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI.

B. Financial Liabilities

Initial recognition and measurement

All financial liabilities are initially recognised at fair value. Transaction cost that are directly attributable to the acquisition or the issue of financial liability, which are not at fair value through profit or loss, are adjusted to fair value at initial recognition.

Subsequent measurement

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

3.4 Derecognition of financial assets and liabilities

3.4.1 Financial Asset

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Group also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Group has transferred the financial asset if, and only if, either:

a) The Group has transferred its contractual rights to receive cash flows from the financial asset

or

b) It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass–through' arrangement

Pass-through arrangements are transactions whereby the Group retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following three conditions are met:

- The Group has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates
- The Group cannot sell or pledge the original asset other than as security to the eventual recipients
- The Group has to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the Group is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if either:

- The Group has transferred substantially all the risks and rewards of the asset or
- The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

The Group considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Group has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Group's continuing involvement, in which case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

3.4.2 Financial Liability

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as derecognition 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.

3.5 Offsetting

Financial assets and financial liabilities are generally reported gross in the balance sheet. Financial assets and liabilities are offset, and the net amount is presented in the balance sheet when the Group has a legal right to offset the amounts and intends to settle on a net basis or to realise the asset and settle the liability simultaneously in all the following circumstances:

a. The normal course of business

b. The event of default

c. The event of insolvency or bankruptcy of the Group and/or its counter parties.

3.6 Impairment of financial assets

3.6.1 Overview of the Expected Credit Loss (ECL) principles

The Group has created provisions on all financial assets except for financial assets classified as FVTPL, based on the expected credit loss method. The Group also ensures maintaining the minimum provision requirement as per RBI and NHB regulations.

The ECL provision is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss. The 12-month ECL is the portion of Lifetime ECL that represent the ECLs that result from default events on financial assets that are possible within the 12 months after the reporting date.

The Group performs an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

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

For non-impaired financial instruments

- Stage 1 is comprised of all non-impaired financial instruments which have not experienced a significant increase in credit risk (SICR) since initial recognition. A 12-month ECL provision is made for stage 1 financial instruments. In assessing whether credit risk has increased significantly, the Group compares the risk of a default occurring on the financial instrument as at the reporting date, with the risk of a default occurring on the financial instrument as at the date of initial recognition.
- Stage 2 is comprised of all non-impaired financial instruments which have experienced a SICR since initial recognition. The Group recognises lifetime ECL for stage 2 financial instruments. In subsequent reporting periods, if the credit risk of the financial instrument improves such that there is no longer a SICR since initial recognition, then entities recognize 12 months of ECL.

For impaired financial instruments:

Financial instruments are classified as stage 3 when there is objective evidence of impairment as a result of one or more loss events that have occurred after initial recognition with a negative impact on the estimated future cash flows of a loan or a portfolio of loans. The Group recognises lifetime ECL for impaired financial instruments.

3.6.2 The calculation of ECLs

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

Probability of Default (PD) - The Probability of Default is an estimate of the likelihood of default over a given time horizon.

The Group uses historical information where available to determine PD. Considering the different products and schemes, the Group has bifurcated its loan portfolio into various pools. PD is calculated using Incremental NPA approach considering fresh slippage using historical information. Where historical information is not available for arriving at reasonable default probability, published probability of default for similar loan segments are used.

Exposure at Default (EAD) - The Exposure at Default is an estimate of the exposure at a future default date, considering expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

Loss Given Default (LGD) – The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive. The Group uses computed discounted recoveries in NPA accounts that are closed during the year where historical information is available and uses Foundational Internal Ratings Based approach (FIRB) norms in the absence of sufficient historical trends.

Forward looking information

While estimating the expected credit losses, the Group reviews macro-economic developments occurring in the economy and market it operates in. On a periodic basis, the Group analyses if there is any relationship between key economic trends like GDP, unemployment rates, benchmark rates set by the Reserve Bank of India, inflation etc. with the estimate of PD, LGD determined by the Group based on its internal data. While the internal estimates of PD, LGD rates by the Group may not be always reflective of such relationships, temporary overlays, if any, are embedded in the methodology to reflect such macro-economic trends reasonably.

Write-offs

Loans are written off (either partially or in full) when there is no realistic prospect of recovery. This is generally the case when it is determined that the customer does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. Any subsequent recoveries against such loans are credited to the statement of profit and loss.

Collateral

To mitigate its credit risks on financial assets, the Group seeks to use collateral, where possible. The collateral comes in various forms, such as gold, cash, securities, letters of credit/guarantees, stock, current asset etc. However, the fair value of collateral affects the calculation of ECLs. The fair value of the same is based on data provided by third party or management judgements.

Impairment of Trade receivables

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables.

3.7 Determination of fair value

The Group measures financial instruments such as, investments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

i. In the principal market for the asset or liability, or

ii. In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, if market participants act in their economic best interest.

A fair value measurement of a non-financial asset considers a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which enough data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

The financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

Level 1 financial instruments – Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Group has access to at the measurement date. The Group considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

Level 2 financial instruments – Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Group will classify the instruments as Level 3.

Level 3 financial instruments – Those that include one or more unobservable input that is significant to the measurement as whole.

3.8 Foreign Currency translation

Transactions in foreign currencies are initially recorded in the functional currency at the spot rate of exchange ruling at the date of the transaction. However, for practical reasons, the Group uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated into the functional currency at the spot rate of exchange at the reporting date. All differences arising on non–trading activities are taken to other income/expense in the statement of profit and loss.

Non–monetary items that are measured at historical cost in a foreign currency are translated using the spot exchange rates as at the date of recognition.

3.9 Finance cost

Finance costs represents interest expense recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial liabilities other than financial liabilities classified as FVTPL.

Interest expense includes issue costs that are initially recognized as part of the carrying value of the financial liability and amortized over the expected life using the effective interest method. These include fees and commissions payable to borrowers and advisers and other expenses such as external legal costs, provided these are incremental costs that are directly related to the issue of a financial liability.

3.10 Other income and expenses

All Other income and expense are recognized in the period they occur.

3.11 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand, short-term deposits with an original maturity of three months or less and forex balances, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short- term deposits, as defined above, net of outstanding bank overdrafts, if any as they are considered an integral part of the Group's cash management.

3.12 Property, plant and equipment

Property, plant and equipment (PPE) are measured at cost less accumulated depreciation and accumulated impairment, (if any). The total cost of assets comprises its purchase price, freight, duties, taxes and any other incidental expenses directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.

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.

Subsequent expenditure related to an item of tangible asset are added to its gross value only if it increases the future benefits of the existing asset, beyond its previously assessed standards of performance and cost can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

3.13 Depreciation

Tangible assets are stated at historical cost less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Depreciation is charged based on a review by the management during the year and at the rates derived based on the useful lives of the assets as specified in Schedule II of the Companies Act, 2013 or estimated useful lives estimated by the respective management based on technical evaluation. The holding company and one of its subsidiaries, Muthoot Microfin Limited follow the Straight Line Method for providing depreciation whereas the two other subsidiaries follow Written Down Value Method.

Leasehold improvements and assets held under finance leases are depreciated over the shorter of lease term or their useful life. 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.

Property plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the statement of profit and loss in the year the asset is derecognised. The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

3.14 Capital work-in-progress

Capital work-in-progress are carried at cost, comprising direct cost and related incidental expenses. Assets which are not ready for intended use are also shown under capital work-in-progress.

3.15 Intangible assets

The Group's intangible assets consist of computer software.

An intangible asset is recognised only when its cost can be measured reliably, and it is probable that the expected future economic benefits that are attributable to it will flow to the Group.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of an intangible asset comprises its purchase price and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

Intangible assets are amortised by the Group over a period of 3 years, except in case of Muthoot Pappachan Technologies Limited where the computer software is amortised over a period of 10 years or over the estimated useful lives.

Gains or losses from derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit and Loss when the asset is derecognised.

3.16 Investment Property

Properties, held to earn rentals and/or capital appreciation are classified as investment property and measured and reported at cost, including transaction costs. Subsequent expenditure is capitalized to the assets carrying amount only when it is probable that the future economic benefit associated with the expenditure will flow to the Group.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of property is recognised in the Statement of Profit and Loss in the same period. The fair value of investment property is disclosed in the notes accompanying these financial statements. Fair value has been determined by an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

3.17 Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. 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 considered. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

3.18 Post-employment benefits

3.18.1 Defined contribution schemes

Contributions to the Employees Provident Fund Scheme maintained by the Central Government, Employee State Insurance Corporation (ESIC) etc. are accounted for on an accrual basis. Retirement benefit in the form of provident fund is a defined contribution scheme.

The Group has no obligation, other than the contribution payable under the schemes. The Group recognizes contribution payable to the provident fund scheme / ESIC as expenditure, when an employee renders the related service. If the contribution payable to the scheme / ESIC for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset.

3.18.2 Defined Benefit schemes

Gratuity

The Group provides for gratuity covering eligible employees under which a lump sum payment is paid to vested employees at retirement, death, incapacitation or termination of employment, of an amount reckoned on the respective employee's salary and his tenure of employment with the Group. The Group accounts for its liability for future gratuity benefits based on actuarial valuation determined at each Balance Sheet date by an Independent Actuary using Projected Unit Credit Method. The Group makes contributions to a Gratuity Fund administered by the Life Insurance Corporation of India.

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 other equity through OCI in the period in which they occur. Re-measurements are not reclassified to statement of profit and loss in subsequent periods.

3.19 Share Based Payments

The Group has formulated Employees Stock Option Schemes and Stock Appreciation Right Schemes (SAR). The fair value of options granted under Employee Stock Option Plan is recognised as an employee benefits expense with a corresponding increase in non-financial liability and the fair value of SAR granted is recognized as an employee benefit expense having a corresponding increase in financial liability. The total amount to be expensed is determined by reference to the fair value of the options. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the group revises its estimates of the number of options that are expected to vest.

3.20 Provisions

Provisions are recognised when the enterprise has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

When the effect of the time value of money is material, the enterprise determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

3.21 Assets held for sale

Assets possessed against the settlement of loans are carried in the balance sheet at a value of outstanding principal loan amount or fair value of asset whichever is lower. In case the fair value of the asset acquired is lower than the outstanding principal loan amount; then the shortfall is to be provided for in the books of account in such financial year.

These assets are classified as 'Assets held for sale' under 'Non-financial assets' till the asset acquired is finally disposed. The outstanding overdue interest and other charges will be accounted on realization basis.

Further, if on disposal of the assets so acquired, the sale proceed is higher than the receivable amount (including outstanding loan, outstanding overdue interest, other charges and interest), then the excess will be refunded to the borrowers.

3.22 Taxes

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

3.22.1 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.

Interest income / expenses and penalties, if any, related to income tax are included in current tax expense. 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 Group operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised either in other comprehensive income or in other equity. Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in other equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

3.22.2 Deferred tax

Deferred tax assets and liabilities are recognised for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred tax assets are only recognised for temporary differences, unused tax losses and unused tax credits if it is probable that future taxable amounts will arise to utilise those temporary differences and losses. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities are realised simultaneously.

3.22.3 Goods and services tax /value added taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the goods and services tax/value added taxes paid, except:

i. When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable

ii. When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

3.23 Contingent Liabilities and assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. The Group does not have any contingent assets in the financial statements.

3.24 Earnings Per Share

The Group reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic EPS is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividend and attributable taxes) by the weighted average number of equity shares outstanding during the year.

For calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

3.25 Dividends on ordinary shares

The Group recognises a liability to make distributions to equity holders of the Group when the distribution is authorised, and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

3.26 Leases

The determination of whether an arrangement is a lease, or contains a lease, is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets or whether the arrangement conveys a right to use the asset.

Group as a lessee

The Groups lease asset class consists of building and equipment. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group has, at the date of transition, recognized a right-of use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term lease) and low value assets. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are recognized at cost, which comprises the present value of the lease liability as at the date of transition. Right-of-use assets are depreciated on a straight-line basis over the shorter of the balance lease term and useful life of the underlying asset. The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit on the lease or, if not readily determinable, using the incremental borrowing rates. Interest accrued on lease liability and lease payments made, are subsequently adjusted to the initial recognition of lease liability.

Group as a lessor

Leases where the Group does not transfer substantially all the risks and benefits incidental to ownership of the leased items are operating leases. Rental Income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included in rental income in the statement of profit and loss.

3.27 Cash flow statement

Cash flows are reported using indirect method, whereby net profits before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from regular revenue generating (operating activities), investing and financing activities of the Group are segregated.

3.28 Derivative Financial Instruments

The Group enters into derivative financial instruments such as foreign exchange forward contracts to manage its exposure to foreign exchange rate risk. Derivatives are recognized at fair value and carried as assets when their fair value is positive and as liabilities when their fair value is negative. The resulting gain/loss is recognized in the Statement of Profit and Loss immediately unless the derivative is designated and is effective as a hedging instrument, in which event the timing of the recognition in the Statement of Profit and Loss depends on the nature of the hedge relationship.

4 Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with the Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosure and the disclosure of contingent liabilities, at the end of the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised, and future periods are affected. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

4.1 Business Model Assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Group monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

4.2 Defined employee benefit assets and liabilities

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

4.3 Fair value measurement

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

4.4 Impairment of financial assets

The measurement of impairment losses across all categories of financial assets requires judgement the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by several factors, changes in which can result in different levels of allowances.

It has been the Group's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

4.5 Effective Interest Rate (EIR) method

The Group's EIR methodology, recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges).

This estimation, by nature, requires an element of judgement regarding the expected behaviour and lifecycle of the instruments, as well expected changes to India's base rate and other fee income/expense that are integral parts of the instrument.

4.6 Lease Term

- The determination of lease term for some lease contracts in which the Group is a lessee, including whether the Group is reasonably certain to exercise lessee options.
- The determination of the incremental borrowing rate used to measure lease liabilities.

4.7 Share based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

4.8 Other estimates

These include contingent liabilities, useful lives of tangible and intangible assets etc.

(Rupees in lakhs, except for share data and unless otherwise stated)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

5 Cash and cash equivalents

Particulars	As at 31st March 2024	As at 31st March 2023
Cash on hand	8,537.19	9,563.12
Balances with Banks		
- in current accounts	1,49,686.03	1,40,590.57
- in deposit accounts having original maturity less than three months*	83,045.17	1,84,398.46
Others		
-Forex Balance	418.11	162.52
-Balance with cash collection agents	225.30	580.08
Total	**2,41,911.80**	**3,35,294.75**

** Includes earmarked balances of INR 3,527.93 as at 31st March 2024 (31st March 2023 - INR 4,800) towards margin money, security & debenture redemption reserve*

6 Bank Balance other than cash and cash equilvalents

Particulars	As at 31st March 2024	As at 31st March 2023
Deposit with original maturity for more than three months but less than twelve months*	69,800.08	50,786.25
Balance with Banks in escrow accounts	7,608.14	7,006.88
Total	**77,408.22**	**57,793.13**

** Includes earmarked balances of INR 6,118.86 as at 31st March 2024 (31st March 2023 - INR 9,737.63) towards margin money, security, debenture redemption reserve & staff security deposits and INR 61,043.27 (31st March 2023 - INR 40,779.40) being term deposits held as pledge against borrowings and other commitments.*

7 Receivables

Particulars	As at 31st March 2024	As at 31st March 2023
(I) Trade Receivables		
Receivables considered good - Unsecured		
Receivables from Money Transfer business	1,579.26	837.00
Wind Mill income receivable	1,957.47	2,241.65
Other Trade Receivables	91.81	49.84
Sub-Total	**3,628.54**	**3,128.49**
Less: Allowances for Impairment Loss	-	-
Total Net receivable	**3,628.54**	**3,128.49**

Trade receivables are non-interest bearing and are short-term in nature. These consist of receivable from Government and other parties, and does not involve any credit risk.

(Rupees in lakhs, except for share data and unless otherwise stated)

Ageing Schedule of Trade Receivables (At at 31st March,2024)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables- considered good	1,812.25	176.73	1,490.00	149.56	-	3,628.54
(ii) Undisputed Trade Receivables- which have signficant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables- credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables- which have signficant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables- credit impaired	-	-	-	-	-	-

Ageing Schedule of Trade Receivables (At at 31st March,2023)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables- considered good	1,026.60	639.68	857.39	505.18	99.64	3,128.49
(ii) Undisputed Trade Receivables- which have signficant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables- credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables- which have signficant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables- credit impaired	-	-	-	-	-	-

8 Loans

Particulars	As at 31st March 2024	As at 31st March 2023
Loans (at amortised cost)		
(A)		
Retail Loans	28,07,702.46	22,36,223.69
High Value Loans	28,496.60	29,572.39
Staff Loan	65.06	78.11
Housing loans & other loans	2,02,340.02	1,46,503.52
Total (A) - Gross	**30,38,604.1400**	**24,12,377.71**
Less: Impairment loss allowance	(48,283.93)	(53,840.57)
Total (A) - Net	**29,90,320.21**	**23,58,537.14**

(Rupees in lakhs, except for share data and unless otherwise stated)

Note 8 continued

Particulars	As at 31st March 2024	As at 31st March 2023
B)		
Secured loans	23,76,798.18	19,08,181.72
Unsecured Loans	6,61,805.96	5,04,195.99
Total (B) - Gross	**30,38,604.14**	**24,12,377.71**
Less : Impairment loss allowance	(48,283.93)	(53,840.57)
Total (B) - Net	**29,90,320.21**	**23,58,537.14**
(C) Loans in India		
i) Public Sector	-	-
ii) Others	30,38,604.14	24,12,377.71
Total (C) Gross	**30,38,604.14**	**24,12,377.71**
Less: Impairment Loss Allowance	(48,283.93)	(53,840.57)
Total (C) Net	**29,90,320.21**	**23,58,537.14**
Loans (at FVTOCI)		
(A)		
Other Loans	2,97,325.83	2,15,504.94
Total (A) - Gross	**2,97,325.83**	**2,15,504.94**
Less: Impairment loss allowance	(1,648.22)	(1,138.18)
Total (A) - Net	**2,95,677.61**	**2,14,366.76**
(B)		
Secured loans	-	-
Unsecured Loans	2,97,325.83	2,15,504.94
Total (B) - Gross	**2,97,325.83**	**2,15,504.94**
Less : Impairment loss allowance	(1,648.22)	(1,138.18)
Total (B) - Net	**2,95,677.61**	**2,14,366.76**
(C) Loans in India		
i) Public Sector	-	-
ii) Others	2,97,325.83	2,15,504.94
Total (C) Gross	**2,97,325.83**	**2,15,504.94**
Less: Impairment Loss Allowance	(1,648.22)	(1,138.18)
Total (C) Net	**2,95,677.61**	**2,14,366.76**
Total Loans (Net)	**32,85,997.82**	**25,72,903.90**

The Parent Company has continued its co-lending arrangements with banks for Gold loans. A total disbursement of INR 2,60,287.10 (31st March, 2023 - INR 3,40,362.20) was undertaken during the year under the Co-lending mechanism. As at 31st March, 2024, the total managed assets under the Co-lending mechanism amounted to INR 98,220.05 (INR 1,15,378.42 as at 31st March, 2023).

During the previous year, Muthoot Housing Finance Company Limited had sold financial assets being stressed loan receivables (>90 days past due) having a gross carrying amount of Rs. 3,592.94 lakhs (Gross book value of principal outstanding net of write off cases as on date of transfer) to an Asset Reconstruction Company ("ARC") for a consideration of Rs. 3,131.86 lakhs.As per the agreed terms, the Company has subscribed to the Security Receipts ("SRs") issued by the ARC trust amounting to Rs. 2,662.07 lakhs. As at 31 March, 2024 the face value of the above Security Receipts aggregates to Rs. 2,135.35 Lakhs.

(Rupees in lakhs, except for share data and unless otherwise stated)

Disclosures on Credit quality and analysis of ECL allowance of the company and its subsidiaries

Muthoot FinCorp Limited

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances. Details of the Company's internal grading system are explained in Note 44 and policies on whether ECL allowances are calculated on an individual or collective basis are set out in Note 44

Particulars	As at 31st March 2024				As at 31st March 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Internal rating grade								
Performing								
High grade	19,27,698.70	-	-	19,27,698.70	15,47,599.04	-	-	15,47,599.04
Standard grade	78,698.08	-	-	78,698.08	68,730.70	-	-	68,730.70
Sub-standard grade	-	89,792.58	-	89,792.58	-	72,625.47	-	72,625.47
Past due but not impaired	-	39,898.26	-	39,898.26	-	35,391.15	-	35,391.15
Non- performing								-
Individually impaired	-	-	35,146.50	35,146.50	-	-	37,161.13	37,161.13
Total	**20,06,396.79**	**1,29,690.84**	**35,146.50**	**21,71,234.13**	**16,16,329.75**	**1,08,016.61**	**37,161.13**	**17,61,507.49**

An analysis of changes in the gross carrying amount in relation to receivables under financing activites is, as follows:

Particulars	As at 31st March 2024				As at 31st March 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	16,16,329.75	1,08,016.61	37,161.13	17,61,507.49	15,65,191.55	1,17,162.63	49,959.29	17,32,313.47
New assets originated or purchased	47,56,424.49	-	-	47,56,424.49	43,34,393.64	-	-	43,34,393.64
Assets derecognised or repaid (excluding write offs)	(37,08,895.63)	(3,68,407.88)	(2,59,913.50)	(43,37,217.02)	(36,67,625.20)	(3,76,561.05)	(2,59,958.04)	(43,04,144.30)
Assets written off during the period	-	-	(9,480.84)	(9,480.84)	-	-	(1,055.32)	(1,055.32)
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	(4,47,119.31)	4,47,119.31	-	-	(4,34,456.12)	4,34,456.12	-	-
Transfers to Stage 3	(2,10,342.51)	(57,037.20)	2,67,379.71	-	(1,81,174.12)	(67,041.08)	2,48,215.20	-
Gross carrying amount closing balance	**20,06,396.79**	**1,29,690.84**	**35,146.50**	**21,71,234.13**	**16,16,329.75**	**1,08,016.61**	**37,161.13**	**17,61,507.49**

(Rupees in lakhs, except for share data and unless otherwise stated)

Reconciliation of ECL balance is given below:

Particulars	As at 31st March 2024				As at 31st March 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	9,006.98	507.60	26,939.71	36,454.29	7,187.86	835.83	22,768.90	30,792.59
New assets originated or purchased	19,124.88	-	-	19,124.88	24,153.35	-	-	24,153.35
Assets derecognised or repaid (excluding write offs)	(17,420.88)	(1,932.72)	(1,64,571.33)	(1,83,924.92)	(18,903.65)	(2,813.53)	(1,74,715.80)	(1,96,432.98)
Assets written off during the period	-	-	(9,480.84)	(9,480.84)	-	-	(1,055.32)	(1,055.32)
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	(1,797.80)	1,797.80	-	-	(2,421.00)	2,421.00	-	-
Transfers to Stage 3	(845.76)	(195.31)	1,041.07	-	(1,009.59)	(315.05)	1,324.64	-
Impact on year end ECLs of exposures transferred between stages during the year	-	266.73	1,67,288.90	1,67,555.63	-	379.36	1,78,617.30	1,78,996.65
ECL allowance - closing balance	**8,067.43**	**444.10**	**21,217.52**	**29,729.05**	**9,006.98**	**507.60**	**26,939.71**	**36,454.29**

Muthoot Microfin Limited

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances. Details of the Company's internal grading system are explained in Note 44 and policies on whether ECL allowances are calculated on an individual or collective basis are set out in Note 44.

Particulars	As at 31st March 2024				As at 31st March 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Internal rating grade								
Performing								
High grade	-	-	-	-	-	-	-	-
Standard grade	9,29,826.79	10,449.82	-	9,40,276.61	6,94,088.19	4,366.72	-	6,98,454.91
Sub-standard grade	-	-	-	-	-	-	21,415.35	21,415.35
Past due but not impaired	-	-	-	-	-	-	-	-
Non- performing					-	-	-	
Individually impaired	-	-	22,078.86	22,078.86	-	-	-	-
Total	**9,29,826.79**	**10,449.82**	**22,078.86**	**9,62,355.47**	**6,94,088.19**	**4,366.72**	**21,415.35**	**7,19,870.25**

(Rupees in lakhs, except for share data and unless otherwise stated)

An analysis of changes in the gross carrying amount in relation to receivables under financing activites is, as follows:

Particulars	As at 31st March 2024				As at 31st March 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	6,94,088.19	4,366.72	21,415.35	**7,19,870.25**	4,06,650.13	26,422.34	28,900.12	**4,61,972.59**
New assets originated or purchased	10,59,238.80	6,610.21	2,855.85	**10,68,704.86**	7,90,780.78	1,273.33	348.70	**7,92,402.81**
Assets derecognised or repaid (excluding write offs)	(8,08,737.29)	(3,064.20)	(3,414.26)	**(8,15,215.75)**	(4,99,579.40)	(26,245.02)	(140.97)	**(5,25,965.39)**
Transfers to Stage 1	68.71	(33.81)	(34.90)	**-**	293.55	(290.39)	(3.16)	**-**
Transfers to Stage 2	(4,885.81)	4,888.00	(2.19)	**-**	(3,789.25)	3,792.94	(3.69)	**-**
Transfers to Stage 3	(12,133.91)	(2,317.10)	14,451.01	**-**	(5,755.99)	(586.48)	6,342.47	**-**
Amounts written off	-	-	(13,191.99)	**(13,191.99)**	-	-	(14,028.12)	**(14,028.12)**
Change in fair value of loan assets	2,188.10	-	-	**2,188.10**	5,488.37	-	-	**5,488.37**
Gross carrying amount closing balance	**9,29,826.79**	**10,449.82**	**22,078.87**	**9,62,355.47**	**6,94,088.19**	**4,366.72**	**21,415.35**	**7,19,870.25**

Reconciliation of ECL balance is given below:

Particulars	As at 31st March 2024				As at 31st March 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	3,831.38	538.41	12,831.91	**17,201.71**	5,809.40	474.90	15,877.23	**22,161.52**
New assets originated or purchased	4,372.34	72.65	1,152.36	**5,597.35**	2,951.91	16.08	390.59	**3,358.58**
Assets derecognised or repaid (excluding write offs)	(1,877.25)	(258.09)	(1,523.24)	**(3,658.58)**	(2,426.24)	(234.97)	(7,683.93)	**(10,345.14)**
Transfers to Stage 1	30.81	(4.93)	(25.88)	**-**	12.97	(10.67)	(2.29)	**0.00**
Transfers to Stage 2	(68.02)	70.69	(2.66)	**-**	(104.82)	109.44	(4.62)	**(0.00)**
Transfers to Stage 3	(115.32)	(60.08)	175.41	**-**	(132.64)	(113.18)	245.83	**0.00**
Impact on year end ECLs of exposures transferred between stages during the year	(15.89)	(37.26)	6,765.24	**6,712.09**	(11.54)	434.13	5,896.70	**6,319.29**
Changes to models and inputs using ECL calculation'	(950.31)	(210.39)	399.35	**(761.35)**	(2,267.65)	(137.30)	1,571.62	**(833.33)**
Amounts written off	-	-	(6,946.29)	**(6,946.29)**	-	-	(447.42)	**(447.42)**
Additional credit loss provision made by management	-	-	640.57	**640.57**	-	-	(3,011.79)	**(3,011.79)**
ECL allowance - closing balance	**5,207.73**	**110.99**	**13,466.77**	**18,785.49**	**3,831.38**	**538.41**	**12,831.91**	**17,201.71**

(Rupees in lakhs, except for share data and unless otherwise stated)

Muthoot Housing Finance Company Limited

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances. Details of the Company's internal grading system are explained in Note 44 and policies on whether ECL allowances are calculated on an individual or collective basis are set out in Note 44.

Particulars	As at 31st March 2024				As at 31st March 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Internal rating grade								
Performing								
High grade	1,85,061.01	-	-	**1,85,061.01**	1,26,934.80	50.08	-	**1,26,984.88**
Standard grade	6,124.79	-	-	**6,124.79**	8,829.48	107.79	-	**8,937.27**
Sub-standard grade	-	9,560.50	-	**9,560.50**	-	9,333.30	-	**9,333.30**
Past due but not impaired	-	-	-	**-**	-	-	-	**-**
Non- performing								
Individually impaired	-	-	1,593.72	**1,593.72**	-	-	1,248.07	**1,248.07**
Total	**1,91,185.80**	**9,560.50**	**1,593.72**	**2,02,340.02**	**1,35,764.28**	**9,491.16**	**1,248.07**	**1,46,503.51**

An analysis of changes in principal value in relation to receivables under financing activites is, as follows:

Particulars	As at 31st March 2024				As at 31st March 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	1,37,517.36	9,549.49	1,273.72	**1,48,340.57**	1,13,132.03	10,298.05	5,068.65	**1,28,498.73**
New assets originated or purchased	77,962.67	433.33	6.81	**78,402.81**	43,310.50	65.57	22.37	**43,398.44**
Assets derecognised or repaid (excluding write offs)	(20,556.55)	(1,315.54)	(484.57)	**(22,356.66)**	(17,720.25)	(1,416.15)	(4,420.20)	**(23,556.60)**
Transfers to Stage 1	(1,435.49)	1,126.95	308.54	**-**	(1,204.92)	1,156.03	48.89	**(0.00)**
Transfers to Stage 2	(1,126.95)	610.00	516.95	**-**	(1,156.03)	602.02	554.01	**-**
Transfers to Stage 3	(308.53)	(516.95)	825.48	**-**	(48.89)	(554.01)	602.90	**-**
Impact of exposures transferred between stages during the year	1,435.49	(610.00)	(825.48)	**0.00**	1,204.92	(602.02)	(602.90)	**-**
Gross carrying amount closing balance	**1,93,488.00**	**9,277.28**	**1,621.45**	**2,04,386.73**	**1,37,517.36**	**9,549.49**	**1,273.72**	**1,48,340.57**

(Rupees in lakhs, except for share data and unless otherwise stated)

Reconciliation of ECL balance is given below:

Particulars	As at 31st March 2024				As at 31st March 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	231.07	232.76	858.92	**1,322.75**	411.11	440.95	1,820.36	**2,672.42**
New assets originated or purchased	60.35	27.22	2.78	**90.36**	66.35	1.17	18.33	**85.85**
Additional provision/ (reversal of) provision	(298.75)	38.48	567.61	**307.35**	(420.26)	(162.53)	779.17	**196.38**
Assets derecognised or repaid (excluding write offs)	(27.85)	(20.29)	(254.68)	**(302.83)**	(48.72)	(33.70)	(1,549.48)	**(1,631.90)**
Transfers to Stage 1	209.32	(36.90)	(172.42)	**-**	222.59	(53.14)	(169.45)	**-**
Transfers to Stage 2	36.90	0.47	(37.37)	**-**	53.14	(13.13)	(40.01)	**-**
Transfers to Stage 3	172.41	37.37	(209.78)	**(0.00)**	169.45	40.01	(209.46)	**-**
Impact on year end ECLs of exposures transferred between stages during the year	(209.32)	(0.47)	209.78	**(0.00)**	(222.59)	13.13	209.46	**-**
ECL allowance - closing balance	**174.14**	**278.64**	**964.84**	**1,417.62**	**231.07**	**232.76**	**858.92**	**1,322.75**

Transferred financial assets that are derecognised in their entirety but where the Group has continuing involvement

The Group has sold some loans and advances as a source of finance. As per terms of the deal, risk and reward has been transferred to the customer. Hence, as per the derecognition criteria of IND AS 109, including transfer of substantially all risks and rewards relating to assets being transferred to the buyer being met, the assets have been derecognised. The table below summarises the carrying amount of the derecognised financial assets.

Under previous GAAP, retained interest receivable on loan assignment transactions were recognised over the period of such assigned loans. Under Ind AS, the gain arising on said transactions are recorded upfront by discounting the future cash flows accruing in the form of differential interest on such assigned loan to their present values.

Particulars	As at 31st March 2024	As at 31st March 2023
Carrying amount of derecognised financial assets	2,31,177.11	1,80,975.19
Gain/(loss) from derecognition	30,055.52	13,631.60

Transferred financial assets that are not derecognised in their entirety

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

As per the terms of the agreement, the Group is exposed to first loss amounting to 5% - 12.5% (7.25% - 12.5% as at March 31, 2023) of the amount securitised and therefore continues to be exposed to significant risk and rewards relating to the underlying gold and microfinance loans. These receivables are not derecognised and proceeds received are recorded as a financial liability under borrowings.

(Rupees in lakhs, except for share data and unless otherwise stated)

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

Particulars	As at 31st March 2024	As at 31st March 2023
Carrying amount of assets re - recognised due to non transfer of assets	1,27,542.15	82,330.07
Carrying amount of associated liabilities	1,42,464.20	82,563.93

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

9 Investments

Particulars	As at 31st March 2024	As at 31st March 2023
(i) At Amortized Cost / At Cost		
Debt securities (At Amortized Cost)		
Unlisted Debentures		
Investment Richa Lifespace Private Limited	612.50	612.50
Investment Diyug Construction Private Limited	282.85	282.85
Investment Richa Realtors Private Limited	1,300.00	1,300.00
Others		
Investment in ARC Trust	4,666.42	6,331.37
Sub-total for investments at amortised cost / cost	**6,861.77**	**8,526.72**
(ii) At Fair Value through Profit or Loss		
Others - Quoted		
Investments in Mutual Fund	4,203.91	650.10
Alternate Investment Funds		
Investment in JM Financial India Fund II	275.38	236.50
Investment in BPEA India Credit - Trust II	-	168.86
Others - Unquoted		
Investment in Strugence Debt Fund	997.61	997.61
Investments in Security Receipts	2,135.35	2,662.07
Sub-total for investments at fair value through Profit or loss	**7,612.25**	**4,715.15**
(iii) At Fair Value through Other Comprehensive Income		
Equity instruments		
Others-Quoted		
Investment in Equity Shares (DP account with Motilal Oswal)	2,449.60	1,690.38
Investment in PMS - Motilal Oswal	327.60	231.12
Others-Unquoted		
Investment in Muthoot Pappachan Chits Private Limited	22.03	14.94
Investment in Avenues India Private Limited	479.10	479.10
Investment in Fair Asset Technologies (P) Limited	721.31	720.64
Investment in The Thinking Machine Media Private Limited	18.00	18.00
Investment In Speckle Internet Solutions Private Limited	42.86	42.86
Sub-total for investments at fair value through other comprehensive income	**4,060.50**	**3,197.04**
Total Gross (A)	**18,534.52**	**16,438.90**
i) Investments outside India	-	-
ii) Investments in India	18,534.52	16,438.90
Total Gross (B)	**18,534.52**	**16,438.90**
Less : Allowance for impairment loss (C)	(1,207.44)	(1,207.44)
Total - Net D = (A) - (C)	**17,327.08**	**15,231.46**

(Rupees in lakhs, except for share data and unless otherwise stated)

Debt Instruments measured at Amortised Cost

Credit Quality of Assets

Particulars	31-03-2024				31-03-2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Internal rating grade								
Performing								
High grade	-	-	-	-	-	-	-	-
Standard grade	-	-	-	-	-	-	-	-
Sub-standard grade	-	-	-	-	-	-	-	-
Past due but not impaired	-	-	-	-	-	-	-	-
Non- performing								
Individually impaired	-	-	2,195.35	2,195.35	-	-	2,195.35	2,195.35
Total	**-**	**-**	**2,195.35**	**2,195.35**	**-**	**-**	**2,195.35**	**2,195.35**

An analysis of changes in the gross carrying amount in relation to Debt Instruments measured at Amortised Cost is, as follows

Particulars	31-03-2024				31-03-2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	**-**	**-**	**2,195.35**	**2,195.35**	**-**	**-**	**2,195.35**	**2,195.35**
New assets originated or purchased	-	-	-	-	-	-	-	-
Assets derecognised or repaid (excluding write offs)	-	-	-	-	-	-	-	-
Assets written off during the period	-	-	-	-	-	-	-	-
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	-	-	-	-	-	-	-	-
Transfers to Stage 3	-	-	-	-	-	-	-	-
Gross carrying amount closing balance	**-**	**-**	**2,195.35**	**2,195.35**	**-**	**-**	**2,195.35**	**2,195.35**

Reconciliation of ECL balance is given below:

Particulars	31-03-2024				31-03-2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	-	-	1,207.44	1,207.44	-	-	1,207.44	1,207.44
New assets originated or purchased	-	-	-	-	-	-	-	-
Assets derecognised or repaid (excluding write offs)	-	-	-	-	-	-	-	-
Assets written off during the period	-	-	-	-	-	-	-	-
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	-	-	-	-	-	-	-	-
Transfers to Stage 3	-	-	-	-	-	-	-	-
ECL allowance - closing balance	**-**	**-**	**1,207.44**	**1,207.44**	**-**	**-**	**1,207.44**	**1,207.44**

(Rupees in lakhs, except for share data and unless otherwise stated)

10 Other financial assets

Particulars	As at 31st March 2024	As at 31st March 2023
Security deposits	7,290.74	6,601.57
Interest accrued on fixed deposits with banks	321.33	626.97
Deposits	237.40	171.62
Deposit with original maturity for more than twelve months *	404.03	107.54
Receivables from auction proceeds	-	4,803.44
EIS receivable (net)	342.64	478.56
Other financial assets	34,138.44	9,829.47
Total	**42,734.58**	**22,619.16**

** Includes earmarked balances of INR 218.87 as at 31st March 2024 (31st March 2023 - INR 32.54) towards margin money & security to pension fund regulatory and development authority.*

11 Investment property

Particulars	As at 31st March 2024	As at 31st March 2023
Inventory – Projects		
Opening Balance	**26,119.76**	**30,236.55**
Acquisitions / (Disposals)	-	(4,116.78)
Closing balance	**26,119.76**	**26,119.76**
Depreciation and Impairment		
Opening balance	**-**	**-**
Charge for the year	-	-
Closing Balance	**-**	**-**
Net Block	**26,119.76**	**26,119.76**

11.1. Investment Property includes lien marked properties of INR 9,460.56 as at 31st March, 2024 (March 31, 2023 - INR 9,460.56)

11.2. Fair Value of Investment Property as at March 31, 2024 - INR 28,742.97 (March 31, 2023 - INR 27,823.11)

11.3. Investment Property does not contain any immovable property which is not held in the name of the company

(Rupees in lakhs, except for share data and unless otherwise stated)

12 Property, plant and equipment

Particulars	Buildings	Computer	Furniture & Fixtures	Land	Plant & Equipment	Vehicles	Windmill	Office Equipment	Electrical Equipments	Leasehold Improvem-ents	Equipment - Finance Lease	Total
As at 31st March 2022	**5,850.61**	**6,362.58**	**27,676.51**	**12,555.55**	**15,113.12**	**315.58**	**7,449.78**	**2,905.59**	**184.87**	**180.37**	**(0.00)**	**78,594.56**
Addition during the year	448.51	1,261.03	2,318.60	-	2,254.79	1.42	-	1,060.88	532.51	71.22	-	7,948.96
Disposals	(39.60)	(3.22)	(2.65)	(22.77)	-	-	-	(47.78)	(3.62)	-	-	(119.63)
As at 31st March 2023	**6,259.52**	**7,620.38**	**29,992.46**	**12,532.78**	**17,367.91**	**317.01**	**7,449.78**	**3,918.70**	**713.77**	**251.59**	**(0.00)**	**86,423.89**
Addition during the year	-	2,543.19	2,195.35	-	2,833.41	-	-	810.54	616.95	95.55	-	9,094.99
Disposals	-	(33.80)	(3.28)	-	-	(0.98)	-	(72.92)	(1.87)	-	-	(112.84)
As at 31st March 2024	**6,259.52**	**10,129.78**	**32,184.53**	**12,532.78**	**20,201.31**	**316.02**	**7,449.78**	**4,656.32**	**1,328.85**	**347.14**	**(0.00)**	**95,406.03**
Accumulated Depreciation:												
As at 31st March 2022	**462.11**	**5,332.27**	**15,169.90**	**-**	**10,101.38**	**224.36**	**2,560.11**	**1,168.55**	**89.21**	**93.87**	**(0.00)**	**35,201.77**
Addition during the year	102.06	855.69	1,989.32	-	1,474.46	15.71	511.74	602.95	37.71	38.08	-	5,627.72
Disposals	-	(2.57)	(2.14)	-	-	-	-	(43.50)	(3.98)	-	-	(52.18)
As at 31st March 2023	**564.17**	**6,185.39**	**17,157.08**	**-**	**11,575.85**	**240.07**	**3,071.86**	**1,728.01**	**122.95**	**131.95**	**(0.00)**	**40,777.32**
Addition during the year	105.39	1,297.48	2,030.70	-	2,042.64	21.07	511.74	829.25	92.88	47.73	-	6,978.89
Disposals	-	(31.25)	(2.74)	-	-	-	-	(66.35)	(1.50)	-	-	(101.83)
As at 31st March 2024	**669.56**	**7,451.63**	**19,185.04**	**-**	**13,618.49**	**261.13**	**3,583.60**	**2,490.91**	**214.33**	**179.68**	**(0.00)**	**47,654.37**
Net book value:												
As at 31st March 2023	**5,695.35**	**1,434.99**	**12,835.38**	**12,532.78**	**5,792.06**	**76.94**	**4,377.92**	**2,190.68**	**590.82**	**119.64**	**(0.00)**	**45,646.57**
As at 31st March 2024	**5,589.96**	**2,678.15**	**12,999.49**	**12,532.78**	**6,582.82**	**54.89**	**3,866.18**	**2,165.40**	**1,114.52**	**167.46**	**(0.00)**	**47,751.65**

(Amount in INR Lakhs, except share data and unless otherwise stated)

13 Intangible assets under development and other intangible assets

Particulars	Intangible assets under development	Computer Software
As at 31st March 2022	**-**	**4,541.98**
Addition during the year	880.25	594.19
Capitalised during the year	-	-
Disposals	-	-
As at 31st March 2023	**880.25**	**5,136.18**
Addition during the year	487.19	1,997.16
Capitalised during the year	(676.00)	6.00
Disposals	-	-
As at 31st March 2024	**691.44**	**7,139.34**
Accumulated Depreciation:		
As at 31st March 2022	-	2,588.95
Charged for the year	-	815.46
Disposals	-	-
As at 31st March 2023	**-**	**3,404.41**
Charged for the year	-	880.04
Disposals	-	-
As at 31st March 2024	**-**	**4,284.46**
Net book value:		
As at 31st March 2023	**880.25**	**1,731.77**
As at 31st March 2024	**691.44**	**2,854.88**

14 Right-of-use assets

Particulars	As at 31st March 2024	As at 31st March 2023
Depreciation charge for Right-of-use assets		
Leasehold Property	16,629.73	15,184.69
Equipments	1.56	2.65
Interest expense on lease liabilities	11,461.06	10,145.50
Income from subleasing right-of-use assets	129.50	161.53
Total cash outflow for leases	23,360.13	21,067.96
Carrying amount of right-of-use assets		
Leasehold Property	97,946.96	91,866.12
Equipments	-	1.56
Lease Liability		
Leasehold Property	1,12,786.57	1,02,701.17
Equipments	-	1.75

14.1 The expense relating to payments not included in the measurement of the lease liability is as follows:

Particulars	As at 31st March 2024	As at 31st March 2023
Short-term leases	29.16	24.66
Leases of low value assets	-	-
Variable lease payments	-	-

(Amount in INR Lakhs, except share data and unless otherwise stated)

14.2 Carrying value of right-of-use assets at the end of the reporting period:

Particulars	As at 31st March 2024	As at 31st March 2023
Balance as at the beginning	91,867.68	66,258.57
Additions	22,851.76	40,924.22
Deletions	(487.79)	(298.20)
Depreciation charge for the year	(16,631.29)	(15,187.34)
Other Adjustment	346.60	170.42
Balance at the end	97,946.96	91,867.68

14.3 Movement in lease liabilities:

Particulars	As at 31st March 2024	As at 31st March 2023
Balance as at the beginning	1,02,702.92	74,233.11
Additions	22,169.34	39,547.34
Interest on lease liabilities	11,461.06	10,145.50
Payment of lease liabilities	(23,360.13)	(21,067.96)
Other Adjustment	(186.62)	(155.07)
Balance at the end	1,12,786.57	1,02,702.92

14.4 Maturity analysis of lease liabilities

Particulars	As at 31st March 2024	As at 31st March 2023
Less than one year	24,470.28	20,739.20
One to five years	90,054.25	78,479.99
More than five years	54,227.56	57,518.43
Total undiscounted lease liabilities as at March 31, 2024 / March 31, 2023	1,68,752.09	1,56,737.62

15 Other non financial assets

Particulars	As at 31st March 2024	As at 31st March 2023
Prepaid expenses	4,326.14	2,884.40
Advance to Creditors	1,250.54	600.60
Advance for Property (refer note a)	-	19,000.17
Pre-Deposit Fee	788.02	753.95
GST / Service Tax Receivables	1,598.24	1,175.66
Other Receivable	214.06	112.48
Assets held for sale (refer note b)	354.59	819.45
Capital advances	68.71	99.65
Total	**8,600.30**	**25,446.36**

(a) Advance for Property as on March 31, 2024 consists of - INR Nil (P.Y. INR 1,487.26) and INR Nil (P.Y.INR 17,512.91) advanced by the Company to its Directors and their relatives, M/s. MPG Hotels & Infrastructure Ventures Private Limited (a Company in which the Directors are interested) and M/s. Muthoot Estate Investments (a firm in which the Directors of the Company are partners) respectively for purchase of immovable property by the Company from them.

(b) Assets held for sale represents Assets acquired under satisfaction of debt by Muthoot Housing Finance Company Limited.

(Amount in INR Lakhs, except share data and unless otherwise stated)

16 Derivative Financial Liability

The Group undertakes derivative transactions for hedging exposures relating to foreign exchange borrowings. The table below shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts. The notional amounts indicate the value of transactions outstanding as at the year end and are not indicative of either the market risks or credit risk.

Particulars	As at 31st March 2024		As at 31st March 2023	
	Notional amounts	Fair value liabilities	Notional amounts	Fair value liabilities
Currency Derivatives:				
Forward Contracts	72,148.77	239.64	26,062.40	89.19
Total	**72,148.77**	**239.64**	**26,062.40**	**89.19**
Derivatives held for risk management purposes included above are as follows:				
(i) Fair value hedging	-	-	-	-
(ii) Cash flow hedging				
Currency derivatives	72,148.77	239.64	26,062.40	89.19
(iii) Net investment hedging	-	-	-	-
(iv) Undesignated derivatives	-	-	-	-
Total [(i) to (iv)]	**72,148.77**	**239.64**	**26,062.40**	**89.19**

16.1. The Group is exposed to certain risks in relation to its ongoing business. The primary risk managed using derivative instruments is foreign currency risk.

16.2. The Group has designated forward contracts as a hedging instrument to mitigate foreign exchange risk from its exposure on foreign currency borrowings.

16.3. There are no derivatives not designated as hedging instruments.

17 Payables

Particulars	As at 31st March 2024	As at 31st March 2023
(I) Trade payables		
Total outstanding dues of micro enterprises and small enterprises	15.00	18.22
Total outstanding dues of creditors other than micro enterprises and small enterprise	545.29	535.71
(II) Other payables		
Total outstanding dues of micro enterprises and small enterprises.	799.49	813.40
Total outstanding dues of creditors other than micro enterprises and small enterprise.	5,124.54	4,797.02
Total	**6,484.32**	**6,164.34**

Disclosure under Micro, Small, and Medium Enterprises Development Act, 2006 :

Particulars	As at 31st March 2024	As at 31st March 2023
Principal amount remaining unpaid during the year	808.89	831.62
Interest due thereon	-	-
Interest remaining accrued and unpaid at the end of the year	5.60	-
Total interest accrued and remained unpaid at year end	814.49	831.62

(Amount in INR Lakhs, except share data and unless otherwise stated)

(i) Ageing Schedule of Trade Payables (As on 31/03/2024)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	15.00	-	-	-	15.00
(ii) Others	239.31	5.61	3.82	20.22	268.95
(iii) Disputed Dues- MSME	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	-	-
Total	**254.30**	**5.61**	**3.82**	**20.22**	**283.95**
Unbilled (Undisputed outstanding of non MSME trade payables)					**276.34**
Total					**560.29**

(ii) Ageing Schedule of Trade Payables (As on 31/03/2023)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	17.95	-	-	-	17.95
(ii) Others	151.01	2.99	0.59	6.51	161.10
(iii) Disputed Dues- MSME	-	-	-	0.26	0.26
(iv) Disputed Dues- Others	-	-	-	11.38	11.38
Total	**168.97**	**2.99**	**0.59**	**18.15**	**190.69**
Unbilled (Undisputed outstanding of non MSME trade payables)					**363.23**
Total					**553.92**

18 Debt Securities (At Amortised Cost)

Particulars*	As at 31st March 2024	As at 31st March 2023
Secured		
Secured Non-Convertible Debentures	-	88.00
Secured Non-Convertible Debentures- Listed	3,83,276.28	3,86,884.58
Secured Non-Convertible Debentures - Covered Bonds - Listed	-	49,837.07
Unsecured		
Commercial Paper	-	4,848.39
Total	**3,83,276.28**	**4,41,658.04**
Debt securities in India	3,83,276.28	4,41,658.04
Debt securities outside India	-	-
Total	**3,83,276.28**	**4,41,658.04**

**Includes issue expenses amortised as per Effective Interest Rate (EIR)*

(Amount in INR Lakhs, except share data and unless otherwise stated)

Maturity Profile of Non-Convertible Debentures as on March 31st 2024:

Particulars	Amount
FY 2024-25	1,02,972.06
FY 2025-26	1,12,913.69
FY 2026-27	81,863.13
FY 2027-28	23,320.74
FY 2028-29	42,776.54
FY 2029-30	9,728.70
FY 2030-31	7,697.95
FY 2031-32	3,351.89
Adjustments on account of effective rate of interest	(1,348.42)
TOTAL	**3,83,276.28**

Secured debentures are secured in either of the following ways by the respective Company issuing the instrument:

Nature of security	Outstanding as at March 31st 2024	Outstanding as at March 31st 2023
Privately placed (Listed & Unlisted)		
Secured by subservient charge on all current assets (both present and future) and immovable property of the Company	-	88.00
Exclusive charge over book debts equivalent to 100% of the loan and interest amount	18,570.00	28,320.00
Exclusive charge over book debts equivalent to 105% of the loan and interest amount	15,000.00	-
Exclusive charge over book debts equivalent to 110% of the loan and interest amount	63,000.00	15,000.00
Exclusive charge over book debts equivalent to 115% of the loan and interest amount	-	90,040.00
First Pari-passu charge on the present and future standard loan receivables equivalent to 1.10 times of the loan	10,000.00	10,000.00
First Pari-passu charge on the present and future standard loan receivables equivalent to 1.25 times of the loan	20,000.00	-
Public Issue - Listed		
Subservient charge with existing secured creditors on all loan receivables (both present and future) of the company in favour of Debenture Trustee, to be held on pari passu basis among the present and / or future NCD holders	2,53,270.47	2,36,910.67
Subservient charge with existing secured creditors on all loan receivables (both present and future) of the company and exclusive mortgage and first charge over certain immovable property of the Company	4,784.23	8,331.60
Covered Bonds - Listed		
First Pari-passu charge on the present and future current assets of the Company along with other lenders and NCD investors with a minimum asset coverage ratio of 1.10 times of the value of the outstanding principal amounts of the Debentures	-	20,000.00
First ranking exclusive and continuing charge on book debts which shall be maintained at 1.20 times the value of the aggregate principal amount outstanding on the Debentures including accrued Coupon thereon, Default Interest accrued thereon	-	30,000.00

(Amount in INR Lakhs, except share data and unless otherwise stated)

19 Borrowings (other than debt securities) - At Amortised Cost

Particulars	As at 31st March 2024	As at 31st March 2023
(a) Term loans		
(i) from banks	12,21,302.63	9,08,291.16
(ii) from other parties		
- financial institutions	1,79,326.48	1,24,425.38
- financial institutions (in foreign currency)	49,144.22	20,477.63
- financial institutions (unsecured)	7,582.37	5,477.26
(iii) under securitisation arrangement	1,42,189.60	82,306.31
(b) Loans repayable on demand		
(i) from banks (OD & CC)	8,52,805.79	7,46,415.46
(ii) from other parties (unsecured)	11,975.10	7,149.78
Total	**24,64,326.19**	**18,94,542.99**
Borrowings in India	24,64,326.19	18,94,542.99
Borrowings outside India	-	-

a) Security details :

Borrowings (other than debt securities) are secured in either of the following ways by the respective Company issuing the instrument:

Nature of security	Outstanding as at March 31st 2024	Outstanding as at March 31st 2023
From Banks and Financial Institutions		
Hypothecation of Loan receivables, other current assets & specified fixed assets equivalent to security cover stipulated by respective banks (Guaranteed by promoter directors INR 5,97,957.43 (31st March 2023 : INR 4,74,755)	6,62,069.52	5,02,962.85
Hypothecation of Loan Receivables equivalent to security cover stipulated by respective banks (Guaranteed by promoter directors)	1,66,220.37	1,13,327.67
Hypothecation of all present and future current assets including Book Debts, Trade Receivables, Fixed Assets, Intangible assets and all other Receivables	-	231.77
Exclusive charge over book debts equivalent to 100% of loan amount and Cash margin of 10%	14,757.46	7,330.12
Exclusive charge over book debts equivalent to 100% of loan amount and Cash margin of 5%	49,719.51	-
Exclusive charge over book debts equivalent to 105% of loan amount and Cash margin of 5%	19,840.37	62,004.68
Exclusive charge over book debts equivalent to 108.70% of loan amount and Cash margin of 12%	-	254.42
Exclusive charge over book debts equivalent to 110% of loan amount and Cash margin of 5%	83,705.76	91,537.68
Exclusive charge over book debts equivalent to 110% of loan amount and Cash margin of 10%	3,332.68	8,674.53
Exclusive charge over book debts equivalent to 111% of loan amount and Cash margin of 5%	21,822.84	-
Exclusive charge over book debts equivalent to 111% of loan amount and Cash margin of 10%	-	17,641.32
Exclusive charge over book debts equivalent to 111% of loan amount and Cash margin of 12.5%	-	3,386.18
Exclusive charge over book debts equivalent to 111.12% of loan amount and Cash margin of 10%	-	691.40

(Rupees in lakhs, except for share data and unless otherwise stated)

Nature of security	Outstanding as at March 31st 2024	Outstanding as at March 31st 2023
Exclusive charge over book debts equivalent to 112% of loan amount and Cash margin of 5%	25,359.82	-
Exclusive charge over book debts equivalent to 112% of loan amount and Cash margin of 10%	-	5,766.28
Exclusive charge over book debts equivalent to 112.74% of loan amount	-	880.00
Exclusive charge over book debts equivalent to 114% of loan amount and Cash margin of 5.5%.	31,326.42	40,191.91
Exclusive charge over book debts equivalent to 114% of loan amount and Cash margin of 7%.	16,053.87	-
Exclusive charge over book debts equivalent to 114% of loan amount and Cash margin of 7.4%.	-	9,407.16
Exclusive charge over book debts equivalent to 114% of loan amount and Cash margin of 7.5%.	4,758.47	7,292.79
Exclusive charge over book debts equivalent to 114% of loan amount and Cash margin of 8%.	-	2,116.21
Exclusive charge over book debts equivalent to 114% of loan amount and Cash margin of 9.5%.	-	5,757.34
Exclusive charge over book debts equivalent to 114% of loan amount and Cash margin of 10%.	-	5,540.35
Exclusive charge over book debts equivalent to 115% of loan amount and Cash margin of 5.5%.	31,949.35	-
Exclusive charge over book debts equivalent to 116% of loan amount and Cash margin of 5.5%.	47,662.47	-
Exclusive charge over book debts equivalent to 117% of loan amount and Cash margin of 5%	44,096.52	13,493.53
Exclusive charge over book debts equivalent to 120% of loan amount and Cash margin of 6%	24,053.84	-
Exclusive charge over book debts equivalent to 120% of loan amount and Cash margin of 10%	3,474.78	-
Exclusive charge over book debts equivalent to 125% of loan amount and Cash margin of 5%.	-	27,021.44
Exclusive charge over book debts equivalent to 125% of loan amount and Cash margin of 5%	61,337.43	-
Exclusive charge over book debts equivalent to 133% of loan amount and Cash margin of 5%	-	6,643.63
Exclusive charge over book debts equivalent to 100% of loan amount	13,039.57	23,062.11
Exclusive charge over book debts equivalent to 105% of loan amount	8,203.60	10,646.20
Exclusive charge over book debts equivalent to 110% of loan amount	1,98,519.25	1,54,974.45
Exclusive charge over book debts equivalent to 111% of loan amount	9,683.69	2,614.01
Exclusive charge over book debts equivalent to 113% of loan amount	440.00	-
Exclusive charge over book debts equivalent to 115% of loan amount	14,940.47	4,642.06
Exclusive charge over book debts equivalent to 118% of loan amount	4,730.70	-
From other parties		
Hypothecation of Loan Receivables of the Company equivalent to security cover stipulated by respective lender (Guaranteed by promoter directors)	15,142.37	6,970.90
Hypothecation of Loan Receivables of the Company equivalent to security cover stipulated by respective lender (Guaranteed by promoter directors INR Nil (31st March 2023 : INR 437.50)	15,721.79	437.50
Loans repayable on demand		
Hypothecation of Loan Receivables equivalent to security cover stipulated by respective banks(Guaranteed by promoter directors INR 7,93,250.72 (31st March 2023 : INR 7,47,174)	8,52,805.79	7,46,415.46

(Rupees in lakhs, except for share data and unless otherwise stated)

b) Terms of repayment

Secured loans from Banks

Name of Party	Outstanding as at March 31st 2024	Outstanding as at March 31st 2023	Terms of Repayment
Term Loan from Banks			
State Bank of India Car Loan	-	0.50	Repayable in 16 monthly instalments on diminishing value method
Axis Bank	-	15,714.29	Repayable in 4 quarterly instalments of INR 3,928 each from May 2023 (INR 10,000 availed additionally during the year ended March, 2023)
Axis Bank	9,714.29	17,000.00	Repayable in 4 quarterly instalments of INR 2,429 Lakhs each from April 2024
Axis Bank	15,000.00	-	Repayable in 7 quarterly instalments of INR 2,142.85 Lakhs each from April 2024
Axis Bank	15,000.00	-	Repayable in 7 quarterly instalments of INR 2,142.85 Lakhs each from April 2024
Axis Bank	3,500.00	-	Repayable in 7 quarterly instalments of INR 500 Lakhs each from June 2024
Axis Bank	2,800.00	-	Repayable in 7 quarterly instalments of INR 400 Lakhs each from July 2024
Axis Bank	3,900.00	-	Repayable in 7 quarterly instalments of INR 557 lakhs each from August 2024
Bandhan Bank	4,770.97	7,498.24	Repayable in 7 quarterly instalments of INR 681.81 Lakhs each from April 2024
Bandhan Bank	12,727.27	17,500.00	Repayable in 8 quarterly instalments of INR 1,590.90 Lakhs each from June 2024
Bandhan Bank	15,000.00	-	Repayable in 11 quarterly instalments of INR 1,363.63 lakhs each from July 2024
Bank of Baroda	-	6,000.00	Repayable in 2 quarterly instalments of INR 3,000 each from April 2023
Bank of India	28,418.40	-	Repayable in 18 quarterly instalments of INR 1,579 Lakhs each from June 2024
Bank of India	9,471.42	-	Repayable in 18 quarterly instalments of INR 526.31 Lakhs each from June 2024
Bank of India	4,997.76	-	Repayable in 19 quarterly instalments of INR 263.20 Lakhs each from April 2024
Bank of India	4,997.88	-	Repayable in 19 quarterly instalments of INR 263.20 Lakhs each from April 2024
Bank of Maharashtra	-	4,536.31	Repayable in 3 quarterly instalments of INR 1,500 each from June 2023
Bank of Maharashtra	17,640.88	25,186.85	Repayable in 7 quarterly instalments of INR 2,500 Lakhs each from June 2024
Bank of Maharashtra	45,810.16	-	Repayable in 30 monthly instalments of INR 1,515.15 lakhs each from April 2024
Bank of Maharashtra	25,026.03	-	Repayable in 57 monthly instalments of INR 438.60 lakhs each from April 2024
Canara Bank	-	8,636.00	Repayable in 2 quarterly instalments of INR 4,318 each from June 2023
Canara Bank	5,998.39	18,000.00	Repayable in 2 quarterly instalments of INR 3,000 Lakhs each from June 2024
Canara Bank	9,090.38	16,363.64	Repayable in 5 quarterly instalments of INR 1,818.18 Lakhs each from June 2024
Canara Bank	22,500.00	30,000.00	Repayable in 12 quarterly instalments of INR 1,875 Lakhs each from June 2024
Canara Bank	20,314.00	-	Repayable in 13 quarterly instalments of INR 1,562 Lakhs each from June 2024
Canara Bank	32,810.93	-	Repayable in 15 quarterly instalments of INR 2,188 Lakhs each from June 2024

(Rupees in lakhs, except for share data and unless otherwise stated)

Name of Party	Outstanding as at March 31st 2024	Outstanding as at March 31st 2023	Terms of Repayment
Central Bank of India	-	1,837.03	Repayable in 2 quarterly instalments of INR 937.5 each from May 2023
Central Bank of India	-	1,844.01	Repayable in 2 quarterly instalments of INR 937.50 each from May 2023
Central Bank of India	1,945.55	5,974.51	Repayable in 2 quarterly instalments of INR 1,000 lakhs each from June 2024
Central Bank of India	3,867.75	11,962.16	Repayable in 2 quarterly instalments of INR 2,000 lakhs each from June 2024
Central Bank of India	8,927.46	20,981.01	Repayable in 3 quarterly instalments of INR 3,000 each from June 2024
Central Bank of India	12,148.19	-	Repayable in 13 quarterly instalments of INR 937.50 lakhs each from June 2024
DBS Bank	-	2,857.14	Repayable in 12 monthly instalments of INR 238 each from April 2023
DBS Bank	-	2,857.14	Repayable in 12 monthly instalments of INR 238 each from April 2023
Federal Bank	5,998.92	10,000.00	Repayable in 6 quarterly instalments of INR 1,000 lakhs each from June 2024
Federal Bank	9,999.79	-	Repayable in 14 quarterly instalments of INR 714.28 lakhs each from June 2024
IDBI Bank	10,000.00	-	Repayable in 25 quarterly instalments of INR 400 lakhs each from March 2025
Indian Bank	-	6,043.06	Repayable in 2 quarterly instalments of INR 3,000 each from June 2023
Indian Bank	2,523.35	12,591.27	Repayable in 3 monthly instalments of INR 833.33 lakhs from April 2024
Indian Bank	10,768.11	16,117.74	Repayable in 8 quarterly instalments of INR 1,333.33 lakhs each from June 2024
Indian Bank	5,504.29	9,161.20	Repayable in 6 quarterly instalments of INR 909.09 lakhs each from June 2024
Indian Bank	14,665.59	20,148.77	Repayable in 8 quarterly instalments of INR 1,818.18 lakhs each from June 2024
Punjab National Bank	17,808.33	36,002.31	Repayable in 3 quarterly instalments of INR 4,546 Lakhs each from June 2024 and 1 quarterly instalments of INR 4,174 Lakhs in March 2025
Punjab National Bank	21,815.90	-	Repayable in 8 quarterly instalments of INR 2,727.27 Lakhs each from June 2024
Punjab National Bank	39,989.80	-	Repayable in 11 quarterly instalments of INR 3,636.36 Lakhs each from June 2024
Punjab & Sind Bank	-	2,999.96	Repayable in 3 quarterly instalments of INR 1,000 each from June 2023 (one instalment was prepaid during the year ended March, 2023)
Punjab & Sind Bank	2,843.41	8,843.42	Repayable in 2 quarterly instalments of INR 1,500 lakhs each from May 2024
Punjab & Sind Bank	6,399.96	12,799.92	Repayable in 4 quarterly instalments of INR 1,600 lakhs each from June 2024
Punjab & Sind Bank	4,999.98	9,000.00	Repayable in 5 quarterly instalments of INR 1,000 lakhs each from June 2024
State Bank of India	-	10,499.44	Repayable in 3 quarterly instalments of INR 3,500 each from May 2023
State Bank of India	9,750.00	22,749.09	Repayable in 3 quarterly instalments of INR 3,250 Lakhs each from May 2024
State Bank of India	44,443.29	44,549.97	Repayable in 16 quarterly instalments of INR 2,778 Lakhs each from April 2024
State Bank of India	59,999.46	-	Repayable in 18 quarterly instalments of INR 3,334 Lakhs each from July 2024
UCO Bank	611.16	3,112.07	Repayable in 1 quarterly instalments of INR 625 Lakhs each from June 2024
UCO Bank	3,083.68	6,246.70	Repayable in 4 quarterly instalments of INR 781.25 Lakhs each from May 2024

(Rupees in lakhs, except for share data and unless otherwise stated)

Name of Party	Outstanding as at March 31st 2024	Outstanding as at March 31st 2023	Terms of Repayment
UCO Bank	-	3,740.59	Repayable in 3 quarterly instalments of INR 1,250 each from April 2023
UCO Bank	-	4,982.31	Repayable in 4 quarterly instalments of INR 1,250 each from May 2023
UCO Bank	5,616.31	9,374.70	Repayable in 6 quarterly instalments of INR 937.50 Lakhs each from May 2024
UCO Bank	9,993.76	14,999.93	Repayable in 8 quarterly instalments of INR 1,250 Lakhs each from June 2024
UCO Bank	12,491.98	17,500.00	Repayable in 10 quarterly instalments of INR 1,250 Lakhs each from May 2024
UCO Bank	26,241.81	-	Repayable in 14 quarterly instalments of INR 1,875 Lakhs each from May 2024
Ujjivan Bank	357.14	1,785.71	Repayable in 1 quarterly instalments of INR 357 each from April 2024
Ujjivan Bank	357.14	1,785.71	Repayable in 1 quarterly instalments of INR 357 each from May 2024
Yes Bank	2,840.84	5,684.84	Repayable in 4 quarterly instalments of INR 711 Llakhs each from June 2024
AU Small Finance Bank Limited	-	125.19	Repayable in 20 quarterly instalments after 1 month from the date of full disbursement
Axis Bank	1,635.12	2,303.41	Repayable in 17 quarterly instalments after 12 months from the date of first disbursement
Bank of Baroda (Vijaya Bank)	754.33	1,032.12	Repayable in 36 quarterly instalments after 12 months from the disbursement
Bank of Baroda	8,750.00	5,000.00	Repayable in 32 quarterly instalments after 3 months from the disbursement
Bank of India	4,025.34	4,579.09	Repayable in 36 quarterly instalments after 12 months from the date of first disbursement
Canara Bank	-	2,175.93	Repayable in 108 monthly instalments after 13 months from the disbursement
Canara Bank	-	1,388.89	Repayable in 36 equal quarterly instalments after 15 months from the disbursement
Canara Bank	9,166.61	10,000.00	Repayable in 72 equal monthly instalments after 12 months from the disbursement
Canara Bank	7,500.00	-	Repayable in 14 half yearly instalments after the date of first disbursement
Federal Bank Limited	499.78	1,166.52	Repayable in 36 monthly instalments after a month from the disbursement
Federal Bank Limited	2,249.82	-	Repayable in 20 quarterly instalments after the date of first disbursement
Federal Bank Limited	2,250.00	-	Repayable in 20 quarterly instalments after the date of first disbursement
IDBI Bank Limited	465.58	569.04	Repayable in 58 quarterly instalments after 6 months from the disbursement
Indian Bank	4,120.70	5,500.00	Repayable in 29 quarterly instalments after a holiday period of 3 quarters from the date of first disbursement
Indian Bank	4,388.89	5,397.26	Repayable in 72 monthly instalments after a holiday period of 12 months from the date of first disbursement
Karur Vysya Bank	968.69	1,246.39	Repayable in 36 equal quarterly instalments after 12 months from the disbursement

(Rupees in lakhs, except for share data and unless otherwise stated)

Name of Party	Outstanding as at March 31st 2024	Outstanding as at March 31st 2023	Terms of Repayment
Punjab National Bank	939.62	1,493.43	Repayable in 36 equal quarterly instalments after 6 months from the disbursement
Punjab National Bank	4,302.45	5,046.08	Repayable in 40 equal quarterly instalments after 15 months from the disbursement
Punjab National Bank	1,028.56	1,305.19	Repayable in 36 equal quarterly instalments after 12 months from the disbursement
Punjab National Bank	8,893.63	9,999.29	Repayable in 36 equal quarterly instalments after 12 months from the disbursement
Punjab National Bank	4,999.05	-	Repayable in 36 equal quarterly instalments after 12 months from the disbursement
Punjab National Bank	4,999.04	-	Repayable in 36 equal quarterly instalments after 12 months from the disbursement
South Indian Bank	-	368.35	Repayable in 60 instalments from the disbursement
State Bank of India	-	2,394.63	Repayable in 36 quarterly instalments after 4 months from the disbursement
State Bank of India	3,773.85	5,901.54	Repayable in 35 quarterly instalments after 12 months from the disbursement
State Bank of India	12,602.00	7,109.58	Repayable in 36 quarterly instalments after 12 months from the disbursement
State Bank of India	15,870.65	10,000.01	Repayable in 36 quarterly instalments after 12 months from the disbursement
Union Bank of India	186.42	955.24	Repayable in 26 equal quarterly instalments after 6 months from the disbursement
Union Bank of India	2,497.85	3,331.21	Repayable in 24 equal quarterly instalments after 15 months from the disbursement
Union Bank of India	9,999.99	-	Repayable in 36 quarterly instalments after 6 months from the disbursement
Union Bank of India	1,944.39	2,493.07	Repayable in 36 equal quarterly instalments after 15 months from disbursement
Yes Bank Limited	2,075.98	2,407.27	Repayable in 163 monthly instalments after 6 months from the disbursement
Karnataka Bank	4,749.67	-	Repayable in 20 quarterly instalments after the date of first disbursement
DCB Bank	1,999.90	-	Repayable in 57 monthly instalments after 3 months from the disbursement
Bank of Maharashtra	12,499.99	-	Repayable in 26 equal quarterly instalments after 8 months from disbursement
National Housing Bank	102.77	168.73	Repayable in 47 quarterly instalments after quarter succeeding the disbursement
National Housing Bank	375.34	443.34	Repayable in 59 quarterly instalments after quarter succeeding the disbursement
National Housing Bank	15.59	34.27	Repayable in 27 quarterly instalments after quarter succeeding the disbursement
National Housing Bank	504.03	655.87	Repayable in 59 quarterly instalments after quarter succeeding the disbursement
National Housing Bank	902.44	1,049.17	Repayable in 59 quarterly instalments after quarter succeeding the disbursement
National Housing Bank	208.40	362.00	Repayable in 27 quarterly instalments after quarter succeeding the disbursement

(Rupees in lakhs, except for share data and unless otherwise stated)

Name of Party	Outstanding as at March 31st 2024	Outstanding as at March 31st 2023	Terms of Repayment
National Housing Bank	147.90	170.70	Repayable in 39 quarterly instalments after quarter succeeding the disbursement
National Housing Bank	214.16	317.45	Repayable in 39 quarterly instalments after quarter succeeding the disbursement
National Housing Bank	561.10	716.74	Repayable in 39 quarterly instalments after quarter succeeding the disbursement
National Housing Bank	1,379.70	1,689.11	Repayable in 39 quarterly instalments after quarter succeeding the disbursement
National Housing Bank	614.49	773.39	Repayable in 39 quarterly instalments after quarter succeeding the disbursement
National Housing Bank	311.36	431.51	Repayable in 39 quarterly instalments after quarter succeeding the disbursement
National Housing Bank	56.13	72.21	Repayable in 27 quarterly instalments after quarter succeeding the disbursement
National Housing Bank	388.14	525.56	Repayable in 27 quarterly instalments after quarter succeeding the disbursement
National Housing Bank	2,214.68	2,749.94	Repayable in 27 quarterly instalments after quarter succeeding the disbursement
National Housing Bank	1,945.64	2,426.01	Repayable in 27 quarterly instalments after quarter succeeding the disbursement
National Housing Bank	1,164.01	1,378.01	Repayable in 27 quarterly instalments after quarter succeeding the disbursement
National Housing Bank	618.87	828.10	Repayable in 27 quarterly instalments after quarter succeeding the disbursement
National Housing Bank	820.49	989.19	Repayable in 27 quarterly instalments after quarter succeeding the disbursement
National Housing Bank	1,312.63	1,560.20	Repayable in 27 quarterly instalments after quarter succeeding the disbursement
National Housing Bank	2,949.25	3,500.00	Repayable in 27 quarterly instalments after quarter succeeding the disbursement
National Housing Bank	5,591.08	-	Repayable in 27 quarterly instalments after quarter succeeding the disbursement
National Housing Bank	4,060.00	-	Repayable in 40 quarterly instalments after quarter succeeding the disbursement
National Housing Bank	735.00	-	Repayable in 40 quarterly instalments after quarter succeeding the disbursement
Bank of Bahrain and Kuwait	-	1,180.00	Repayable in 12 quarterly instalments from May-2021
Jana SFB	-	190.62	Repayable in 24 monthly instalments from May-2021
Karnataka Bank	-	1,997.69	Repayable in 5 half yearly instalments from December-2021
SBI 5	-	6,663.30	Repayable in 12 quarterly instalments from April-2021
Utkarsh Small Finance Bank	-	312.50	Repayable in 24 monthly instalments from July-2021
Jana SFB - II	631.15	1,952.51	Repayable in 36 monthly instalments from September-2021
IDBI III	625.00	2,656.25	Repayable in 32 monthly instalments from January-2022
Canara Bank	1,663.91	4,997.59	Repayable in 36 monthly instalments from October-2021
Woori Bank 3	-	700.00	Repayable in 24 monthly instalments from October-2021
Bank of Baroda -2	1,666.67	5,000.00	Repayable in 36 monthly instalments from October-2021
SCB - Nov'21	-	3,000.00	Repayable in 8 quarterly instalments from February-2022
Woori Bank 4	-	1,033.33	Repayable in 24 monthly instalments from January-2022
Bandhan Bank IV	-	5,355.31	Repayable in 7 quarterly instalments from July-2022

(Rupees in lakhs, except for share data and unless otherwise stated)

Name of Party	Outstanding as at March 31st 2024	Outstanding as at March 31st 2023	Terms of Repayment
Bandhan Bank IV B	-	4,285.65	Repayable in 7 quarterly instalments from September-2022
Axis Bank VI	-	6,136.36	Repayable in 22 monthly instalments from March-2022
Equitas Small Finance Bank II	-	2,074.00	Repayable in 24 monthly instalments from February-2022
Karnataka Bank II	1,998.39	3,999.64	Repayable in 5 half yearly instalments from November-2022
DCB IV	-	2,289.92	Repayable in 24 monthly instalments from March-2022
IDBI Bank - IV	416.66	3,125.00	Repayable in 24 monthly instalments from July-2022
IOB	1,996.67	3,998.08	Repayable in 30 monthly instalments from September-2022
Kotak Mahindra Bank V	624.86	4,375.00	Repayable in 23 monthly instalments from June-2022
Axis TL 7A	954.55	4,772.73	Repayable in 22 monthly instalments from September-2022
Axis TL 7B	90.91	363.64	Repayable in 22 monthly instalments from October-2022
Utkarsh SFB 2	-	1,562.50	Repayable in 24 monthly instalments from July-2022
Karur Vysya Bank	1,250.00	2,250.00	Repayable in 10 quarterly instalments from January-2023
Bank of Bahrain & Kuwait 2	500.00	1,500.00	Repayable in 8 quarterly instalments from October-2022
HSBC A	416.67	1,666.66	Repayable in 24 monthly instalments from August-2022
HSBC B	1,145.83	2,393.53	Repayable in 24 monthly instalments from March-2023
ICICI TL 5	8,333.33	19,444.44	Repayable in 9 quarterly instalments from December-2022
SBI VI	16,346.02	27,261.60	Repayable in 11 quarterly instalments from February-2023
DBS Bank 1A	1,666.67	4,166.67	Repayable in 24 monthly instalments from December-2022
DBS Bank 1B	2,061.98	4,583.33	Repayable in 24 monthly instalments from February-2023
Suryoday SFB 1	1,361.63	3,854.27	Repayable in 24 monthly instalments from October-2022
BOB 3 A	7,285.71	12,428.57	Repayable in 35 monthly instalments from October-2022
ICBC 1	3,500.07	5,833.33	Repayable in 12 quarterly instalments from December-2022
Union Bank 7	5,151.17	8,787.88	Repayable in 33 monthly instalments from December-2022
UCO Bank 1	4,999.54	8,333.31	Repayable in 12 quarterly instalments from December-2022
Jana Small Finance Bank - 3	2,512.06	5,862.50	Repayable in 24 monthly instalments from January-2023
Kookmin Bank 1	6,125.00	7,000.00	Repayable in 8 quarterly instalments from February-2024
Kotak Mahindra Bank VI A	1,666.64	3,666.67	Repayable in 24 monthly instalments from February-2023
Kotak Mahindra Bank VI B	541.67	1,000.00	Repayable in 24 monthly instalments from May-2023
Bandhan VI	11,428.44	20,008.51	Repayable in 7 quarterly instalments from June-2023
DCB 5	1,831.94	3,833.29	Repayable in 24 monthly instalments from March-2023

(Rupees in lakhs, except for share data and unless otherwise stated)

Name of Party	Outstanding as at March 31st 2024	Outstanding as at March 31st 2023	Terms of Repayment
Federal Bank 3	1,874.63	4,375.00	Repayable in 8 quarterly instalments from March-2023
Woori Bank 5	2,083.33	4,583.33	Repayable in 24 monthly instalments from February-2023
Axis TL 8	2,863.64	6,300.00	Repayable in 22 monthly instalments from April-2023
SCB 190cr	9,500.00	19,000.00	Repayable in 8 quarterly instalments from May-2023
SCB 30cr	-	3,000.00	Repayable in 1 Bullet Payment instalments from February-2024
Punjab and Sind	6,675.74	9,999.73	Repayable in 36 monthly instalments from April-2023
ICICI TL 6	3,666.67	5,500.00	Repayable in 9 quarterly instalments from July-2023
IDFC	14,285.01	25,000.00	Repayable in 21 monthly instalments from July-2023
Karur Vysya Bank 2	1,875.00	-	Repayable in 8 quarterly instalments from November-2023
Axis TL 8B	2,354.55	-	Repayable in 22 monthly instalments from August-2023
SCB 3A(1)	1,484.38	-	Repayable in 8 quarterly instalments from August-2023
ICICI 6B	2,177.78	-	Repayable in 9 quarterly instalments from October-2023
HDFC	3,125.00	-	Repayable in 24 monthly instalments from July-2023
Bank of Bahrain & Kuwait 3	2,500.00	-	Repayable in 8 quarterly instalments from September-2023
IDBI	5,624.97	-	Repayable in 24 monthly instalments from October-2025
DBS	7,838.32	-	Repayable in 24 monthly instalments from October-2025
HSBC	3,541.67	-	Repayable in 24 monthly instalments from August-2025
HSBC	3,541.67	-	Repayable in 24 monthly instalments from August-2025
Jana SFB	3,000.00	-	Repayable in 24 monthly instalments from September-2025
Standard Chartered Bank	1,781.25	-	Repayable in 8 quarterly instalments from August-2025
SBI	45,454.74	-	Repayable in 11 quarterly instalments from August-2026
DCB	3,957.57	-	Repayable in 24 monthly instalments from June-2025
ICICI	1,511.11	-	Repayable in 9 quarterly instalments from December-2025
HSBC	1,500.00	-	Repayable in 24 monthly instalments from September-2025
SBM	4,374.99	-	Repayable in 8 quarterly instalments from December-2025
Axis Bank - Tranche 1	12,954.55	-	Repayable in 22 monthly instalments from January-2024
UCO Bank	8,333.07	-	Repayable in 12 quarterly instalments from December-2023
HDFC Bank- Tranche 2	4,166.67	-	Repayable in 24 monthly instalments from December-2023
Karnataka Bank	4,999.85	-	Repayable in 10 quarterly instalments from July-2024
Federal Bank	4,583.31	-	Repayable in 12 quarterly instalments from February-2024

(Rupees in lakhs, except for share data and unless otherwise stated)

Name of Party	Outstanding as at March 31st 2024	Outstanding as at March 31st 2023	Terms of Repayment
Axis Bank- Tranche 2	4,545.45	-	Repayable in 22 monthly instalments from February-2024
DBS - Tranche 2	9,583.33	-	Repayable in 24 monthly instalments from March-2024
PNB Tranche 1	999.63	-	Repayable in 8 quarterly instalments from March-2024
Woori Bank	4,583.33	-	Repayable in 23 monthly instalments from February-2024
ICBC	3,666.74	-	Repayable in 12 quarterly instalments from March-2024
SCB	3,265.63	-	Repayable in 4 half yearly instalments from July-2024
SCB	2,375.00	-	Repayable in 8 quarterly instalments from November-2023
Axis Bank- Tranche 2	12,000.00	-	Repayable in 22 monthly instalments from May-2024
PNB Tranche 2	8,999.96	-	Repayable in 8 quarterly instalments from June-2024
BOB Tranche 1 - Agri	18,285.71	-	Repayable in 35 monthly instalments from February-2024
BOB Tranche 2 - SME	18,857.14	-	Repayable in 35 monthly instalments from January-2024
HDFC Tranche 1	14,375.00	-	Repayable in 24 monthly instalments from March-2024
YES Bank	14,995.70	-	Repayable in 24 monthly instalments from April-2024
HDFC Tranche 2	10,000.00	-	Repayable in 24 monthly instalments from April-2024
PNB	4,998.59	-	Repayable in 8 quarterly instalments from June-2024
SBM	2,000.00	-	Repayable in 8 quarterly instalments from September-2024
BOM	500.00	-	Repayable in 8 quarterly instalments from September-2024
Punjab and Sind Bank	1,000.63	-	Repayable in 12 quarterly instalments from June-2024
Interest accrued on borrowings	21.81	34.04	
Adjustments on account of effective rate of interest	(6,986.36)	(4,994.89)	
Total	**12,21,302.63**	**9,08,291.15**	
Securitisation arrangements			
Federal Vision	-	254.99	Repayable in 19 fixed instalments from January-2022
CSB Peterson	-	692.98	Repayable in 18 fixed instalments from February-2022
Federal Gamora	-	2,098.37	Repayable in 18 fixed instalments from June-2022
ICICI Cygnus	-	2,670.77	Repayable in 18 fixed instalments from July-2022
L&T Sanders	-	2,915.95	Repayable in 18 fixed instalments from August-2022
Kotak Centaurus	-	2,121.84	Repayable in 17 fixed instalments from August-2022
Federal Ultron	-	3,388.71	Repayable in 17 fixed instalments from October-2022
Axis Numbus Leo 1	-	5,556.62	Repayable in 17 fixed instalments from September-2022

(Rupees in lakhs, except for share data and unless otherwise stated)

Name of Party	Outstanding as at March 31st 2024	Outstanding as at March 31st 2023	Terms of Repayment
SBI Antenna	-	9,435.72	Repayable in 17 fixed instalments from October-2022
IDBI Kepler	-	5,820.45	Repayable in 15 fixed instalments from December-2022
ICICI Adam	-	7,300.09	Repayable in 17 fixed instalments from January-2023
SBI Aries	4,630.88	27,623.06	Repayable in 18 fixed instalments from March-2023
Axis Numbus Leo 2	2,081.32	12,684.37	Repayable in 17 fixed instalments from April-2023
Federal Rogers	4,761.17	-	Repayable in 16 fixed instalments from July-2023
Mudra Carins	3,349.18	-	Repayable in 17 fixed instalments from June-2023
Axis Nimbus Leon	6,101.09	-	Repayable in 17 fixed instalments from July-2023
SBI Eve	10,253.01	-	Repayable in 18 fixed instalments from August-2023
Kotak Poseidon	4,045.98	-	Repayable in 17 fixed instalments from August-2023
L&T Mirage	6,167.95	-	Repayable in 16 fixed instalments from August-2023
Kotak Tulip	9,537.92	-	Repayable in 17 fixed instalments from October-2023
ICICI Venus	16,597.49	-	Repayable in 17 fixed instalments from December-2023
Federal RANA	8,060.53	-	Repayable in 15 fixed instalments from January-2024
HSBC Aphrodite	16,069.09	-	Repayable in 18 fixed instalments from January-2024
ICICI Minerva	15,664.51	-	Repayable in 18 fixed instalments from February-2024
IDBI Athena	6,948.80	-	Repayable in 16 fixed instalments from March-2024
Axis Agricola	17,747.36	-	Repayable in 16 fixed instalments from March-2024
Kotak Torterra	10,447.91	-	Repayable in 18 fixed instalments from May-2024
Adjustments on account of effective rate of interest	(274.60)	(257.63)	
Total	**1,42,189.60**	**82,306.31**	
Term Loan from Others			
Bajaj Finance	-	437.50	Repayable in 3 monthly instalments of INR 146 each from April 2023
Bajaj Finance	6,750.00	-	Repayable in 27 monthly instalments of INR 250 lakhs each from April 2024
NABKISAN Finance	8,999.93	-	Repayable in 11 quarterly instalments of INR 818.18 lakhs each from July 2024
Hinduja Housing Finance Company LTD	-	100.00	Repayable in 120 monthly instalments after 12 months from the disbursement
LIC Housing Finance Limited	5,738.82	6,925.62	Repayable in 108 monthly instalments after 12 months from the disbursement
LIC Housing Finance Limited	1,000.00	-	Repayable in 96 monthly instalments after the date of first disbursement on 1st day of every calendar month

(Rupees in lakhs, except for share data and unless otherwise stated)

Name of Party	Outstanding as at March 31st 2024	Outstanding as at March 31st 2023	Terms of Repayment
Poonawalla FinCorp	4,733.51	-	Repayable in 60 equated monthly instalments after the date of first disbursement on 5th day of every calendar month
Nabsamruddhi Finance Limited	3,791.17	-	Repayable in 60 equated monthly instalments after the date of first disbursement
Northern Arc Capital Limited	-	1,666.64	Repayable in 12 quarterly instalments
Northern Arc Capital Limited	100.00	1,300.00	Repayable in 10 quarterly instalments
Northern Arc Capital Limited	600.00	1,800.00	Repayable in 10 quarterly instalments
Muthoot Capital Services Limited	-	233.33	Repayable in 36 monthly instalments from disbursement
OIKO	-	1,332.80	Repayable in 12 fixed instalments from June-2021
NABARD Refinance	-	2,000.00	Repayable in 11 variable instalments from January-2019
NABARD Refinance	500.00	1,500.00	Repayable in 11 variable instalments from July-2019
NABARD Refinance	440.00	880.00	Repayable in 11 variable instalments from January-2020
Nabfin-2	-	101.27	Repayable in 24 fixed instalments from May-2021
NABKISAN II	-	499.36	Repayable in 12 fixed instalments from June-2021
Capri Global	-	520.83	Repayable in 24 variable instalments from September-2021
Credit Saision	-	1,312.50	Repayable in 8 fixed instalments from February-2022
MAS Financial Services Ltd - 2	-	1,666.67	Repayable in 24 variable instalments from February-2022
Nabsamruddi - Microfinance	520.35	947.69	Repayable in 36 fixed instalments from May-2022
Nabsamruddi - Wash	600.41	1,093.48	Repayable in 36 fixed instalments from May-2022
Nabsamruddi - Solar	80.05	145.80	Repayable in 36 fixed instalments from May-2022
SIDBI IV - 2	3,333.33	7,333.33	Repayable in 30 variable instalments from August-2022
Mudra III	6,668.00	13,940.00	Repayable in 33 fixed instalments from June-2022
Credit Saison II	-	750.00	Repayable in 8 fixed instalments from May-2022
NABKISAN III	1,008.68	2,017.41	Repayable in 12 fixed instalments from June-2022
NABFINS III	91.75	1,032.68	Repayable in 12 fixed instalments from June-2022
Piramal Capital and Housing Finance	95.24	1,238.10	Repayable in 21 fixed instalments from August-2022
Piramal Capital and Housing Finance 2	285.71	2,000.00	Repayable in 21 fixed instalments from September-2022
Tata Capital Services	-	2,750.00	Repayable in 24 variable instalments from July-2022
Sundaram Finance	1,099.27	4,143.69	Repayable in 24 variable instalments from August-2022
Mahindra and Mahindra 3	2,725.32	7,710.81	Repayable in 24 variable instalments from October-2022
Credit Saison 3	875.00	2,625.00	Repayable in 8 fixed instalments from December-2022
Hinduja Leyland Finance 1	-	2,314.44	Repayable in 24 fixed instalments from October-2022

(Rupees in lakhs, except for share data and unless otherwise stated)

Name of Party	Outstanding as at March 31st 2024	Outstanding as at March 31st 2023	Terms of Repayment
MAS Financial Services 3	500.00	1,500.00	Repayable in 24 variable instalments from October-2022
NABKISAN 4	3,180.76	4,999.86	Repayable in 11 fixed instalments from May-2023
Piramal Enterprises Limited 1	2,380.95	5,000.00	Repayable in 21 variable instalments from May-2023
NABARD 6	18,900.00	30,000.00	Repayable in 11 fixed instalments from June-2023
Aditya Birla Finance Ltd A	1,883.06	3,732.32	Repayable in 24 variable instalments from February-2023
MAS Financial Services 4A	1,125.00	2,625.00	Repayable in 24 variable instalments from January-2023
MAS Financial Services 4B	833.33	1,833.33	Repayable in 24 variable instalments from February-2023
Hinduja Leyland Finance 2	3,956.67	7,500.00	Repayable in 24 fixed instalments from April-2023
JM Financials 2	5,229.25	-	Repayable in 20 fixed instalments from July-2023
Hero Fincorp 4	6,501.80	-	Repayable in 24 variable instalments from July-2023
Nabsamrudhi	3,502.21	-	Repayable in 30 fixed instalments from July-2026
Nabsamrudhi	875.55	-	Repayable in 30 fixed instalments from July-2026
Sundaram Finance	3,646.17	-	Repayable in 24 fixed instalments from August-2025
Credit Saisson	3,750.00	-	Repayable in 8 variable instalments from August-2025
Credit Saisson	2,100.00	-	Repayable in 8 variable instalments from August-2025
Credit Saisson	300.00	-	Repayable in 8 variable instalments from August-2025
HLF	3,466.18	-	Repayable in 24 variable instalments from September-2025
SIDBI	24,193.50	-	Repayable in 31 variable instalments from September-2026
Tata Capital	4,305.56	-	Repayable in 36 variable instalments from September-2026
SIDBI - 6B	25,000.00	-	Repayable in 36 variable instalments from December-2023
TL - MUDRA	15,000.00	-	Repayable in 1 fixed instalments from December-2026
ECB 1 - Responsibility	12,363.00	12,363.00	Repayable in yearly instalments in October-2024, October-2025 & October-2026
ECB 2 - Responsibility	8,185.00	8,185.00	Repayable in yearly instalments in November-2024, November-2025 & November-2026
ECB 3 Blue Orchard	8,210.00	-	Repayable in April-2028
SCB - ECB	20,843.74	-	Repayable in June-2027
Northern Arc II	-	734.08	Repayable in 24 variable instalments from August-2021
Northern Arc	6,923.90	-	Repayable in 24 variable instalments from July-2025
Interest accrued on borrowings	32.01	38.20	
Adjustments on account of effective rate of interest	(1,171.14)	(449.46)	
Total	**2,36,053.07**	**1,50,380.29**	

(Rupees in lakhs, except for share data and unless otherwise stated)

20 Subordinated Liabilities

Particulars	As at 31st March 2024	As at 31st March 2023
At amortised cost		
Subordinated Debt	1,08,212.92	1,79,745.30
Subordinated Debt - Listed	38,349.01	-
Tier-I Capital - Perpetual Debt Instruments	67,555.79	48,113.39
Total	**2,14,117.72**	**2,27,858.69**
Borrowings in India	2,14,117.72	2,27,858.69
Borrowings outside India	-	-

(a) Subordinated Debt instruments are unsecured, subordinated to the claims of all other creditors with an initial maturity of minimum 5 years.

(b) Maturity Profile of Subordinated Debt

Particulars	Amount
FY 2024-25	25,991.84
FY 2025-26	15,876.99
FY 2026-27	24,804.50
FY 2027-28	21,254.71
FY 2028-29	45,176.03
FY 2029-30	15,000.00
Adjustments on account of effective rate of interest	(1,542.14)
TOTAL	**1,46,561.93**

(c) Perpetual Debt Instruments are perpetual, unsecured instruments, which have been issued as per RBI guidelines. Unamortised Borrowing Cost on Perpetual Debt Instruments is INR 2,344.21 (31st March 2023: INR 1,786.61)

21 Other Financial Liabilities

Particulars	As at 31st March 2024	As at 31st March 2023
Expenses Payable	5,393.87	3,908.57
Security deposits received	722.46	907.99
Unpaid matured debt and interest accrued thereon	3,764.93	4,828.69
Interest accrued but not due on borrowings	50,745.24	57,897.38
Payable to employees	2,316.12	2,117.75
Payables towards securitisation/assignment transactions	5,216.25	9,203.36
Payable to ARCIL	51.21	192.15
Cumulative Compulsorily Convertible Preference Shares (CCCPS)	16,202.00	15,732.00
Others	8,217.62	6,415.70
Total	**92,629.70**	**1,01,203.58**

Note a

(i) The Group had issued 15,00,00,000, 14% CCCPS of INR 10 each at a price of INR 10 each to BPEA Credit – India Fund III – Scheme C & BPEA Credit – India Fund III – Scheme F (Collectively referred as investors) amounting to INR 15,000. The equity shares issued upon Conversion of the CCPS will in all respects rank pari passu with equity shares at the time of conversion.

(ii) CCCPS shall be convertible to equity shares at the option of the investor at any time after the expiry of a period of

(Rupees in lakhs, except for share data and unless otherwise stated)

43 (forty three) months from the Closing Date (refer paragraph iii for exception) or upon the expiry of a period of 10 (ten) years from the Closing Date and shall be converted at lower of the fair values of the Equity Shares as determined by the:

(a) valuation report dated December 9, 2020 issued by Ernst & Young Merchant Banking Services LLP in relation to the issuance of the CCCPS; or

(b) valuation report to be issued by a registered valuer (in a form acceptable to the holders of the CCCPS) following the issuance of the Conversion Notice by the holders of the CCCPS.

(iii) The holders of the CCCPS may issue the Conversion Notice at any time after the Closing Date, upon the occurrence of any of the following events:

(a) non-payment of dividend in manner stipulated as per agreement on the relevant dividend payment dates,

(b) credit rating falling below A- (as certified by any credit rating agency); and/or

(c) any failure to maintain a Net Interest Margin of 7.0 (Seven percent) % or higher;

(d) any failure to maintain an overall Capital to Risk Assets Ratio of 16.0 (Sixteen percent) % or higher;

(e) any failure to maintain the aggregate Tier 2 Capital at 50% (Fifty percent) or lower than the aggregate Tier 1 Capital; or

(f) any failure to maintain the Gross Non-Performing Assets at 5.5% (Five decimal five percent) or lower and Net Non-Performing Assets at 4.0% (Four percent) or lower, to be tested on a semi-annual basis for Company as on (a) 31 March of each financial year, and (b) 30 September of each financial year

Note b - Change in fair value

Particulars	As at 31st March 2024	As at 31st March 2023
Cumulative change in fair value of the preference shares attributable to changes in credit risk	1,202.00	732.00
Change during the year in the fair value of the preference shares attributable to changes in credit risk	470.00	519.00

22 Provisions

Particulars	As at 31st March 2024	As at 31st March 2023
Provision for employee benefits		
- Gratuity	1,432.10	761.06
- Provision for compensated absences	663.11	460.98
- Provision for employee stock option plan	1,456.73	355.14
Unspent amount on Corporate Social Responsibilty	25.04	25.04
Impairment on Loan Commitments	17.34	17.35
Total	**3,594.32**	**1,619.57**

(Rupees in lakhs, except for share data and unless otherwise stated)

23 Other Non-Financial Liabilities

Particulars	As at 31st March 2024	As at 31st March 2023
Statutory dues payable	5,165.24	3,470.76
Other non financial liabilities	4.43	4.69
Total	**5,169.67**	**3,475.45**

24 Equity share capital

(a) Authorised share capital:

Equity Shares

Particulars	No. of Shares	Amount
At 1st April 2022	22,50,00,000	22,500.00
Add: Increased during the year	-	-
At 31st March 2023	22,50,00,000	22,500.00
Add: Increased during the year	-	-
At 31st March 2024	22,50,00,000	22,500.00

Preference Shares

Particulars	No. of Shares	Amount
At 1st April 2022	20,00,00,000	20,000.00
Add: Increased during the year	-	-
At 31st March 2023	20,00,00,000	20,000.00
Add: Increased during the year	-	-
At 31st March 2024	20,00,00,000	20,000.00

(b) Issued capital

Particulars	No. of Shares	Amount
At 1st April 2022	19,38,00,800	19,380.08
Add: Increased during the year	-	-
At 31st March 2023	19,38,00,800	19,380.08
Add: Increased during the year	-	-
At 31st March 2024	19,38,00,800	19,380.08

(c) Subscribed and Fully Paid Up Capital

Particulars	No. of Shares	Amount
At 1st April 2022	19,37,05,560	19,370.56
Add: Increased during the year	-	-
At 31st March 2023	19,37,05,560	19,370.56
Add: Increased during the year	-	-
At 31st March 2024	19,37,05,560	19,370.56

(Rupees in lakhs, except for share data and unless otherwise stated)

(d) Terms/ rights attached to equity shares :

The Group has only one class of shares namely equity shares having a face value of INR 10. Each holder of equity share is entitled to one vote per share. All shares rank pari passu with regard to dividend and repayment of capital. In the event of liquidation of Company, the holder of equity shares will be entitled to receive any of the remaining assets of the Group, after distribution of all preferential amounts.

(e) Shareholder's having more than 5% equity shareholding in the Group

Particulars	As at 31st March 2024	As at 31st March 2023
	No. of shares and % of holding	
Mr. Thomas John Muthoot *	5,14,56,049 - 26.56%	5,14,56,049 - 26.56%
Mr. Thomas George Muthoot *	5,14,56,021 - 26.56%	5,14,56,021 - 26.56%
Mr. Thomas Muthoot *	5,14,56,053 - 26.56%	5,14,56,053 - 26.56%
Ms. Preethi John Muthoot	1,29,13,704 - 6.67%	1,29,13,704 - 6.67%
Ms. Nina George	1,29,13,704 - 6.67%	1,29,13,704 - 6.67%
Ms. Remy Thomas	1,29,13,704 - 6.67%	1,29,13,704 - 6.67%

** Shares held by the promoters and their shareholding % of holding at the end of the year*

25 Other Equity

Particulars	As at 31st March 2024	As at 31st March 2023
Securities Premium	38,129.85	38,129.85
Statutory Reserve (Pursuant to Section 45-IC of the RBI Act 1934)	96,552.71	76,304.92
Statutory Reserve (Pursuant to Section 29C of the NHB Act 1987)	3,318.56	2,618.56
Retained Earnings	2,67,475.57	2,30,294.36
General Reserve	(75.42)	48.56
Employee stock options outstanding	1,701.22	730.55
Other Comprehensive income	6,893.74	5,860.25
Total	**4,13,996.25**	**3,53,987.04**

26 Interest Income

Particulars	For the Year Ended 31st March 2024	For the Year Ended 31st March 2023
On Financial Assets measured at Amortised Cost		
Interest on Loans	5,42,156.04	4,54,794.55
Interest Income from Investments	-	98.88
Interest on Deposit with Banks	5,592.20	3,610.05
Other Interest Income	18.91	107.40
On Financial Assets measured at fair value through other comprehensive income		
Interest on Loans	50,636.29	24,146.19
Total	**5,98,403.44**	**4,82,757.07**

(Rupees in lakhs, except for share data and unless otherwise stated)

27 Net gain on fair value changes

Particulars	For the Year Ended 31st March 2024	For the Year Ended 31st March 2023
(i) On trading portfolio		
- Investments	373.34	201.14
(ii) On financial instruments designated at fair value through profit or loss	148.75	229.07
(iii) Gain on sale of loans assets recognised through profit & loss account	30,499.43	11,153.74
(iv) Loss on fair valuation of cumulative, compulsorily convertible preference shares	(470.00)	(519.00)
Total Net gain/(loss) on fair value changes	**30,551.52**	**11,064.95**
Fair Value changes:		
- Realised	23,760.64	11,539.12
- Unrealised	6,790.88	(474.16)
Total	**30,551.52**	**11,064.95**

28 Others

Particulars	For the Year Ended 31st March 2024	For the Year Ended 31st March 2023
Income from Money transfer	476.73	657.10
Income From Forex operations	994.72	330.17
Income From Power generation	886.41	879.84
Income from Investment	2,649.55	1,463.84
Income from Software support service	114.82	108.37
Bad debt recovered	941.84	1,435.91
Other financial services	520.49	510.00
Other income	555.69	352.03
Total	**7,140.25**	**5,737.27**

29 Other Income

Particulars	For the Year Ended 31st March 2024	For the Year Ended 31st March 2023
Non-operating income	481.84	2,143.83
Total	**481.84**	**2,143.83**

(Rupees in lakhs, except for share data and unless otherwise stated)

30 Finance Costs

Particulars	For the Year Ended 31st March 2024	For the Year Ended 31st March 2023
Interest on borrowings	1,98,956.66	1,37,383.43
Interest on debt securities	45,500.64	44,701.36
Interest on lease liabilities	11,461.06	10,145.50
Interest on subordinate liablities	18,062.78	22,495.63
Dividend on CCCPS	2,100.00	2,100.00
Other charges	6,727.60	6,425.75
Total	**2,82,808.74**	**2,23,251.68**

31 Impairment of Financial Instruments

Particulars	For the Year Ended 31st March 2024	For the Year Ended 31st March 2023
Loans- at amortised cost	(5,050.41)	7,850.67
Loans written off / waived off	26,130.18	20,958.22
Total	**21,079.77**	**28,808.90**

32 Employee Benefits

Particulars	For the Year Ended 31st March 2024	For the Year Ended 31st March 2023
Salaries and Wages	1,14,571.65	86,469.65
Contributions to Provident and Other Funds	7,156.38	5,562.22
Incentives	4,658.93	2,193.44
Bonus & Exgratia	1,570.88	1,412.78
Gratuity & Leave encashment	596.15	277.19
Share based payments	2,356.20	1,020.25
Staff Welfare Expenses	1,941.59	1,803.58
Total	**1,32,851.77**	**98,739.11**

33 Depreciation expense

Particulars	For the Year Ended 31st March 2024	For the Year Ended 31st March 2023
Depreciation of Tangible Assets	6,978.91	5,624.89
Depreciation of Right of Use Assets	16,631.29	15,187.34
Amortization of Intangible Assets	878.83	815.46
Total	**24,489.03**	**21,627.70**

(Rupees in lakhs, except for share data and unless otherwise stated)

34 Other Expenses

Particulars	For the Year Ended 31st March 2024	For the Year Ended 31st March 2023
Advertisement and publicity	4,531.63	8,910.35
AMC Charges	79.75	52.76
Auditor's fees and expenses	140.18	131.65
Communication costs	8,509.36	9,057.51
Director's fees, allowances and expenses	844.21	668.99
Donations & CSR Expenses	818.51	568.22
Impairment on assets held for sale	295.22	336.36
Insurance	1,646.96	1,446.87
Legal & Professional Charges	8,639.82	4,820.99
Office Expenses	675.67	506.26
Other Expenditure	1,856.04	1,499.92
Printing and Stationery	1,699.90	1,537.85
Rent, taxes and energy costs	5,780.50	6,539.16
Repairs and maintainence	3,066.09	2,775.15
Security Charges	4,415.74	4,863.51
Software Licence and Subscription charges	2,160.50	793.62
Account written off	-	2,345.48
Travelling and Conveyance	8,221.89	6,350.60
Water Charges	18.57	16.81
Total	**53,400.54**	**53,222.07**

(a) Auditors Remuneration

Particulars	For the Year Ended 31st March 2024	For the Year Ended 31st March 2023
As auditor		
Statutory Audit fees	85.50	82.50
Limited review fees	21.00	21.00
Tax Audit fees	7.00	7.00
For other services		
Certification and other matters	11.00	9.00
For reimbursement of expenses		
Out of pocket expenses	5.80	2.70
Total	**130.30**	**122.20**

Above figures are exclusive of GST

(b) CSR Expenditure

As required under Section 135 of the Companies Act, 2013, the Group was required to spend INR 1,308.02 in the reporting year in pursuance of its Corporate Social Responsibility Policy, being two per cent of the average net profits made during the three immediately preceding financial years. The Group has during the year, spent a total of INR 817.82 towards CSR expenditure (including INR 166.54 out of earlier year unspent transferred to designated bank account). The unspent portion of INR 656.74 has been transferred to the designated bank account for Unspent Corporate Social Responsibility by the Group.

(Rupees in lakhs, except for share data and unless otherwise stated)

Particulars	For the Year Ended 31st March 2024	For the Year Ended 31st March 2023
(a) Amount required to be spent by the Group during the year	1,308.02	959.62
(b) Amount of expenditure incurred	651.28	566.39
(c) Shortfall at the end of the year	656.74	393.23
(d) Total of previous year shortfall	653.46	426.77
(e) Reason for shortfall	To better serve the students, the project's scope was expanded from solely offering a sports facility for football, volleyball, cricket, and other sports to establishing a comprehensive sports academy. This academy will not only provide top-tier sports training but also include educational facilities where students can attend regular academic classes, all meeting international standards. This change was prompted by the unavailability of schools we initially planned to partner with. Groundwork at the site is underway, and we are currently updating the architectural plans to accommodate these enhanced specifications.	With regard to the Sports Infrastructure project at Palakkad, based on advise from Architects, a wider road alternative had to be considered, evaluation and negotiations of which delayed the start of the construction work.
(f) Nature of CSR activities	CSR activities were undertaken in the fields of Health, Education & Livelihood.	CSR activities were undertaken in the fields of Health, Education & Livelihood.
(g) Details of related party trasactions	N/A	N/A
(h) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	N/A	N/A

(c) In view of regulatory advise and based on approval of the Board of Directors, the Company had during the year written off non-financial assets amounting to INR Nil (INR 2,345.48 during the year ended March 31, 2023) against Employees Provident Fund recovered from the Company in respect of dues towards provident fund of erstwhile staff.

35 Earnings Per Share

Basic earnings per share (EPS) is calculated by dividing the net profit for the year attributable to equity holders of Parent Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the net profit attributable to equity holders of Parent Company (after adjusting for interest on the convertible preference shares and interest on the convertible bond, in each case, net of tax, if any) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

(Rupees in lakhs, except for share data and unless otherwise stated)

Particulars	For the Year Ended 31st March 2024	For the Year Ended 31st March 2023
Net profit attributable to ordinary equity holders of the parent	88,493.87	58,877.43
Weighted average number of equity shares for basic earnings per share	19,37,05,560	19,37,05,560
Effect of dilution	74,92,507	74,92,507
Weighted average number of equity shares for diluted earnings per share	20,11,98,067	20,11,98,067
Earnings per share		
Basic earnings per share (INR)	45.68	30.40
Diluted earnings per share (INR)	43.98	29.26

36 Income Tax

The components of income tax expense for the year ended March 31st 2024 and year ended March 31st 2023 are:

Particulars	For the Year Ended 31st March 2024	For the Year Ended 31st March 2023
Current tax	35,810.60	25,252.16
Deferred tax relating to origination and reversal of temporary differences	908.71	(2,663.94)
Tax relating to prior years	137.17	-
Income tax expense reported in statement of profit and loss	**36,856.47**	**22,588.22**
OCI Section		
Deferred tax related to items recognised in OCI during the period:		
Net gain / (loss) on equity instruments measured through other comprehensive income	(157.28)	138.87
Remeasurement of loan assets	(551.28)	(1,380.92)
Remeasurement of the defined benefit liabilities	203.39	38.99
Income tax charged to OCI	**(505.17)**	**(1,203.06)**

Reconciliation of the total tax charge:

The tax charge shown in the statement of profit and loss differ from the tax charge that would apply if all the profits had been charged at India corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended March 31st 2024 and year ended March 31st 2023 are as follows:

Particulars	For the Year Ended 31st March 2024	For the Year Ended 31st March 2023
Accounting profit before tax	1,41,654.23	87,230.54
At India's statutory income tax rate of 25.168%* (2023: 25.168%)	**35,651.54**	**21,954.18**
Tax effects of adjustments		
Non deductible items	768.26	625.51
Adjustment on account of different tax rates	3.16	5.85
Others	(17.30)	2.68
Income tax expense reported in the statement of profit or loss	**36,719.31**	**22,588.21**
Effective Income Tax Rate	**25.92%**	**25.89%**

Tax relating to earlier years:

The tax relating to earlier years charged to the statement of profit & loss during the year is net of tax expense pertaining to prior years of Muthoot Fincorp Limited amounting to INR 2,522.41 and reversal of tax expense

(Rupees in lakhs, except for share data and unless otherwise stated)

pertaining to prior years of Muthoot Microfin Limited amounting to INR 2,385.24.

Based on the order passed by the Income Tax Interim Board for Settlement, Muthoot Fincorp had voluntarily ascertained and remitted income tax aggregating to 2,522.41 during the current year, the tax of which pertained to assessment years 2010-11 to 2017-18, which has been charged to the statement of profit and loss as tax relating to earlier years. The said amount of tax pertains to notices under Section 148 for Assessment Year 2010-11 and Section 153A for the Assessment Years 2011-2012 to 2016-2017 and for Assessment Year 2017-18, assessment of which was deemed to be pending by virtue of explanation (iv) to Section 245A(b) as on date of filing the settlement application.

The reversal of tax expense relating to earlier years of Muthoot Microfin Limited pertained to reversal of excess provision for tax created for AY 2023-24 amounting to INR 2,752.36 and Income tax liability discharged based on notice of demand u/s 156 in relation to re-assessment for the AY 2019-20 of INR 367.11.

Movement in deferred tax assets/(liabilities)

Particulars	As at 31st March 2022	Recognised in Statement of Profit and Loss	Recognised in Statement of other comprehensive income	Adjusted to Retained Earnings / Other Comprehensive Income	As at 31st March 2023
Deductible temporary difference on account of depreciation and amortisation	3,083.02	75.56	-	-	3,158.58
Bonus disallowed due to non-payment	476.56	28.30	-	-	504.86
Provision for employee benefits	97.78	77.88	(16.58)	-	159.08
Provision for Investment Rate Fluctuation	57.48	-	-	-	57.48
Expected credit loss provision on financial assets	9,085.80	840.48	-	-	9,926.27
Financial assets measured at amortised cost	1,195.67	960.80	-	-	2,156.47
Fair Valuation of Financial Assets	1,984.38	(101.18)	129.27	-	2,012.47
Financial liabilities measured at amortised cost	(1,386.18)	(630.72)	-	-	(2,016.89)
Financial liabilities measured at fair value	53.61	911.09	-	-	964.70
Direct assignment transactions	(5,666.84)	24.09	(1,381.44)	-	(7,024.19)
Special reserve	(444.19)	(138.44)	-	-	(582.63)
EIS receivable	(206.63)	84.74	-	-	(121.89)
Fair value of future lease obligations in accordance with Ind AS 116	327.79	168.57	-	-	496.37
Other items giving rise to temporary differences	691.02	362.80	55.60	-	1,109.41
Cash flow hedge reserve	-	-	10.11	-	10.11
Minimum Alternate tax credit entitlement	56.62	-	-	-	56.62
Carry Forward Losses and Unabsorbed Depreciation	82.81	-	-	-	82.81
Reversal of Previous Years	(257.86)	-	-	-	(257.86)
Reversal on account of Tax rate change	(3,266.63)	-	-	-	(3,266.63)
Round Off Adjustment	0.11	(0.04)	(0.02)	-	0.05
Total	**5,964.31**	**2,663.94**	**(1,203.06)**	**-**	**7,425.19**

(Rupees in lakhs, except for share data and unless otherwise stated)

Particulars	As at 31st March 2023	Recognised in Statement of Profit and Loss	Recognised in Statement of other comprehensive income	Adjusted to Retained Earnings / Other Comprehensive Income	As at 31st March 2024
Deductible temporary difference on account of depreciation and amortisation	3,158.58	112.43	-	-	3,271.01
Bonus disallowed due to non-payment	504.86	40.10	-	-	544.97
Provision for employee benefits	159.08	(48.48)	112.85	-	223.46
Provision for Investment Rate Fluctuation	57.48	-	-	-	57.48
Expected credit loss provision on financial assets	9,926.27	(2,568.94)	-	-	7,357.34
Financial assets measured at amortised cost	2,156.47	952.96	-	-	3,109.43
Fair Valuation of Financial Assets	2,012.47	1,631.16	(155.33)	-	3,488.32
Financial liabilities measured at amortised cost	(2,016.89)	(602.01)	-	-	(2,618.90)
Financial liabilities measured at fair value	964.70	498.13	-	-	1,462.83
Direct assignment transactions	(7,024.19)	(766.83)	(550.75)	-	(8,341.75)
Special reserve	(582.63)	(145.72)	-	-	(728.35)
EIS receivable	(121.89)	34.21	-	-	(87.68)
Fair value of future lease obligations in accordance with Ind AS 116	496.37	160.59	-	-	656.96
Other items giving rise to temporary differences	1,109.41	(204.37)	90.72	-	995.78
Cash flow hedge reserve	10.11	(1.89)	(2.66)	-	5.56
Minimum Alternate tax credit entitlement	56.62	-	-	-	56.62
Carry Forward Losses and Unabsorbed Depreciation	82.81	-	-	-	82.81
Reversal of Previous Years	(257.86)	-	-	-	(257.86)
Reversal on account of Tax rate change	(3,266.63)	-	-	-	(3,266.63)
Round Off Adjustment	0.05	(0.06)	-	-	(0.01)
Total	**7,425.19**	**(908.71)**	**(505.17)**	**-**	**6,011.38**

37 Retirement Benefit Plan

Defined Contribution Plan

The Group makes contributions to Provident Fund & Employee State Insurance which are defined contribution plans for qualifying employees. The amounts recognized for the aforesaid contributions in the statement of profit and loss are shown below:

Particulars	As at 31st March 2024	As at 31st March 2023
Contributions to Provident Fund	5,726.03	4,411.06
Contributions to Employee State Insurance	1,371.62	1,103.65
Defined Contribution Plan	**7,097.66**	**5,514.70**

(Rupees in lakhs, except for share data and unless otherwise stated)

Defined Benefit Plan

The Group has a defined benifit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Every employee who has completed five years or more of service gets a gratuity on leaving the service of the Group at 15 days salary (last drawn salary) for each completed year of service.\

The following tables summaries the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the gratuity plan.

Particulars	As at 31st March 2024	As at 31st March 2023
Present value of funded obligations	5,794.67	4,763.27
Fair value of planned assets	4,362.57	4,002.20
Defined Benefit obligation/(asset)	**1,432.10**	**761.06**

Post employment defined benefit plan

Net benefit expense recognised in statement of profit and loss	As at 31st March 2024	As at 31st March 2023
Current service cost	886.38	710.04
Net Interest on net defined benefit liablity/ (asset)	55.60	43.08
Net benefit expense	**941.99**	**753.12**

Balance Sheet

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

Particulars	As at 31st March 2024	As at 31st March 2023
Defined benefit obligation at the beginning of the year	4,763.27	4,322.66
Current service cost	886.38	710.04
Interest cost on benefit obligations	351.75	291.96
Actuarial (Gain) / Loss on Total Liabilities	725.72	133.93
Benefits paid	(932.45)	(695.32)
Benefit obligation at the end of the year	**5,794.67**	**4,763.27**

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

Particulars	As at 31st March 2024	As at 31st March 2023
Fair value of plan assets at the beginning of the year	4,002.20	3,629.98
Actual Return on Plan Assets	213.85	227.88
Employer contributions	1,060.51	808.88
Benefits paid	(913.99)	(664.54)
Fair value of plan assets as at the end of the year	**4,362.57**	**4,002.20**

Remeasurement gain/ (loss) in other comprehensive income (OCI)	As at 31st March 2024	As at 31st March 2023
Actuarial changes arising from changes in financial assumptions	(93.73)	108.21
Experience adjustments	(631.99)	(242.13)
Return on Plan assets, excluding amount included in net interest on the net defined benefit liablity/(asset)	(82.40)	(21.00)
Actuarial (gain) / loss (through OCI)	**(808.12)**	**(154.93)**

(Rupees in lakhs, except for share data and unless otherwise stated)

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

Particulars	As at 31st March 2024	As at 31st March 2023
Salary Growth Rate	3% to 12%	3% to 12%
Discount Rate	7.13% to 7.18%	7.29% to 7.46%
Withdrawal Rate	5% to 29.59%	5% to 31%
Mortality	100% of IALM 2012-14	100% of IALM 2012-14
Interest rate on net DBO	5.15% to 7.46%	5.15% to 7.12%
Expected average remaining working life	2 Yrs to 32.77 Yrs	2 Yrs to 32.76 Yrs

Investments quoted in active markets:

Particulars	As at 31st March 2024	As at 31st March 2023
Equity instruments	-	-
Debt instruments	-	-
Real estate	-	-
Derivatives	-	-
Investment Funds with Insurance Group	0 - 100%	0 - 100%
Of which, Unit Linked	-	-
Of which, Traditional/ Non-Unit Linked	0 - 100%	0 - 100%
Asset-backed securities	-	-
Structured debt	-	-
Cash and cash equivalents	-	-
Total	**0-100%**	**0-100%**

A quantitative sensitivity analysis for significant assumptions as at March 31, 2024 and March 31, 2023 are as shown below:

Assumptions	Sensitivity Level	As at 31st March, 2024	As at 31st March, 2023
Discount Rate	Increase by 1%	5,494.32	4,500.20
Discount Rate	Decrease by 1%	6,138.94	5,063.50
Further Salary Increase	Increase by 1%	6,175.80	5,063.16
Further Salary Increase	Decrease by 1%	5,455.85	4,498.16
Employee turnover	Increase by 1%	5,844.24	4,817.51
Employee turnover	Decrease by 1%	5,736.17	4,699.67
Mortality Rate	Increase in expected lifetime by 1 year	5,785.88	4,749.34
Mortality Rate	Increase in expected lifetime by 1 years	5,812.51	4,720.92

1. The weighted average duration of the defined benefit obligation as at 31st March 2024 is 5 to 10 years (2023: 4 to 11 years).
2. Gratuity liability is funded through a Gratuity Fund managed by Life Insurance Corporation of India Ltd.
3. The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
4. The principal assumptions used in determining leave encashment obligations for the Company's plans are shown below:

   The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

   The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

(Rupees in lakhs, except for share data and unless otherwise stated)

38 Maturity analysis of assets and liabilities

Particulars	As at 31st March 2024			As at 31st March 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial assets						
Cash and cash equivalents	2,41,911.80	-	2,41,911.80	3,35,294.75	-	3,35,294.75
Bank Balance other than above	53,192.19	24,216.03	77,408.22	34,666.76	23,126.37	57,793.13
Trade receivables	2,974.48	654.06	3,628.54	1,316.81	1,811.69	3,128.49
Loans	25,79,291.33	7,06,706.49	32,85,997.82	21,13,089.89	4,59,814.01	25,72,903.90
Investments	8,704.10	8,622.98	17,327.08	4,287.97	10,943.49	15,231.46
Other financial assets	28,778.17	13,956.41	42,734.58	17,612.19	5,006.98	22,619.16
Non-financial Assets						
Current tax assets (net)	1,788.70	1,497.04	3,285.74	-	1,249.67	1,249.67
Deferred tax assets (net)	-	14,154.78	14,154.78	-	13,547.86	13,547.86
Investment Property	-	26,119.76	26,119.76	-	26,119.76	26,119.76
Property, plant and equipment	-	47,751.65	47,751.65	-	45,646.57	45,646.57
Intangible assets under development	-	691.44	691.44	-	880.25	880.25
Other intangible assets	-	2,854.88	2,854.88	-	1,731.77	1,731.77
Right-of-use assets	16,125.95	81,821.01	97,946.96	13,703.08	78,164.60	91,867.68
Other non financial assets	6,379.44	2,220.86	8,600.30	23,845.11	1,601.25	25,446.36
Total assets	**29,39,146.15**	**9,31,267.40**	**38,70,413.55**	**25,43,816.54**	**6,69,644.27**	**32,13,460.81**
Liabilities						
Financial Liabilities						
Derivative Financial Liability	239.64	-	239.64	89.19	-	89.19
Payables	6,484.32	-	6,484.32	6,164.34	-	6,164.34
Debt Securities	1,02,512.08	2,80,764.21	3,83,276.28	2,08,071.50	2,33,586.54	4,41,658.04
Borrowings (other than debt security)	16,31,736.93	8,32,589.26	24,64,326.19	13,17,039.46	5,77,503.53	18,94,542.99
Lease Liability	24,247.83	88,538.74	1,12,786.57	20,644.13	82,058.78	1,02,702.92
Subordinated Liabilities	25,991.84	1,88,125.88	2,14,117.72	47,775.65	1,80,083.04	2,27,858.69
Other Financial liabilities	63,438.50	29,191.20	92,629.70	59,218.07	41,985.50	1,01,203.58
Non-financial Liabilities						
Current tax liabilities (net)	-	-	-	2,305.00	-	2,305.00
Provisions	1,085.23	2,509.09	3,594.32	483.41	1,136.17	1,619.57
Deferred tax liabilities (net)	-	8,143.40	8,143.40	-	6,122.67	6,122.67
Other non-financial liabilities	5,169.67	-	5,169.67	3,475.45	-	3,475.45
Total Liabilities	**18,60,906.05**	**14,29,861.78**	**32,90,767.82**	**16,65,266.21**	**11,22,476.23**	**27,87,742.44**
Net	**10,78,240.11**	**-4,98,594.38**	**5,79,645.73**	**8,78,550.33**	**-4,52,831.96**	**4,25,718.37**

(Rupees in lakhs, except for share data and unless otherwise stated)

39 Contingent Liabilities (to the extent not provided for)

Particulars	As at 31st March 2024	As at 31st March 2023
(I) Contingent Liabilities		
(i) Income Tax Demands	3,679.87	3,420.85
(ii) Service Tax Demands	5,106.18	5,106.18
(iii) Value Added Tax Demands	-	1,327.12
(iv) Goods and Services Tax	790.52	-
(v) Bank Guarantees	215.50	43.81
(vi) Cash Margin on Securitisation	54,980.00	33,819.60

(vii) The Company had filed a Writ Petition before the Honourable High Court of Madras on 30th July, 2019 challenging the Order passed by the Income Tax Settlement Commission, Chennai Bench abating the proceedings before it relating to the Settlement Application filed by the Company dated December 17, 2017 ("Settlement Application"); and praying for stay on proceedings initiated by the Joint Commissioner of Income Tax (OSD), Central Circle, Thiruvananthapuram post abatement of proceedings by the Settlement Commission. The tax and interest due on the issues forming part of the Settlement Application totaled to ₹ 7,406 lakh. The Settlement Application related to notices received under Section 148 for Assessment Year 2010-11 and Section 153A of the Income Tax Act, as per which MFL was required to prepare true and correct return of which MFL was assessable for the Assessment Years 2011-2012 to 2016-2017 and for Assessment Year 2017-18, assessment of which was deemed to be pending by virtue of explanation (iv) to Section 245A(b) as on date of filing the settlement application. The Honourable High Court of Madras dismissed the petition filed by the Company on June 29, 2022 on the ground that the cause of action of the matter has arisen fully in Kerala and not within the territorial jurisdiction of the Honourable Madras High Court, thereby ousting its jurisdiction to entertain the petition. Accordingly, Company filed a writ petition before the High Court of Kerala, wherein the High Court passed an order on April 03, 2023 directing the interim board for settlement to reconsider the settlement application and to start afresh. The Interim Board of Settlement has passed an order dated November 15, 2023 opining on the settlement of income under the matter along with the interest to be charged and granting immunity to MFL from prosecution and penalty imposed under the Income Tax Act. The Deputy Commissioner of Income Tax, Central Circle, Thiruvananthapuram subsequently passed Orders giving effect to the Order of the Honorable Interim Board for Settlement for the Assessment Years 2010-11 to 2017-18 with demands aggregating to ₹ 13,892.97 lakhs and refunds aggregating to ₹ 4,675.93 lakhs. The said Orders were received on March 19, 2024. The Company evaluated the Orders passed and identified incorrect computations which has been intimated to the Central Circle, Thiruvananthapuram.

(viii) Other commitments

Loan commitment in respect of partly disbursed loans is ₹ 8,418.97 (31 March 2023 : ₹ 5,556.85).

40 Related Party Disclosures

Names of Related parties with whom transaction has taken place

(A) Subsidiaries

Muthoot Microfin Limited

Muthoot Housing Finance Company Limited

Muthoot Pappachan Technologies Private Limited

(Rupees in lakhs, except for share data and unless otherwise stated)

(B) Key Management Personnel	Designation
Thomas John Muthoot	Managing Director
Thomas George Muthoot	Director
Thomas Muthoot	Wholetime Director Cum Chief Financial Officer
Preethi John Muthoot	Director
Kurian Peter Arattukulam	Director
Vikraman Ampalakkat	Director
Badal Chandra Das	Director
Ravi Ramchandran	Director
Anthony Abraham Thomas	Director
Sachu Sivas	Company Secretary

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

MPG Hotels and Infrastructure Ventures Private Limited
Muthoot Automotive (India) Private Limited
Muthoot Automobile Solutions Private Limited
Muthoot Capital Services Limited
Muthoot Motors Private Limited
Muthoot Risk Insurance and Broking Services Private Limited
Muthoot Pappachan Chits (India) Private Limited
Muthoot Exim Private Limited
Muthoot Kuries Private Limited
MPG Security Group Private Limited
Muthoot Estate Investments
Muthoot Motors (Cochin)
Muthoot Pappachan Foundation
M-Liga Sports Excellence Private Limited
Thinking Machine Media Private Limited
Muthoot Hotels Private Limited
Speckle Internet Solutions Private Limited
Muthoot Pappachan Centre of Excellence in Sports

(D) Relatives of Key Management Personnel

Janamma Thomas
Nina George
Remmy Thomas
Thomas M John
Suzannah Muthoot
Hannah Muthoot
Tina Suzanne George
Ritu Elizabeth George
Shweta Ann George

(Rupees in lakhs, except for share data and unless otherwise stated)

Related Party transactions during the year:

Particulars	Key Management Personnel & Directors		Relatives of Key Management Personnel		Entities over which Key Management Personnel and their relatives are able to exercise significant influence	
	Year Ended 31st March 2024	Year Ended 31st March 2023	Year Ended 31st March 2024	Year Ended 31st March 2023	Year Ended 31st March 2024	Year Ended 31st March 2023
Revenue						
Auction of Gold Ornaments	-	-	-	-	4,370.43	2,653.27
Commission Received	-	-	-	-	1,498.69	1,359.67
Rent received	-	-	-	-	332.54	304.74
Revenue from Travel Services	5.96	1.54	-	0.40	83.81	47.81
Interest accrued on loans & advances	1,800.00	1,964.98	-	-	-	-
Processing fee received	-	37.50	-	-	-	-
Interest on ICD	-	-	-	-	-	44.49
Professional Charges-IT support	-	-	-	-	113.26	107.63
Expense						
Commission Paid	750.00	600.00	-	-	1.39	2.10
Interest paid	263.38	544.07	35.77	71.83	461.19	318.80
Hotel Service payments	-	-	-	-	40.23	28.16
Professional & Consultancy Charges	-	-	-	-	2,099.21	2,095.55
Purchase of Gold / Silver Coins	-	-	-	-	6.34	3.02
Reimbursement of Expenses	-	-	-	-	(13.54)	(32.82)
Rent paid	234.48	199.68	-	-	20.16	19.60
Remuneration Paid	7,512.75	6,008.79	106.28	52.37	-	-
Annuity insurance	-	203.60	-	-	-	-
Sitting Fee paid	24.50	13.75	-	-	-	-
Incentive paid	-	-	-	-	245.64	63.34
Marketing Expense	-	-	-	-	-	50.00
Trademark fee	1.00	1.00	-	-	-	-
Repairs and maintenance	-	-	-	-	0.18	4.73
Asset						
Advance for CSR Activities	-	-	-	-	736.46	577.09
Loans Advanced	-	15,000.00	-	-	-	-
Loan repayments received	-	(19,900.00)	-	-	-	-
Purchase of shares of MML	1,016.43	18,608.52	2,032.87	4,616.48	-	-
ICD advanced	-	-	-	-	-	7,000.00
ICD repaid	-	-	-	-	-	(7,000.00)
Refund received against advance for property	-	(1,588.53)	-	(133.87)	(19,000.17)	(5,277.60)
Liability						
Advance received towards Owners share	-	-	-	-	475.00	600.00
Investment in Debt Instruments	-	-	7.00	0.50	-	-
Redemption of Investment in Debt Securities	(395.00)	-	(79.91)	(155.00)	(75.21)	(24.99)
Security Deposit Accepted	-	-	-	-	115.00	87.36
Security Deposit Repaid	-	-	-	-	(104.69)	(70.95)
Loan Availed	-	350.00	-	-	500.00	860.00
Loan Repaid	-	(400.09)	-	-	(233.33)	(900.00)
Guarantee given	-	-	-	-	50.00	-
Dividend Paid	18,032.98	1,170.97	2,784.31	180.80	64.17	4.17

(Rupees in lakhs, except for share data and unless otherwise stated)

Balance outstanding as at the year end:

Particulars	Key Management Personnel & Directors		Relatives of Key Management Personnel		Entities over which Key Management Personnel and their relatives are able to exercise significant influence	
	Year Ended 31st March 2024	Year Ended 31st March 2023	Year Ended 31st March 2024	Year Ended 31st March 2023	Year Ended 31st March 2024	Year Ended 31st March 2023
Asset						
Advance for CSR Activities	-	-	-	-	86.32	10.71
Advance for Property/Shares	-	-	-	-	-	19,000.17
Advance received towards Owners share	-	-	-	-	3,149.67	2,859.42
Commission Receivable	-	-	-	-	170.80	129.53
Expense Reimbursements Receivable	-	-	-	-	0.91	1.09
Interest on Loan Receivable	774.25	774.25	-	-	-	-
Loans Advanced	15,000.00	15,000.00	-	-	-	-
Rent Receivable	-	-	-	-	27.58	14.60
Travel Service Receivables	2.44	1.99	-	-	33.48	7.90
Debtors	-	-	-	-	4.43	-
Investment in Equity Outstanding	-	-	-	-	226.00	226.00
Liability						
Collection balance payable	-	-	-	-	0.12	-
Commission Payable	-	-	-	-	41.78	0.04
Guarantee given	-	-	-	-	50.00	-
Interest Payable	-	13.88	3.14	6.44	5.26	15.35
Rent Payable	11.21	10.68	-	-	1.90	1.77
Investment in Debt Instruments	-	395.00	232.64	305.55	114.14	159.66
PDI issued	1,750.00	4,045.00	35.00	390.00	3,470.00	2,793.00
Professional & Consultancy Charges payable	-	-	-	-	0.22	-
Security Deposit received	3.58	3.58	-	-	59.33	49.01
Loan outstanding	401.78	350.00	-	-	920.00	653.33
Expense Payable	-	1.08	-	-	-	1.15

Note :

a) Related parties have been identified on the basis of the declaration received by the management and other records available.

Compensation of key management personnel of the Company:

Key management personnel are those individuals who have the authority and responsibility for planning and exercising power to directly or indirectly control the activities of the Company and its employees. The Company considers the members of the Board of Directors which include independent directors (and its sub-committees) to be key management personnel for the purposes of IND AS 24 Related Party Disclosures.

Particulars	For the Year Ended 31st March 2024	For the Year Ended 31st March 2023
Short–term employee benefits	7,537.04	6,022.54
Post-employment benefits	0.22	203.60
Total compensation paid to key managerial personnel	**7,537.25**	**6,226.14**

(Rupees in lakhs, except for share data and unless otherwise stated)

41 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

Fair Value Hierarchy of assets and liabilities

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy as at 31st March 2024:

Particulars	At FVTPL			
	Level-1	Level-2	Level-3	Total
Financial Assets				
Investment in JM Financial India Fund II	275.38	-	-	275.38
Investment in Strugence Debt Fund	-	997.61	-	997.61
Investments in Mutual Fund	4,203.91	-	-	4,203.91
Investments in Security Receipts	-	-	2,135.35	2,135.35
Financial Liabilities				
Cumulative Compulsorily Convertible Preference Shares (CCCPS)	-	-	16,202.00	16,202.00
Derivative financial instruments (Liability)	-	-	239.64	239.64

Particulars	At FVTOCI			
	Level-1	Level-2	Level-3	Total
Financial Assets				
Investment in Muthoot Pappachan Chits Private Limited	-	22.03	-	22.03
Investment in Avenues India Private Limited	-	479.10	-	479.10
Investment in Fair Asset Technologies (P) Limited	-	721.31	-	721.31
Investment In The Thinking Machine Media Private Limited	-	18.00	-	18.00
Investment In Speckle Internet Solutions Private Limited	-	42.86	-	42.86
Investment in Equity Shares (DP account with Motilal Oswal)	2,449.60	-	-	2,449.60
Investment in PMS - Motilal Oswal	327.60	-	-	327.60
Loans	-	-	2,95,677.61	2,95,677.61

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy as at 31st March 2023:

Particulars	At FVTPL			
	Level-1	Level-2	Level-3	Total
Financial Assets				
Investment in JM Financial India Fund II	236.50	-	-	236.50
Inv-Strugence Debt Fund	-	997.61	-	997.61
Inv-BPEA India Credit - Trust II	168.86	-	-	168.86
Investments in Mutual Fund	650.10	-	-	650.10
Investments in Security Receipts	-	-	2,662.07	2,662.07
Financial Liabilities				
Cumulative Compulsorily Convertible Preference Shares (CCCPS)	-	-	15,732.00	15,732.00
Derivative financial instruments (Liability)	-	-	89.19	89.19

(Rupees in lakhs, except for share data and unless otherwise stated)

Particulars	At FVTOCI			
	Level-1	Level-2	Level-3	Total
Financial Assets				
Investment in Muthoot Pappachan Chits Private Limited	-	14.94	-	14.94
Investment in Avenues India Private Limited	-	479.10	-	479.10
Investment in Fair Asset Technologies (P) Limited	-	720.64	-	720.64
Investment In The Thinking Machine Media Private Limited	-	18.00	-	18.00
Investment In Speckle Internet Solutions Private Limited	-	42.86	-	42.86
Investment in Equity Shares (DP account with Motilal Oswal)	1,690.38	-	-	1,690.38
Investment in PMS - Motilal Oswal	231.12	-	-	231.12
Loans	-	-	2,14,366.76	2,14,366.76

The fair value of financial instruments as referred to above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

Level 1: Quoted prices (unadjusted) for identical instruments in an active market;

Level 2: Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data (unobservable inputs).

Fair value technique

Investments at fair value

The equity instruments which are actively traded on public stock exchanges with readily available active prices on a regular basis are classified as Level 1. Units held in mutual funds are measured based on their published net asset value (NAV), taking into account redemption and/or other restrictions are generally Level 1. Equity instruments in non-listed entities are initially recognised at transaction price and re-measured as per fair valuation report and valued on a case-by-case has been classified as Level 2.

Investment at fair value through profit and loss

For investment at fair value through profit and loss, valuation are done using quoted prices from active markets or on published Net Asset Values of the investment at the measurement date or at the nearest available date.

Investments in Security receipts (SRs) are classified as Financial Assets measured at FVTPL. Net Asset Value is as certified by the issuer of Security Receipts. Accordingly, the fair valuation technique in this regard is classified under Level 3. The disclosure of the sensitivity of the fair value measurement to changes in unobservable inputs is not considered relevant.

Financial Liabilities with significant unobservable inputs (Level 3)

This level of hierarchy includes financial liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data, this level of hierarchy includes cumulative compulsory convertible preference shares.

The fair value of the CCCPS is measured using the Monte Carlo Simulation technique. The Monte Carlo Simulation Method is one where a risk-neutral framework is used to simulate a range of simulated values, representing all the

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potential paths a variable could move over the period of the simulation. The inputs to this model are taken from observable market where possible, but where this is not feasible, a degree of judgement is exercised in establishing fair values. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Significant unobservable inputs	As at March 31, 2024		As at March 31, 2023	
	Increase by 1%	Decrease by 1%	Increase by 1%	Decrease by 1%
Discount Rate of CCCPS Coversion Feature	(390.15)	401.26	(544.00)	564.72
Discount for Lack of Marketability	(249.27)	249.27	(242.03)	242.03

Loan assets carried at fair value through other comprehensive income

Loan receivables valuation is carried out for two portfolios segregated on the basis of repayment frequency – monthly and weekly. The valuation of each portfolio is done by discounting the aggregate future cash flows with risk-adjusted discounting rate for the remaining portfolio tenor.

Following inputs have been used to calculate the fair value of loans receivables:

(i) Future cash flows: Include principal receivable, interest receivable and tenor information based on the repayment schedule agreed with the borrowers. Inputs include:

(ii) Risk-adjusted discount rate:

This rate has been arrived using the cost of funds approach.

The following inputs have been used:

(i) Cost of funds

(ii) Credit spread of borrowers

(iii) Servicing cost of a financial asset

Loan portfolio	Fair valuation as at March 31, 2024	Fair valuation as at March 31, 2023
Monthly	2,33,664.61	1,62,454.47
Weekly	61,200.88	51,809.37
Total	**2,94,865.50**	**2,14,263.85**

Fair value measurement of Financial Assets sensitivity to significant unobservable inputs as at the end of each reporting period is as follows:

Particulars	Fair valuation as at March 31, 2024	Fair valuation as at March 31, 2023
Impact on fair value if change in risk adjusted discount rate		
- Impact due to increase of 0.50 %	(1,033.00)	(850.00)
- Impact due to decrease of 0.50 %	1,039.00	855.00
Impact on fair value if change in probability of default (PD)		
- Impact due to increase of 0.50 %	(501.00)	(347.00)
- Impact due to decrease of 0.50 %	503.00	348.00
Impact on fair value if change in loss given default (LGD)		
- Impact due to increase of 0.50 %	(18.00)	(14.00)
- Impact due to decrease of 0.50 %	18.00	14.00

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Fair value of financial instruments not measured at fair value

Set out below is a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments that are not carried at fair value in the financial statements. This table does not include the fair values of non-financial assets and non-financial liabilities.

Particulars	Level	Carrying Value		Fair Value	
		As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2024	As at 31st March, 2023
Financial assets					
Cash and cash equivalents	1	2,41,911.80	3,35,294.75	2,41,911.80	3,35,294.75
Bank Balance other than above	1	77,408.22	57,793.13	77,408.22	57,793.13
Trade receivables	3	3,628.54	3,128.49	3,628.54	3,128.49
Loans	3	29,90,320.21	23,58,537.14	29,90,320.21	23,58,537.14
Investments - at amortised cost	3	5,654.33	7,319.28	5,654.33	7,319.28
Other Financial assets	3	42,734.58	22,619.16	42,734.58	22,619.16
Financial assets		**33,61,657.68**	**27,84,691.95**	**33,61,657.68**	**27,84,691.95**
Financial Liabilities					
Payable	3	6,484.32	6,164.34	6,484.32	6,164.34
Debt securities	3	3,83,276.28	4,41,658.04	3,83,276.28	4,41,658.04
Borrowings (other than debt securities)	3	24,64,326.19	18,94,542.99	24,64,326.19	18,94,542.99
Lease Liabilities		1,12,786.57	1,02,702.92	1,12,786.57	1,02,702.92
Subordinated liabilities	3	2,14,117.72	2,27,858.69	2,14,117.72	2,27,858.69
Other financial liabilities	3	76,427.70	85,471.58	76,427.70	85,471.58
Financial Liabilities		**32,57,418.78**	**27,58,398.55**	**32,57,418.78**	**27,58,398.55**

Valuation techniques

Short-term financial assets and liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and balances, trade receivables, balances other than cash and cash equivalents and trade payables without a specific maturity. Amounts have been classified as Level 3 on the basis that no adjustments have been made to the balances in the balance sheet.

Loans and advances to customers

The fair values of loans and receivables are estimated by discounted cash flow models that incorporate assumptions for credit risks, probability of default and loss given default estimates. Since comparable data is not available, credit risk is derived using historical experience, management view and other information used in its collective impairment models.

Fair values of portfolios are calculated using a portfolio-based approach, grouping loans as far as possible into homogenous groups based on similar characteristics ie, type of loan. The Company then calculates and extrapolates the fair value to the entire portfolio using Effective interest rate model that incorporate interest rate estimates considering all significant characteristics of the loans. The credit risk is applied as a top-side adjustment based on the collective impairment model incorporating probability of defaults and loss given defaults. Hence, the carrying amount of such financial assets at amortised cost net of impairment loss allowance is of reasonable approximation of their fair value.

(Rupees in lakhs, except for share data and unless otherwise stated)

Financial liability at amortised cost

The fair values of financial liability held-to-maturity are estimated using a effective interest rate model based on contractual cash flows using actual yields. Since the cost of borrowing on the reporting date is not expected to be significantly different from the actual yield considered under effective interest rate model, the carrying value of financial liabilities at amortised cost is considered a reasonable approximation of their fair value.

42 Segment Reporting

The Board of Directors and the Managing Director of the Company together constitute the Chief Operating Decision Maker ("CODM"). Operating segment are components of the Group whose operating results are regularly reviewed by the CODM to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

The Group is engaged primarily on the business of "Financing" only, taking into account the risks and returns, the organization structure and the internal reporting systems. All the operations of the Group are in India. All non-current assets of the Group are located in India. Accordingly, there are no separate reportable segments as per Ind AS 108 – "Operating Segments".

43 Change in liabilities arising from financing activities

Particulars	As at 31st March, 2023	Cash Flows	Changes in fair value (gain)/loss	Ind AS 116 - Lease Liabilities	Others	As at 31st March, 2024
Debt Securities	4,41,658.04	(58,913.96)	-	-	532.20	3,83,276.28
Borrowings other than debt securities	18,94,542.99	5,72,160.01	-	-	(2,376.81)	24,64,326.19
Lease Liabilities	1,02,702.92	(23,360.13)	-	33,443.78	-	1,12,786.57
Subordinated Liabilities	2,27,858.69	(12,901.09)	-	-	(839.88)	2,14,117.72
Total liabilities from financing activities	**26,66,762.64**	**4,76,984.83**	**-**	**33,443.78**	**(2,684.49)**	**31,74,506.76**

Particulars	As at 31st March, 2022	Cash Flows	Changes in fair value (gain)/loss	Ind AS 116 - Lease Liabilities	Others	As at 31st March, 2023
Debt Securities	4,47,341.02	(6,198.72)	-	-	515.74	4,41,658.04
Borrowings other than debt securities	16,01,091.91	2,95,485.68	-	-	(2,034.60)	18,94,542.99
Lease Liabilities	74,233.11	(21,067.96)	-	49,537.77	-	1,02,702.92
Subordinated Liabilities	2,41,026.38	(12,095.29)	-	-	(1,072.40)	2,27,858.69
Total liabilities from financing activities	**23,63,692.42**	**2,56,123.70**	**-**	**49,537.77**	**(2,591.25)**	**26,66,762.64**

44 Risk Management

The Group's principal financial liabilities comprise of borrowings and trade and other payables. The main purpose of these financial liabilities is to finance and support the Group's operations. The Group's principal financial assets include loans, investments, cash and cash equivalents, trade receivables and other receivables that derive directly from its operations.

Predominantly comprising of lending institutions, the Group is exposed to various risks that are related to lending business and operating environment. The principal objective in Group's risk management processes is to measure and monitor the various risks that Group is subject to and to follow policies and procedures to address such risks.

The Risk Management Committee of the Board of Directors constituted in accordance with the RBI directives has overall responsibility for overseeing the implementation of the risk management policy. The committee meets

(Rupees in lakhs, except for share data and unless otherwise stated)

quarterly to review the Risk Management practices and working of the Enterprise Risk Management Department. The Committee consits of members of the Board including the Managing Director and is chaired by an Independent Director. The Enterprise Risk Management department periodically places its report to the committee for review. The committee's suggestions for improving the Risk Management Practices are implemented by the Enterprise Risk Management department.

The Group has implemented comprehensive policies and procedures to assess, monitor and manage risk throughout the Group. The risk management process is continuously reviewed, improved and adapted in the changing risk scenario and the agility of the risk management process is monitored and reviewed for its appropriateness in the changing risk landscape. The process of continuous evaluation of risks includes taking stock of the risk landscape on an event-driven basis. The Group has an elaborate process for risk management. Major risks identified by the businesses and functions are systematically adressed through mitigating actions on a continuing basis.

The major type of risk Group faces in business are credit risk, liquidity risk, market risk and operational risk.

I) Credit Risk

Credit risk is the risk that a customer or counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group's major income generating activities include gold loan, sme loans, housing loan, microfinance loan, personal loans and others.

The Group addressess credit risk through following major processess:

- Standardize the process of identifying new risks and designing appropriate controls for these risks
- Minimize losses due to defaults or untimely payments by borrowers
- Maintain an appropriate credit administration and loan review system
- Establish metrics for portfolio monitoring
- Design appropriate credit risk mitigation techniques
- Structured and standardised credit approval process
- Verification of credit history from credit bureau agencies, personal verification of customers business and residence
- Technical and Legal Verification
- Comprehensive credit risk assessment and cash flow analysis

In order to mitigate the impact of credit risk in the future profitability, the Group makes reserves basis the expected credit loss (ECL model) for the outstanding loans.

A) Impairment Assessment

The Group's impairment assessment and measurement approach is set out in this note. It should be read in conjunction with the Summary of material accounting policies.

Definition of default and care

The Group considers a financial instrument defaulted and therefore Stage 3 (credit-impaired) for ECL calculations in all cases when the borrower becomes 90 days past due on its contractual payments.

As a part of a qualitative assessment of whether a customer is in default, the Group also considers a variety of instances that may indicate unlikeness to pay. When such events occur, the Group carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate.

The Group considers a financial instrument as 'cured' and therefore re-classified out of Stage 3 during the year only once the entire dues have been received.

(Rupees in lakhs, except for share data and unless otherwise stated)

Rating	Loans Days past due (DPD)	Stages
High grade	Not yet due	Stage I
Standard grade	1-30 DPD	Stage I
Sub-standard grade	31-60 DPD	Stage II
Past due but not impaired	61-89 DPD	Stage II
Individually impaired	90 DPD or More	Stage III

Exposure at Default (EAD)

The outstanding balance as at the reporting date is considered as EAD by the Group.

Probability of default (PD)

The Probability of Default is an estimate of the likelihood of default over a given time horizon. To calculate the ECL for a Stage 1 loan, the Group assesses the possible default events within 12 months for the calculation of the 12 month ECL. For Stage 2 and Stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments. The Group uses historical information where available to determine PD. Considering the different products and schemes, the Group has bifurcated its loan portfolio into various pools. Where a particular portfolio is relatively new, the published average default probability for similar loans from a leading credit bureau report on lending in India has been considered. PD is calculated using Incremental 90 day DPD approach considering fresh slippage using historical information.

Based on its review of macro-economic developments and economic outlook, the Group has assessed that no adjustment is required for temporary overlays to determine qualitative impact on its PD's as at 31st March 2024 and 31st March 2023.

Loss Given Default (LGD)

The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the Group expects to receive.

LGD Rates have been computed internally based on the discounted recoveries in NPA accounts that are closed/ written off/ repossessed and upgraded during the year.

When estimating ECLs on a collective basis for a group of similar assets, the Group applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

Significant Increase in credit risk

The internal rating model evaluates the loans on an ongoing basis. The rating model also assesses if there has been a significant increase in credit risk since the previously assigned risk grade. One key factor that indicates significant increase in credit risk is when contractual payments are more than 30 days past due.

(Rupees in lakhs, except for share data and unless otherwise stated)

II) Liquidity risk

Asset Liability Management (ALM)

Liquidity risk refers to the risk that the Group may not meet its financial obligations. Liquidity risk arises due to the unavailability of adequate funds at an appropriate cost or tenure. The objective of liquidity risk management, is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Group consistently generates sufficient cash flows from operating and financial activities to meet its financial obligations as and when they fall due. The The Group's treasury teams source funds from multiple sources, including from banks, financial institutions, capital & retail markets to maintain a healthy mix of sources. They are responsible for diversifying fund raising sources, managing interest rate risks and maintaining a strong relationship with banks, financial institutions, mutual funds, insurance companies, other domestic and foreign financial institutions and rating agencies to ensure the liquidity risk is well addressed.

The table below shows the maturity pattern of the assets and liabilities:

Maturity pattern of assets and liabilities as on 31st March 2024:

Particulars	Up to 1 month	1 to 2 months	2 to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total
Cash and cash equivalents	2,00,124.31	2,489.25	35,266.24	-	4,032.00	-	-	-	2,41,911.80
Bank Balance other than (a) above	8,731.17	2,784.82	3,907.19	9,760.62	28,008.40	24,215.92	-	0.11	77,408.22
Receivables	2,446.58	81.49	39.19	172.05	235.15	654.06	-	-	3,628.54
Loans	3,27,527.80	1,17,259.88	1,04,084.07	3,46,125.93	16,84,293.66	3,96,727.04	62,396.77	2,47,582.69	32,85,997.82
Investments	7,098.83	59.90	59.90	128.48	1,356.99	1,066.89	5,284.87	2,271.21	17,327.08
Other Financial assets	24,201.94	1,981.38	216.29	831.58	1,546.98	4,931.73	2,868.71	6,155.97	42,734.58
Total	**5,70,130.63**	**1,24,656.72**	**1,43,572.87**	**3,57,018.66**	**17,19,473.18**	**4,27,595.64**	**70,550.35**	**2,56,009.98**	**36,69,008.04**
Derivative Financial Liability	14.78	216.39	8.47	-	-	-	-	-	239.64
Payables	4,304.81	1,399.06	189.40	200.00	391.05	-	-	-	6,484.32
Debt Securities	6,963.22	26,683.28	9,947.46	9,225.80	49,692.31	1,94,132.40	65,933.42	20,698.38	3,83,276.28
Borrowings (other than Debt Securities)	2,12,768.11	82,955.33	1,23,082.17	2,66,783.27	9,46,148.05	6,29,713.46	1,58,509.01	44,366.78	24,64,326.19
Subordinated Liabilities	2,691.42	1,295.65	1,164.03	8,351.40	12,489.34	40,642.73	65,359.12	82,124.02	2,14,117.72
Other Financial liabilities	28,607.97	4,435.29	1,824.90	3,555.75	25,014.58	20,629.68	6,842.95	1,718.57	92,629.70
Total	**2,55,350.32**	**1,16,985.01**	**1,36,216.44**	**2,88,116.22**	**10,33,735.33**	**8,85,118.28**	**2,96,644.51**	**1,48,907.75**	**31,61,073.86**

(Rupees in lakhs, except for share data and unless otherwise stated)

Maturity pattern of assets and liabilities as on 31st March 2023:

Particulars	Up to 1 month	1 to 2 months	2 to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total
Cash and cash equivalents	3,10,730.82	19,517.03	1,427.90	-	3,619.00	-	-	-	3,35,294.75
Bank Balance other than (a) above	8,728.04	141.04	32.02	7,112.17	18,653.49	23,126.37	-	-	57,793.13
Receivables	922.67	35.83	35.83	107.49	214.98	1,811.69	-	-	3,128.49
Loans	2,83,181.21	1,41,156.73	1,72,799.54	7,15,748.12	8,00,204.28	2,92,580.16	26,243.08	1,40,990.77	25,72,903.90
Investments	2,631.50	59.90	59.90	179.69	1,356.99	1,233.69	7,209.85	2,499.95	15,231.46
Other Financial assets	11,226.96	4,683.34	74.51	322.55	1,304.83	1,885.95	761.93	2,359.09	22,619.16
Total	**6,17,421.21**	**1,65,593.87**	**1,74,429.70**	**7,23,470.02**	**8,25,353.57**	**3,20,637.86**	**34,214.87**	**1,45,849.81**	**30,06,970.90**
Derivative Financial Liability	0.45	0.40	2.53	85.81	-	-	-	-	89.19
Payables	5,672.32	77.59	77.59	232.77	104.08	-	-	-	6,164.34
Debt Securities	22,409.62	9,996.89	8,445.98	56,780.82	1,10,438.19	1,60,667.90	59,210.70	13,707.93	4,41,658.04
Borrowings (other than Debt Securities)	2,54,271.33	71,234.57	1,48,938.92	2,00,659.65	6,41,934.99	4,82,175.96	68,102.58	27,225.00	18,94,542.99
Subordinated Liabilities	5,889.30	4,040.52	3,174.20	9,075.22	25,596.41	41,934.45	45,729.27	92,419.32	2,27,858.69
Other Financial liabilities	31,960.25	2,019.01	1,562.78	6,942.31	16,733.72	30,929.10	8,330.13	2,726.28	1,01,203.58
Total	**3,20,202.81**	**87,368.58**	**1,62,199.47**	**2,73,690.77**	**7,94,807.39**	**7,15,707.41**	**1,81,372.68**	**1,36,078.52**	**26,71,427.64**

III) Market risk

Market Risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates and other market changes. The Group is exposed to two types of market risk as follows:

Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is subject to interest rate risk, principally because we lend to clients at fixed interest rates and for periods that may differ from our funding sources, while our borrowings are at both fixed and variable interest rates for different periods. We assess and manage our interest rate risk by managing our assets and liabilities. Our Asset Liability Management Committee evaluates asset liability management, and ensures that all significant mismatches, if any, are being managed appropriately.

(Rupees in lakhs, except for share data and unless otherwise stated)

The following table demonstrates the sensitivity to a reasonably possible change in the interest rates on the portion of borrowings affected. With all other variables held constant, the profit before taxes affected through the impact on floating rate borrowings, debt securities and subordinate laibilities are as follows:

Particulars	31st March 2024	31st March 2023
On Borrowings		
1% increase	(21,794.35)	(17,478.17)
1% decrease	21,794.35	17,478.17

Particulars	31st March 2024	31st March 2023
On Debt Securities		
1% increase	(4,124.67)	(4,445.00)
1% decrease	4,124.67	4,445.00

Particulars	31st March 2024	31st March 2023
On Subordinate Liabilities		
1% increase	(2,209.88)	(2,344.43)
1% decrease	2,209.88	2,344.43

Price risk

Equity price risk is the risk that the fair value of equities decreases as the result of changes in level of equity indices and individual stocks. The trading and non-trading equity price risk exposure arises from equity securities classified at FVTPL and FVOCI respectively".

A 10% increase/(decrease) in the equity price (traded and non-traded) would have the impact as follows:

Particulars	Increase/(Decrease) in percentage	Sensitivity of profit or loss	Sensitivity of Other Comprehensive Income
As at March 31, 2024	10/(10)	420.39 / (420.39)	405.78 / (405.78)
As at March 31, 2023	10/(10)	65.01 / (65.01)	319.74 / (319.74)

Foreign currency risk

Foreign currency risk is the risk that the value of the financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency risk for the Group arises majorly on account of foreign currency borrowings. The Group has hedged its foreign currency risk on its foreign currency borrowings as at March 31, 2024 by entering into forward contracts. The counterparties for such hedge transactions are banks. The Group's exposure on account of Foreign Currency Borrowings at the end of the reporting period is as follows:

Particulars	March 31, 2024		March 31, 2023	
	Amount in USD	Amount in INR	Amount in USD	Amount in INR
Foreign currency borrowings	855.82	70,628.85	304.83	25,069.28

(Rupees in lakhs, except for share data and unless otherwise stated)

Since the foreign currency exposure is completely hedged by equivalent derivative instrument, there will not be any significant impact on sensitivity analysis due to the possible change in the exchange rates where all the variables are held constant. On the date of maturity of the derivative instrument, the sensitivity of profit and loss to changes in the exchange rates will be nil.

Prepayment risk

Prepayment risk is the risk that the Group will incur a financial loss because its customers and counterparties repay or request repayment earlier or later than expected.

Operational and business risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to operate effectively, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Group cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes, such as the use of internal audit.

(Rupees in lakhs, except for share data and unless otherwise stated)

45 Employee Stock Option Plan and Stock Appreciation Plan

45.1 MUTHOOT FINCORP LIMITED

The Company has instituted MFL Employee Stock Option Schemes and MFL Employee Stock Appreciation Right Schemes with an objective to reward employees for their association with the Company, their performance, as well as to attract, retain and motivate employees to contribute to the growth and profitability of the Company.

45.1.1 Employee Stock Option Plan

(i) The particulars on the Stock Option Plan are as follows:

Scheme name	MFL Employee Stock Option Scheme 2018
Date of Shareholders Meeting, where approval to introduce and implement ESOP was granted	July 13, 2018
Date of Board Meeting where grant of options were approved	August 12, 2022
Date of grant	August 30, 2022 October 18, 2023
No. of employees to whom such options were granted	744
Number of options granted	23,57,550
Method of settlement	Equity
Vesting conditions	The actual vesting of options will depend on continuation to hold the services being provided to the Company at the time of exercise of options, performance based parameters and such other conditions as mentioned in the ESOP Scheme.
Vesting period	**For ESOP Scheme II & IV, 2018** Option will be vested at the: End of year 1 from grant date : 20% End of year 2 from grant date : 30% End of year 3 from grant date : 50% **For ESOP Scheme V, 2018** Option will be vested at the: End of year 1 from grant date : 33.33% End of year 2 from grant date : 33.33% End of year 3 from grant date : 33.33% **For ESOP Scheme III, 2018** Option will be vested at the: End of year 3 from grant date : 100% **For ESOP Scheme VI, 2018** Option will be vested at the: End of year 1 from grant date : 50% End of year 2 from grant date : 50%
Exercise Price (Amount in INR as per MFL ESOP Scheme 2018)	100.00
Exercise period	The options can be exercised over a period of 10 years from the date of grant
Pricing Formula	As per valuation from a registered valuer

(Rupees in lakhs, except for share data and unless otherwise stated)

(ii) Movement during the year in Options:

Particulars	Current year MFL ESOP 2018	Previous year MFL ESOP 2018
No. of Options :		
Outstanding at the beginning of the year	7,87,919	-
Granted during the year	14,92,984	8,64,566
Vested during the year	1,90,156	-
Exercised during the year (pending allotment)	7,902	-
Lapsed during the year	-	-
Forfeited during the year*	84,099	76,647
Outstanding at the end of year	21,88,902	7,87,919
Unvested at the end of year	20,06,648	7,87,919
Exercisable at the end of year	1,82,254	-
Money realized by exercise of options (INR)	7.90	-

** Due to employee separations post grant of option during the year*

(iii) The fair value of the options was estimated on the date of grant using the Black-Scholes model with the following significant assumptions:

Particulars	Current year MFL ESOP 2018	Previous year MFL ESOP 2018
Weighted average option fair value (Amount in INR)	214.20	141.00
Market price (Amount in INR)	309.63	197.66
Exercise price (Amount in INR)	100.00	100.00
Expected volatility of share price (%) *	40.50% - 43.20%	42.06% - 43.20%
Option Life (years)	5.51 to 6.51 years	5.51 to 6.51 years
Expected dividends yield (%)	-	-
Risk free interest rate (%)	7.07% to 7.31%	7.07% to 7.12%

**The expected price volatility is determined using annualized standard deviation (a measure of volatility used in Black-Scholes-Merton option pricing) and the historic volatility based on remaining life of the options*

(Rupees in lakhs, except for share data and unless otherwise stated)

45.1.2 Employee Stock Appreciation Plan

(i) The particulars on the Stock Appreciation Plan are as follows:

Scheme name	MFL Employee SAR Scheme 2018
Date of Shareholders Meeting, where approval to introduce and implement SAR was granted	July 13, 2018
Date of Board Meeting where grant of SAR were approved	August 12, 2022
Date of grant	August 30, 2022 October 18, 2023
No. of employees to whom such SAR were granted	2,373
Number of SAR granted	12,85,330
Method of settlement	Cash
Vesting conditions	The actual vesting of SAR will depend on continuation to hold the services being provided to the Company at the time of exercise, performance based parameters and such other conditions as mentioned in the SAR Scheme.
Vesting period	**For SAR Scheme Scheme II & III, 2018** SAR will be vested at the: End of year 1 from grant date : 20% End of year 2 from grant date : 30% End of year 3 from grant date : 50%
Exercise Price (Amount in INR as per MFL SAR Scheme 2018)	225.00
Pricing Formula	As per valuation from a registered valuer

(ii) Movement during the year in SAR Options:

Particulars	Current year MFL SAR 2018	Previous year MFL SAR 2018
No. of SAR:		
Outstanding at the beginning of the year	11,63,592.00	-
Granted during the year	42,537	12,42,793
Vested during the year	1,96,703.00	-
Exercised during the year	1,95,721.00	-
Lapsed during the year	-	-
Forfeited during the year*	36,992	79,201
Outstanding at the end of year	9,73,416	11,63,592
Unvested at the end of year	9,73,416	11,63,592
Exercisable at the end of year	-	-

** Due to employee separations post grant of option during the year*

(Rupees in lakhs, except for share data and unless otherwise stated)

(iii) The fair value of the options was estimated on the date of grant using the Black-Scholes model with the following significant assumptions:

Particulars	Current year MFL SAR 2018	Previous year MFL SAR 2018
Weighted average option fair value (Amount in INR)	63.18	74.18
Market price (Amount in INR)	309.63	257.05
Exercise price (Amount in INR)	225.00	225.00
Expected volatility of share price (%)*	26.97% - 34.42%	26.97% - 34.30%
Option Life (years)	0.46 to 2.59 years	0.46 to 2.46 years
Expected dividends yield (%)	-	-
Risk free interest rate (%)	6.50% to 7.22%	6.79% to 7.10%

**The expected price volatility is determined using annualized standard deviation (a measure of volatility used in Black-Scholes-Merton option pricing) and the historic volatility based on remaining life of the options*

45.2 MUTHOOT HOUSING FINANCE COMPANY LIMITED

Muthoot Housing Finance Company Limited (MHFL) has formulated and implemented MHFL Employee Stock Option Plan 2019 ('ESOP 2019') at its EGM held on 7th June 2019 which provides grants up to 13,28,766 (Thirteen Lakh Twenty Eight Thousand Seven Hundred and Sixty Six) employee stock options to the eligible employees of MHFL, determined in terms of ESOP 2019, from time to time, in one or more tranches. In accordance with the ESOP 2019, each option on exercise would be eligible for one Equity Share on payment of the exercise price. As on 31 March, 2024, no options granted under ESOP Scheme 2019 have been exercised.

GRANT 1

MHFL had granted 11,54,380 options on 19 November 2019 at an exercise price of Rs. 43 per option representing 11,54,380 equity shares of Rs. 10 each to its employees to be settled in equity. The options would vest over a period of 1-4 years from the date of grant, but not later than 19 November 2023, depending upon options grantee completing continuous service with MHFL. Accordingly, 2,07,345 options (31 March 2023 : 2,57,814 options) were vested during the year. In the current year, 35,500 options (Previous Year: 63,000 options) lapsed/surrendered. The options can be exercised over a period of 10 years from the date of grant.

GRANT 2

Under Grant 2 under ESOP Scheme 2019, MHFL had granted 3,70,000 options on 01 September 2023 at an exercise price of Rs. 59 per option representing 3,70,000 equity shares of Rs. 10 each to its employees to be settled in equity. The options would vest over a period of 1-4 years from the date of grant, but not later than 01 September 2027, depending upon options grantee completing continuous service. During the current year, no options were vested.

GRANT 3

Under Grant 3 under ESOP Scheme 2019, MHFL had granted 45,000 options on 06 February 2024 at an exercise price of Rs. 59 per option representing 45,000 equity shares of Rs. 10 each to its employees to be settled in equity. The options would vest over a period of 1-4 years from the date of grant, but not later than 06 February 2028, depending upon options grantee completing continuous service with MHFL. During the current year, no options were vested.

(Rupees in lakhs, except for share data and unless otherwise stated)

45.2.1 Movement during the year in Options:

Particulars	For the Year Ended 31st March 2024	For the Year Ended 31st March 2023
No. of Shares :		
Outstanding at the beginning of the year	9,47,880	10,10,880
Granted during the year	4,15,000	-
Vested during the year	2,07,345	2,57,814
Exercised during the year	-	-
Lapsed during the year	35,500	63,000
Outstanding at the end of year	13,27,380	9,47,880
Unvested at the end of year	4,15,000	2,12,345
Exercisable at the end of year	9,12,380	7,35,535

45.2.2 The fair value of options have been estimated on the date of grant using Black-Scholes model as under :

Particulars	GRANT 1	GRANT 3	GRANT 3
Weighted average share price (in Rs.)	43.00	58.16	58.16
Exercise price (in Rs.)	43.00	59.00	59.00
Weighted average fair value of the option	20.47	31.19	31.18
Expected volatility of share price	34.74% to 35.15%	42.43% to 44.01%	42.07% to 44.24%
Expected option life (in years)	5.51 to 7.01 years	5.51 to 7.01 years	5.51 to 7.01 years
Expected growth in dividend (p.a.)	-	-	-
Risk free interest rate (p.a.)	6.28% to 6.52%	7.06% to 7.07%	7.01% to 7.02%

Volatility has been calculated based on the daily closing market price of comparable companies.

45.3 MUTHOOT MICROFIN LIMITED

Muthoot Microfin Limited (MML) has implemented Employee Stock Option Plan under Muthoot Microfin Employee Stock Option Plan 2016 ("ESOP 2016") and Muthoot Microfin Limited Employee Stock Option Plan 2022 ("ESOP 2022"). The objective is to reward employees for their association with MML, their performance as well as to attract, retain and motivate employees to contribute to the growth and profitability of the Company.

(Rupees in lakhs, except for share data and unless otherwise stated)

45.3.1 Details of Muthoot Microfin Employee Stock Option Plan 2016:

Particulars	Grant -1	Grant -2	Grant -3	Grant -4
Date of grant	December 5, 2016	February 22, 2018	November 9, 2021	August 10, 2023
Date of Board Meeting, where ESOP was approved	December 5, 2016			
Date of Committee Meeting where grant of options were approved	December 5, 2016	February 22, 2018	November 8, 2021	August 10, 2023
No. of options granted (Including 99,250 options lapsed/cancelled due to resignation of employees)	6,65,000	2,99,000	4,79,864	71,000
No. of employee to whom such options were granted	4	62	37	13
Exercise Price*	14.00	67.00	77.20	197.00
No. of employees who have exercised the option during the year	3	4	3	-
No. of options exercised	1,58,750	25,000	60,000	-
Method of settlement	Equity			
Vesting conditions	The actual vesting of options will depend on continuation to hold the services being provided to the Company at the time of exercise of options and such other conditions as mentioned in the ESOP Scheme.			
Vesting period	Option will be vested at the End of year 1: 25% from the grant of option End of year 2 : 25% from the grant of option End of year 3 : 25% from the grant of option End of year 4 : 25% from the grant of option			
Exercise period	Vested Options can be exercised by the employees by giving in writing on or prior to a Liquidity event (Liquidity event means Listing of shares on any recognized stock exchange in India; or Any other event, which the Committee may designate as a Liquidity Event)			
Pricing Formula	The market price was in accordance with the valuation of a registered valuer			

(Rupees in lakhs, except for share data and unless otherwise stated)

Details of Muthoot Microfin Employee Stock Option Plan 2016:

Particulars	Grant -1	Grant -2
Date of grant	November 04, 2022	August 10, 2023
Date of Board Meeting, where ESOP was approved	November 04, 2022	
Date of Committee Meeting where grant of options were approved	November 04, 2022	August 10, 2023
No. of options granted (Including 36,000 options lapsed/cancelled due to resignation)	24,65,500	2,37,147
No. of employee to whom such options were granted	106	103
Exercise Price*	151.00	197.00
No. of employees who have exercised the option during the year	-	-
No. of options exercised	-	-
Method of settlement	Equity	
Vesting conditions	The actual vesting of options will depend on continuation to hold the services being provided to the Company at the time of exercise of options and such other conditions as mentioned in the ESOP Scheme.	
Vesting period	Option will be vested at the End of year 1: 25% from the grant of option End of year 2 : 25% from the grant of option End of year 3 : 25% from the grant of option End of year 4 : 25% from the grant of option	
Exercise period	Vested Options can be exercised by the employees by giving in writing on or prior to a Liquidity event (Liquidity event means Listing of shares on any recognized stock exchange in India; or Any other event, which the Committee may designate as a Liquidity Event)	
Pricing Formula	The market price was in accordance with the valuation of a registered valuer	

**Based on the valuation of a registered valuer. As per ESOP 2016, exercise price shall be equal to the fair market value as on the date of grant of options.*

45.3.2 Movement during the year in Options:

Particulars	March 31, 2024	March 31, 2023
Outstanding options at the beginning of the year	32,26,739	7,85,864
Granted during the year	3,08,147	24,65,500
Forfeited/Lapsed during the year	76,375	24,625
Exercised during the year	2,43,750	-
Outstanding options at the end of the year	32,14,761	32,26,739
Shares Not Granted Under ESOP Plan at the end of the year	10,000	2,41,772
Number of equity shares of INR 10 each fully paid up to be issued on exercise of option	32,24,761	34,68,511
Exercisable at the end of the year	8,70,807	4,01,341

(Rupees in lakhs, except for share data and unless otherwise stated)

45.3.3 The fair value of the options was estimated on the date of grant using the Black-Scholes model with the following significant assumptions:

Particulars	Grant 1 ESOP 2016	Grant 2 ESOP 2016	Grant 3 ESOP 2016	Grant 4 ESOP 2016	Grant 1 ESOP 2022	Grant 2 ESOP 2022
Vesting period	4 years	4 years	4 years	4 years	4 years	4 years
Exercise price	14.00	67.00	77.20	197.00	151.00	197.00
Expected volatility (%)*	56.49%	49.98%	50.53%	51.09%	52.28%	51.09%
Expected option life (in years)	6.25	6.25	5	5.01	5	5.01
Expiry date	June 4, 2021	February 22 , 2022	November 8, , 2025	August 09, 2027	November 3, 2026	August 09, 2027
Share price at grant date	18.5	66.69	77.2	196.7	150.96	196.7
Expected dividends yield	-	-	-	-	-	-
Risk free interest rate	6.29%	7.58%	5.67%	7.03%	7.34%	7.03%

**The expected volatility was determined based on the annualized standard deviation of the continuously compounded rates of return on the comparable stocks over a period of time.*

46 Disclosures under the Listing Agreement for Debt Securities

(i) Debenture Trustees:

Trustees for Public Issue

SBICAP Trustee Company Limited
Mistry Bhavan, 4th Floor, 122
Dinshaw Vachha Road,
Churchgate, Mumbai - 400020
Tel : 022-4302 5555
Fax : 022-22040465
Email : corporate@sbicaptrustee.com

Trustees for Public Issue

Catalyst Trusteeship Limited
901, 9th Floor, Tower-B, Peninsula
Business Park, Senapati Bapat Marg,
Lower Parel (W), Mumbai-400013
Office +91 (022) 49220555
Fax +91 (022) 49220505
Email: dt.mumbai@ctltrustee.com

Trustees for Listed Private Placement & Public Issue

Vardhman Trusteeship Private Limited
The Capital, 412 A. 4th Floor,
A-Wing, Bandra Kurla Complex,
Bandra (East), Mumbai 400 051, Maharashtra
Tel: +91 22 4264 8335
E-mail: corporate@vardhmantrustee.com

Trustees for Perpetual Debt Instrument

Vistra ITCL (India) Limited (formerly IL&FS Trust Company Limited)
The Qube, 6th floor, A wing, Hasan Pada Road,
Mittal Industrial Estate, Marol, Andheri (East)
Mumbai – 400059
Tel: +91 22 69300000
Fax: +91 22 28500029
Email: mumbai@vistra.com

(ii) Security:

1. Privately Placed Secured Debentures outstanding as at the year ended March 31, 2024 are secured by first pari-passu charge on the present and future standard loan receivables and current assets along with other lenders and NCD investors or by exclusive charge on book debts with an asset coverage ratio of 1 to 1.25 times of the value of the outstanding amounts of the Debentures (as more specifically disclosed in Note 18).
2. Debentures issued by way of public issue outstanding as at the year ended March 31, 2024 are secured by subservient charge with existing secured creditors, on loan receivables (both present and future) of the Company, to be held on pari passu basis among the present and / or future NCD holder and exclusive mortgage and first charge over certain immovable property of the Company (as more specifically disclosed in Note 18).

(Rupees in lakhs, except for share data and unless otherwise stated)

3. The details of security for Covered Bonds issued in the nature of secured, redeemable, listed non-convertible debentures on a private placement basis and listed debentures placed under Targeted Long Term Repo Operations (TLTRO) that were redemeed during the current year but were outstanding as at the end of the previous year are specifically disclosed in Note 18.

(iii) Utilisation of Funds raised by way of Public Issue of Debt Securities:

The Group has utilised the Net Proceeds raised by way of allotment of Public Issue of Debt Securities and other Listed Debt Securities, in accordance with the Objects of such issue of debt securities. As at March 31, 2024, no portion of such allotted proceeds remain unutilized.

(iv) Others:

Particulars	At 31st March, 2024	At 31st March, 2023
Loans & advances in the nature of loans to subsidiaries	Nil	Nil
Loans & advances in the nature of loans to associates	Nil	Nil
Loans & advances in the nature of loans where there is-		
(i) no repayment schedule or repayment beyond seven years	Nil	Nil
(ii) no interest or interest below section 186 of the Companies Act	Nil	Nil
Loans & advances in the nature of loans to other firms/companies in which directors are interested	-	-

47 There are no unclaimed amounts due and outstanding to be credited to the Investor Education and Protection Fund established under Section 125 of the Companies Act, 2013.

48 Business combinations and acquisition of non-controlling interests

The Parent Company has subscribed to 42,37,290 equity shares of its subsidiary Muthoot Housing Finance Company Limited during the year at a face value Rs 10/- each and at a premium of Rs 49/- each on preferential issue basis (Previous Year: Nil). The Parent Company has also acquired 10,51,481 equity shares of Muthoot Microfin Limtied from its shareholders at a face value of Rs 10/- each and at a premium of Rs 280/- each (Previous Year: 1,19,18,814 equity shares at a face value of Rs.10/- each and a premium of Rs.184.86 each).

49 Additional disclosures as per Schedule III of Companies Act, 2013

(i) The Group does not have any immovable property whose title deeds are not held in the name of the respective Company.

(ii) The fair value of investment property measured for disclosure purposes in the financial statements is based on the valuation by an independent registered valuer.

(iii) The Group has not revalued its Property, Plant and Equipment or Right of Use Assets during the current or previous year.

(iv) The Group has not revalued Intangible Assets during the current or previous year.

(v) The Group has not given any loans or advances in the nature of loans that are a) repayable on demand or b) without specifying any terms or period of repayment; to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person during the current or previous year.

(vi) The Group does not have any Capital Work in Progress as at the end of the current or previous year.

(Rupees in lakhs, except for share data and unless otherwise stated)

(vii) The ageing schedule of Intangible Assets under development is as below:

Amount under development for a period of	As at March 31, 2024	As at March 31, 2023
Less than 1 year	487.19	880.25
1 to 2 years	204.25	-
2 to 3 years	-	-
More than 3 years	-	-
Total	**691.44**	**880.25**

(viii) The Group does not hold any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder and no proceedings have been initiated or is pending against the group for the same.

(ix) The quarterly returns or statements of current assets filed by the Group with banks or financial institutions are in agreement with the books of accounts.

(x) The Group has not made any default in repayment of its financial obligations and is not declared wilful defaulter by any bank or financial Institution or other lender.

(xi) The Group does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

(xii) There are no charges or satisfaction to be registered with ROC beyond the statutory period.

(xiii) The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

(xiv) The Group has not entered into any Scheme of Arrangements which requires the approval of the Competent Authority in terms of sections 230 to 237 of the Companies Act,2013 for the financial years ended March 31, 2024 and March 31, 2023.

(xv) The Group has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries."

(xvi) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:

(a) 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

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries."

(xvii) The Group does not have any transaction which is not recorded in the books of account but has been surrendered or disclosed as income during the year in tax assessments under the Income tax Act, 1961.

(xviii) The Group has not traded or invested in Crypto currency or Virtual Currency during the current or previous financial year.

(Rupees in lakhs, except for share data and unless otherwise stated)

50 The Group has accounting software to manage its books of account, incorporating an audit trail (edit log) feature. This feature is consistently utilized throughout the year for all transactions recorded in the software, and backup is taken periodically of these transactions. Additionally, measures are in place to establish necessary controls aimed at preventing or identifying any tampering with the audit trail feature.

51 The previous year figures have been reclassified and regrouped wherever required.

52 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

Name of the entity in the Group	Net assets, i.e. total assets minus total liabilities as at 31st March 2024		Share in profit or loss for the year ended 31st March 2024		Share in other comprehensive income for the year ended 31st March 2024	
	As a % of consolidated net assets	Amount	As a % of consolidated profit/loss	Amount	As a % of consolidated other comprehensive income	Amount
Parent						
Muthoot FinCorp Limited	73.51%	4,26,121.49	53.70%	56,280.89	94.41%	1,418.61
Subsidiaries						
Indian						
1. Muthoot Microfin Limited	24.18%	1,40,166.34	27.99%	29,336.50	59.39%	892.44
2. Muthoot Housing Finance Company Limited	4.54%	26,305.46	2.70%	2,824.91	(1.19%)	(17.81)
3. Muthoot Pappachan Technologies Limited	0.01%	65.47	0.05%	51.56	(0.20%)	(2.98)
Non-controlling interests in all subsidiaries						
Indian subsidiaries	25.24%	1,46,278.92	15.56%	16,303.88	31.22%	469.16
Other Adjustment / Consol adjustment	(27.48%)	(1,59,291.96)	-	-	(83.64%)	(1,256.78)
Total		**5,79,645.73**		**1,04,797.75**		**1,502.64**

MUTHOOT FINCORP AT A GLANCE – FY '24


Mission Smile
muthoot


BEST
BRANDS
2024
ET


Muthoot Blue Walkathon
HAPPY
Women's

Jab zindagi badalni ho

MUTHOOT FINCORP LIMITED

(CIN: U65929KL1997PLC011518)

Registered Office: Muthoot Centre, TC No 27/ 3022, Punnen Road, Thiruvananthapuram, Kerala, India - 695 001
(T): +91-471-2331427, 4911400, Fax: +91-471-2331560, Email: cs@muthoot.com, Website: www.muthootfincorp.com

ATTENDANCE SLIP

27th Annual General Meeting (AGM) on September 30, 2024

Regd. DP ID/Client ID No: ....

Full Name of the Shareholder in Block Letters: ....

No. of Shares held: ....

Name of Proxy (if any) in Block Letters: ....

I certify that I am a registered Shareholder/Proxy for the Registered Shareholder of the Company.

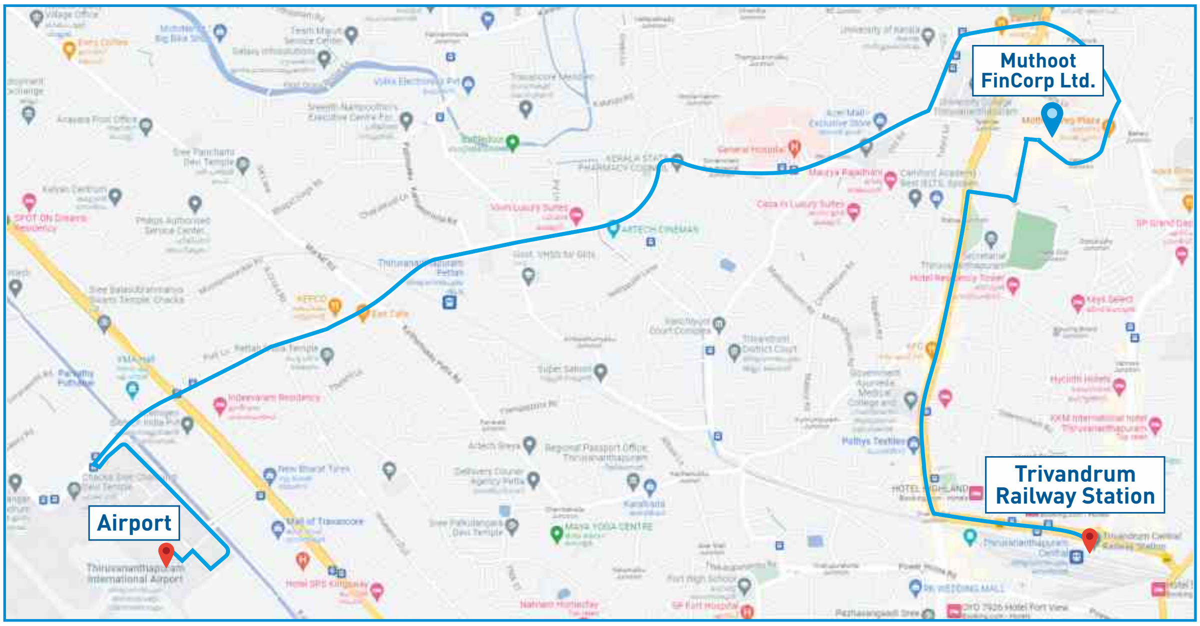
I hereby record my presence at the 27th Annual General Meeting of the Company, to be held on Monday the 30th day of September 2024 at the Registered Office of the Company at Muthoot Centre, TC No. 27/ 3022, Punnen Road, Trivandrum, Kerala - 695 001, at 10.30 A.M.

....

Signature of the Shareholder/Proxy

Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of the Annual Report to the AGM.

ROUTE MAP TO THE VENUE



Jab zindagi badalni ho

MUTHOOT FINCORP LIMITED

(CIN: U65929KL1997PLC011518)

Registered Office: Muthoot Centre, TC No 27/ 3022, Punnen Road, Thiruvananthapuram, Kerala, India - 695 001
(T): +91-471-2331427, 4911400, Fax: +91-471-2331560, Email: cs@muthoot.com, Website: www.muthootfincorp.com

PROXY FORM

(Form MGT-11)

[Pursuant to the provisions of Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Venue of the meeting	:	Muthoot Fincorp Limited, Muthoot Centre, TC No. 27/3022 Punnen Road, Trivandrum, Kerala - 695 001
Date & Time	:	September 30, 2024 at 10.30 A.M.
Name of the Member(s)	:	
Registered Address	:	
E-mail ID	:	
Regd. DP ID/Client ID No.	:	

I/We, being the Member(s) of .... equity shares of Rs.10 each of above-named Company, hereby appoint:

1. Name:	2. Name:	3. Name: ....
E-mail Id:	E-mail Id:	E-mail Id: ....
Address:..................................	Address:..................................	Address:..................................
Signature:	Signature:	Signature: ....
or failing him/her	or failing him/her	or failing him/her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 27th Annual General Meeting of the Company, to be held on Monday the 30th day of September 2024, at 10.30 A.M. at the Registered Office of the Company at Muthoot Centre, TC No. 27/3022, Punnen Road, Trivandrum, Kerala - 695 001 and at any adjournment(s) thereof, in respect of the resolutions, as indicated below:

Resolution Numbers	Particulars of Business	For	Against
	Ordinary Business		
1.	To adopt the audited standalone and consolidated financial statements of the Company for the financial year ended March 31, 2024, together with the reports of the Board of Directors and the auditors thereon		
2.	To declare final dividend on equity shares for the financial year ended March 31, 2024		
3.	To appoint Mr. Thomas Muthoot as a director, liable to retire by rotation		
4.	To appoint M/s Isaac & Suresh, Chartered Accountants, Trivandrum as Joint Statutory Auditors - 1 of the Company		
5.	To appoint M/s Vishnu Rajendran & Co., Kochi as Joint Statutory Auditors - 2 of the Company		
	Special Business		
6.	To appoint Mr. Thomas George Muthoot as Whole Time Director designated as Joint Managing Director		
7.	To approve revision in the terms of remuneration of Mr. Thomas John Muthoot, Managing Director		
8.	To approve revision in the terms of remuneration of Mr. Thomas Muthoot, Whole Time Director designated as Joint Managing Director		

Signature of Shareholder....................................... Signature of Proxy holder(s). ....

Signed this .... day of 2024

AFFIX
Revenue
Stamp of
Re. 1

....

Signature of Shareholder Signature of proxy holder (s)

Note:

1. This form of proxy in order to be effective, should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. It is optional to put 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'for' or 'against' column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

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States / Union Territories

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-POWERING THE NATION THROUGH FINANCIAL INCLUSION AND GROWTH

MUTHOOT FINCORP LIMITED
CIN : U65929KL1997PLC011518
Regd. Office : Muthoot Centre, TC No 27/3022,
Punnen Road, Thiruvananthapuram, Kerala - 695 001.
T: +91-471 2331427, 4911400, F : +91-471 2331560. E: muthoot@muthoot.com
www.muthootfincorp.com | www.muthoot.com |

PAPPACHAN muthoot FINCORP
Jab zindagi badalni ho