Muthoot
Vehicle & Asset Finance Ltd

AN ELEPHANTINE LEAP

PERFORMANCE DRIVEN PROFITABLE GROWTH

31st Annual Report
2022 - 2023

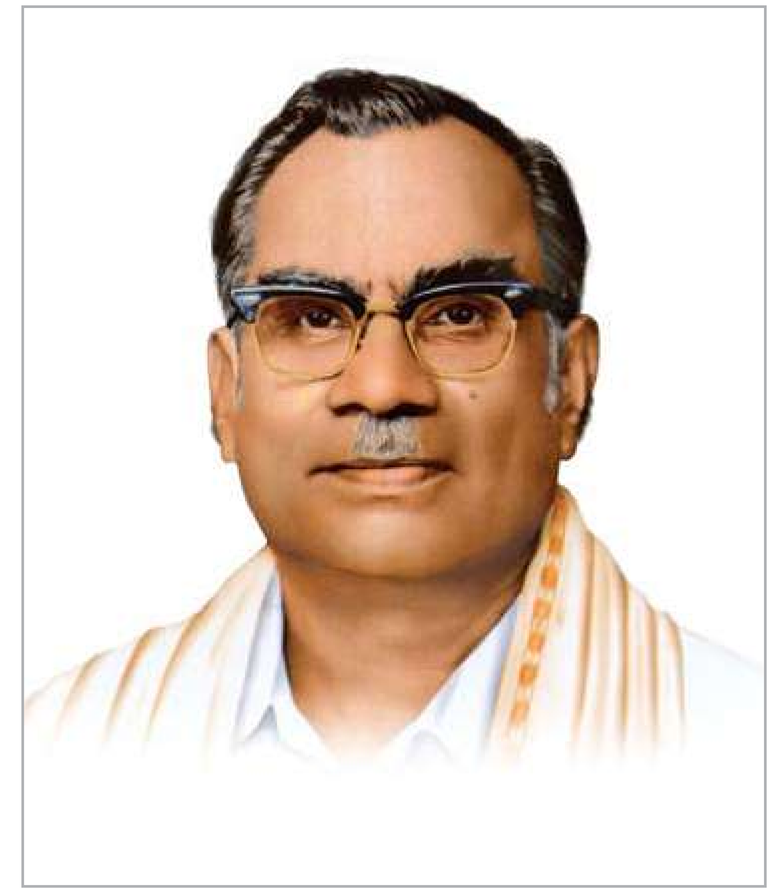
Contents

Our Promoters-
The Muthoot Group*

Founded in 1887, the Muthoot Group
Started as a small trading business enterprise in Kozhencherry, a remote village in Kerala. Over the years, the group has become a diversified business house with presence in financial services, plantations and estates, education , leisure and hospitality, healthcare, housing and infrastructure, infotech, wealth management, money transfer, forex, media, power generation, precious metals, securities, vehicle & asset finance, and travel service, among others. Also ,the group has expanded its reach and broadened its scope through these years

*(refers to entities promoted by
Mr. George Thomas Muthoot,
Mr. George Jacob Muthoot,
Mr. George Alexander Muthoot,
operating under the brand name
'The Muthoot Group')

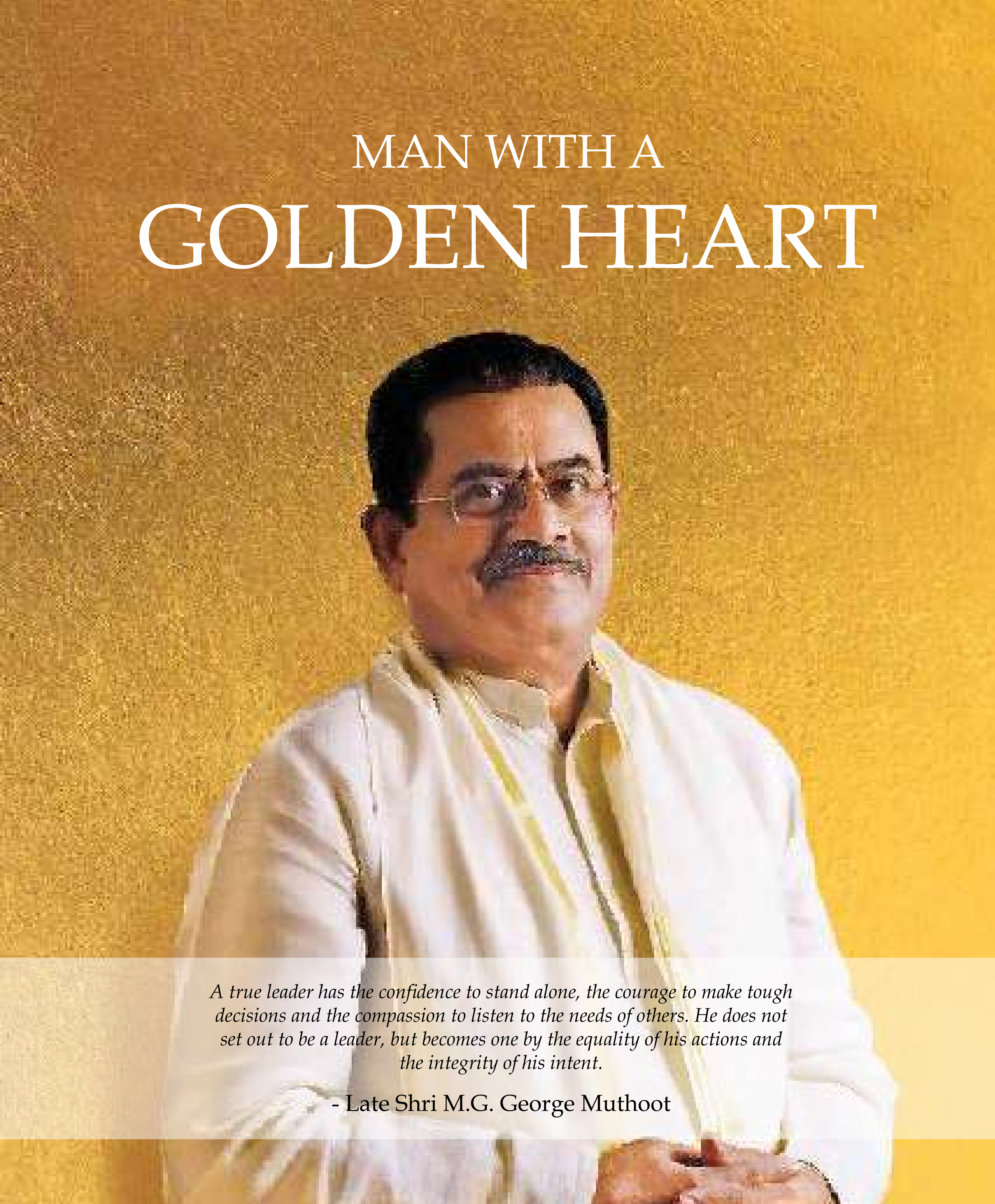
Tribute to the Visionary



UNCHANGING VALUES… …IN CHANGING TIMES

"Let us not judge ourselves by the profit we make but by the trust and the confidence that people have in us. Let us cherish and nurture that trust and ensure that every person who deals with us, deals with the confidence that he will not be misguided but his interests will be carefully protected."

- Late Shri. M. George Muthoot



MAN WITH A

GOLDEN HEART

A true leader has the confidence to stand alone, the courage to make tough decisions and the compassion to listen to the needs of others. He does not set out to be a leader, but becomes one by the equality of his actions and the integrity of his intent.

- Late Shri M.G. George Muthoot

MUTHOOT VEHICLE & ASSET FINANCE LIMITED

Reg. Office:- 2nd Floor, Muthoot Chambers, Opposite Saritha Theatre Complex, Banerji Road, Kochi- 682 018, Kerala, India.

SL No	Name of the Branch	Address of the Branch
1	Alangad	1st Floor, Manathatt Building, Malikampeedika, Alangad, ErnakulamDist - 683 511
2	Alappuzha	Door No: XII/244, Vanniyamparambil Building; Arattuvazhi, A.S. Rd, Alappuzha - 688 007
3	Aluva	1st Floor, Ceevees Builders & Developers, D/No:369(2) AMC, Palace Road Aluva -683101
4	Angamaly	1st floor, VIP Towers, T B Junction, Angamaly, ernakulam - 683 572
5	Bangalore	11/2,Cambridge Road Ulsoor,Bangalore 560 008
6	Calicut	Trade Arcade, 1st Floor,Opp; YMCA, Kannur Road, Calicut - 673 001
7	Cherai	Door No-64/J,1st Floor, VS Building, Cherai, Ernakulam - 683 514
8	City Branch	2nd floor, Mithun Towers, K P Vallon Road, Kadavanthara, Kochin - 682 020
9	Coimbatore	2nd floor, No.7, NRN Layout , P N Palayam, Coimbatore - 641 037
10	Kangarappady	D/No:14/454-B1,1st Floor, KangarappadyJn, Edappally-Pukkattupady Road, Ernakulam - 682021
11	Kannur	1st Floor, Pee Key Complex Near MuneeshwarenKovil, Kannur, Pin - 670 001
12	Kattappana	1st floor, Vadakkedath Building; Near Head Post Office, Kattappana, Idukki-685 508
13	Kollam	R R Tower, 1st Floor, Vendor Mukku, Madannada, Kollam Dist; Kerala - 691010
14	Kothamangalam	Ground Floor, Peechatt Building, High Range Jn ,Kothamangalam, Ernakulam - 686 691
15	Kottarakkara	2nd floor, Muthoot Chambers, Near Govt. Hospital - 691 506
16	Kottayam	Ground Floor, Muthoot Crown Plaza, Near Anupama Theatre TB Road, Kottayam - 686 001
17	Kozhencherry	1 st Floor, K.R.S Complex Opp. Govt. Hospital Kozhencherry - 689 641
18	Marampally	Kadavil Building, 1st Floor, MarampallyJn, Marampally - 683 107
19	Mavelikkara	KG Complex, Door NO: 4/269-I & 4/269-J, Maliyeckal Junction, Keerikkad PO, Alappuzha - 690 508
20	Meenakshipuram	Akbar Complex ,1st Floor , Pollachi Road, Meenakshipuram, Palakkad - 678 533.
21	Muvattupuzha	1st floor, Mariyil Tower, Opp; Tyre Bazar, Vazhappilly P.O., Muvattupuzha - 686 673
22	Nettoor	Door No-XIX/578A, Kuryappilly Building, 1st Floor, Nettoor P.O., Ernakulam - 682 040
23	New Delhi	Muthoot Towers,Plot No 2,Community Centre,Alakananda,New Delhi-110 019
24	Pala	Jaya Press Building, 1st Floor, Chethimattam, Pala .P.O , Kottayam Dist - 686 575
25	Palakkad	1st Floor, Ghani's Building, Fort Maidan, Stadium Byepass Road, Palakkad - 678001
26	Pallippuram	Melanna Plaza, Ground Floor, MunambamAngadi, PalliportP.O,Pin- 683 515
27	Panangad	NM Mart, 1st Floor, NM Junction, Kumbalam P.O, Panangad - 682 506
28	Pathanamthitta	2 nd Floor, ABAN AcradeKumbzha Road, Pathanamthitta - 689 645
29	Perinthalmanna	Mashreq Trade Center, Near Malabar Gold Calicut Road, Perinthalmanna, Pin : 679 322
30	Thiruvalla	KV Building, 1st Floor, Thirumoolapuram P.O., Thiruvalla - 689 115
31	Thodupuzha	Ground Floor,Pulimoottil Plaza, Near Town church, Thodupuzha -685 584
32	Thripunithura	1st Floor, Shankari Tower, Vadakkekotta, Thripunithura, Ernakulam - 682 301
33	Thrissur	1st floor, Suncity Complex, Koorkencherry PO, Thrissur - 680 007
34	Trivandrum	1st Floor, Golden Palace Arcade, Kaimanam JN., Trivandrum, Pin- 695 040.
35	Vannappuram	New No:XIII/1209, Kallarackal, Vannappuram P.O., Idukki District - 685 607
36	Perumbavoor	1st Floor, BathelSuloko Orthodox Syrian Church Building, Opp: ESAF Bank Ltd, MC Road, Perumbavoor-683 542
37	Malikamukku	1st Floor, SK Complex, Kanjiramchira P.O. Malikamukku, Alappuzha, PIN -688 007
38	Ayyappankavu	68/2823 A, Ground Floor, Near Ayyappankavu Temple, Ernakulam - 682018
39	Kathrikadavu	Madathilkunnel Complex, 1st Floor, Kathrikadavu, Kaloor P.O., Ernakulam - 682017
40	Thuravoor	Kolattukudy Building, Ground floor, Opp:Angamaly bus stop, Thuravoor jn., Thuravoor P.O, Ernakulam-683 572
41	Cherthala	R4/BA-182/21, 1st floor, Manorama jn, Cherthala P O, Alleppey-688 524
42	Kuruppumppadi	Korattukudy Jacob Plaza, Ground Floor, Kuruppumpadi Jn, Kuruppumpady , Ernakulam-683 545
43	Pudunagaram	Grand Towers,1st Floor, Kollengode Road, Puthunagaram P.O, Palakkad Dist -678 503
44	Muthalamada	PSS Plaza,Ground Floor, Kambrathuchalla, Muthalamada P.O, Palakkad Dist – 678 507

USED CAR LOANS

TWO WHEELER LOANS

DEBENTURES

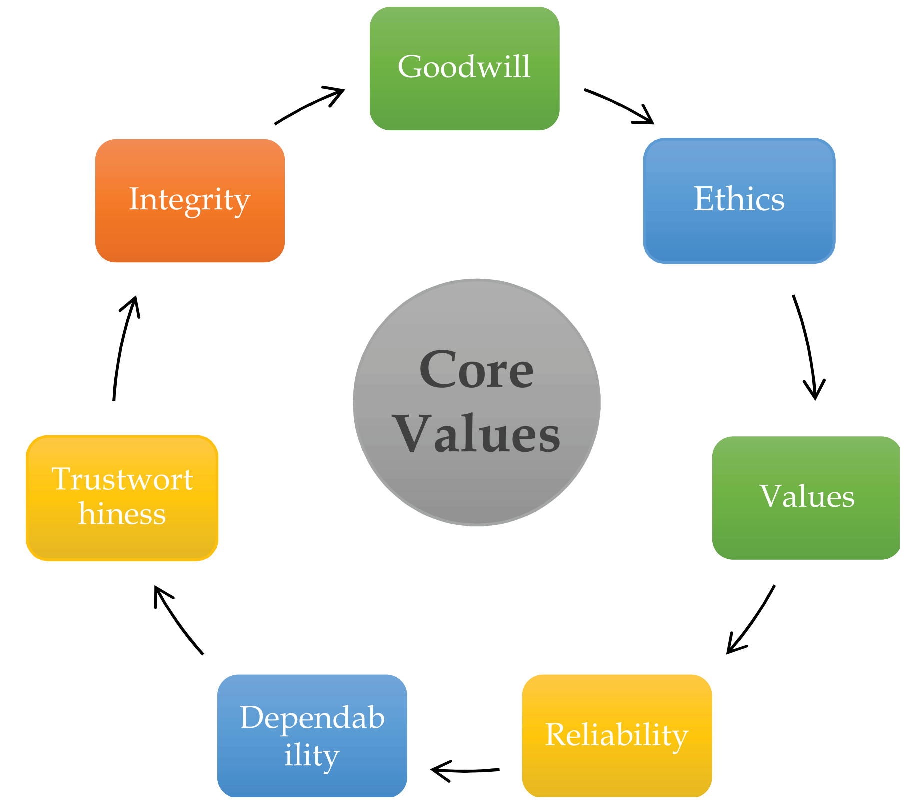
SECURED REDEEMABLE NCD-
PUBLIC ISSUE

PUBLIC DEPOSITS

FIXED DEPOSITS
CUMULATIVE DEPOSITS
RECURRING DEPOSITS

GOLD LOAN

CORE VALUES



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

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

Reliability
With an unblemished track record throughout the markets we service . MVFL values its commitment to customer service.

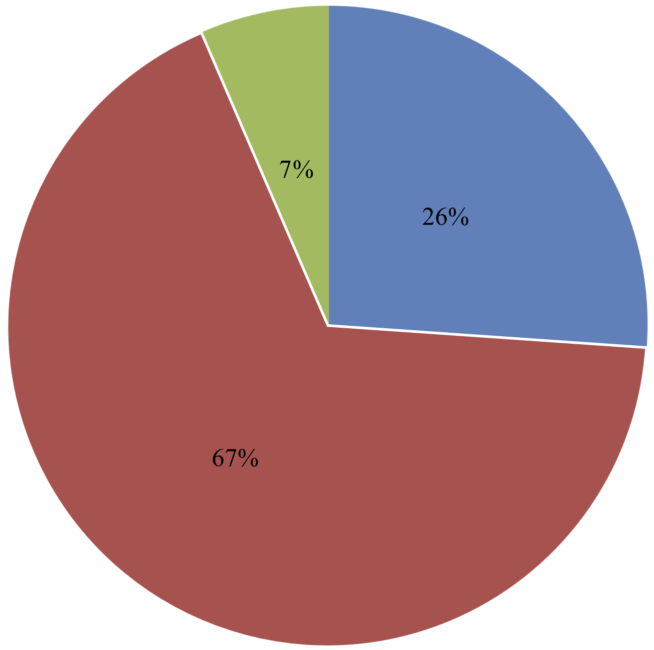
Dependability
We do not judge ourselves by the profits we make but by the trust and confidence that people have shown in us.

Trustworthiness
We pledge loyalty in our operations, fairness in our dealings and openness in our practices. At MVFL, we embrace polices and practices that fortify trust.

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

Goodwill
With an unmatched goodwill, the company shoulders the responsibility of providing its customers with services of the highest quality.

DIVERSIFIED FUNDING PROFILE



- Deposits-Rs 5,835 Lakhs
- Secured Non Convertible Debentures-Public Issue-Rs 15,071 Lakhs
- Bank Borrowings Rs 1,454 Lakhs

Bank limits

Rating Agency	Amount of rating (Rs in Crores)	Rating	Indicates
CRISIL	150 Crores	CRISIL A/Stable	Adequate degree of safety regarding timely servicing of financial obligations .Such instruments carry low credit risk.

Convertible

Rating Agency	Amount of rating (Rs in Crores)	Rating	Indicates
CRISIL	200 Crores	CRISIL A/Stable	Securities with this rating are considered to have adequate degree of safty regarding timely servicing of financial obligations.Such obligations carry low credit risk.

Public Deposits

Rating Agency	Rating	Indicates
CRISIL	CRISIL A/Stable	Adequate degree of safty regarding timely servicing of financial obligations.Such securities carry low credit

KEY HIGHLIGHTS

AUM (EAD) *₹24228.25 Lakhs*	*Gross NPA %* *5.57%*
Disbursement *₹19,497.06 Lakhs*	*Cost of Borrowings* *8.99%*
Balance Sheet Size *₹34,443.10 Lakhs*	*Average IRR* *16.74%*
Net Owned Fund *₹9,510.87 Lakhs*	*Return on Avg. Assets* *4.14%*
Interest Income *₹4,191.72 Lakhs*	*Return on Avg. Equity* *15.76%*
Other Income *₹1984.37 Lakhs*	*Capital Adequacy* *38.88%*
Profit After Tax *₹1414.88 Lakhs*	

Milestones
MOMENTOUS - JOURNEY SO FAR

1992-93
- Commenced Hire purchase business

1994-95
- Entered into Lease Financing

1998-99
- Obtained Certificate of Registration from the Reserve Bank of India.

2000-01
- Obtained an investment grade rating of "Ind BBB-" from FITCH Ratings India (P) Ltd for Public Deposits

2005-06
- B/s size crossed Rs.100 cr.

2006-07
- Obtained an investment grade rating of "Ind BBB-" from FITCH Ratings India (P) Ltd for Public Deposits

2007-08
- Authorised, Issued & Paid up capital was raised to Rs.25 cr. from Rs.6.25 cr. Secured invest grade rating of "MA" from ICRA ltd. For accepting deposits from Public

2008-09
- Name of the Company was changed from Muthoot Leasing and Finance Ltd. To MuthootVehicle & Asset Finance Ltd.

2013-14
- Public Deposit crossed Rs.100 cr.

2017-18
- B/s size crossed Rs.400 cr.
- PAT crossed Rs.10 cr.

2018-19
- PBT crossed Rs. 15 cr

2019-20
- Asset size crossed Rs. 500 Cr
- Public issue of Listed Non-convertible debentures (Listed with BSE Limited)
- CRISIL assigned A/(Stable) rating to Company's Bank Loans (long term and short term) and NCDs, CRISIL assigned FA+ (Stable) rating to public Deposits

2022-23
- PAT crossed Rs.14 cr.
- Recovery from written off accounts crossed Rs.17 cr. thereby creating a new History

BOARD OF DIRECTORS

Mr. George Alexander Muthoot

He is a Non-Executive Director of our Company. He is a Chartered Accountant who qualified with first rank in Kerala and was ranked 20th overall in India, in 1978. He has a bachelor's degree in commerce from Kerala University where he was a rank holder and gold medallist. He was also awarded the Times of India group Business Excellence Award in customised Financial Services in March 2009. He was also awarded the CA Business Leader Award under Financial Services Sector from the Institute of Chartered Accountants of India for 2013. He served as the Chairman of the Kerala Non-banking Finance Companies Welfare Association from 2004 to 2007. He is the former Member Secretary of Finance Companies Association, Chennai. Currently, he is the President of Association of Gold Loan Companies in India & an active member of Confederation of Indian Industry (CII). He has over three decades of experience in managing and operating businesses in the financial service sector.

Mr. George Muthoot Jacob

He is the Whole-time Director of our Company. He is a management graduate from Cass Business School (London), he holds a Masters in International Economic Law from the University of Warwick, Coventry, United Kingdom. He holds a bachelor's degree in law from the National University of Advanced Legal Studies, Kochi. He is incharge of marketing activities of Muthoot Finance for south india. He oversees legal, compliance and Corporate Governance, Internal Audit, Risk Management, Marketing and Sales of The Muthoot Group.

Mr. Ragesh G R

He is a Non- Executive Director of our company. He is a Cost-Accountant who earlier served as the AGM (Finance) of Muthoot Vehicle & Asset Finance Limited. He is presently a designated director of Muthoot Securities Limited, besides holding the post of Chief Executive Officer.

Ms. Anna Alexander

She is a Non-executive Director of our Company. She holds bachelor's degree in Commerce and completed her inter from the Institute of Chartered Accountants of India. She oversees our business for the last 18 years.

Mr. Kurian Chirathalattu George

He is an Independent Director of our Company. He is a qualified Chartered Accountant and became a member of the Institute of Chartered Accountants of India in 1978. He is the Managing Director of Concord Credit Limited and director of Concord Tea and Produce Pvt. Ltd. and Malabar Properties Pvt. Ltd. He was the President of Kerala Management Association and former chairman of Kerala Non-Banking Finance Companies Welfare Association

Mr. Thevalakkara Thomas Mathew

He is an Independent Director of our Company. He was the General Manager of the Canara Bank's Kolkata Circle, General Manager of the Eastern Exchange Establishment in Doha, Qatar, Chairman of the Kerala Gramin Bank and he was also appointed as the Chief Vigilance Officer of the State Bank of Mysore, H.O, Banglore. He has over 40 years of experience in the commercial banking sector across diverse locations.

KEY MANAGERIAL PERSONNEL

DGM & CHIEF EXECUTIVE OFFICER

Mr. Philip P T

CHIEF FINANCIAL OFFICER

Mrs. Geena Thomas

COMPANY SECRETARY

Mr.Akshay Anand T S

COMMITTEE

Audit Committee

1. Kurian Chirathalattu George
2. Thevalakkara Thomas Mathew
3. George Muthoot Jacob

Nomination & Remuneration Committee

1. Thevalakkara Thomas Mathew
2. Kurian Chirathalattu George
3. Anna Alexander

Risk Management Committee

1. George Alexander Muthoot
2. George Muthoot Jacob
3. Kurian Chirathalattu George

ALM Committee

1. George Alexander Muthoot
2. George Muthoot Jacob
3. Ragesh G R

CSR Committee

1. Thevalakkara Thomas Mathew
2. George Alexander Muthoot
3. Ragesh G R

Stakeholder's Relationship Committee

1. Kurian Chirathalattu George
2. Thevalakkara Thomas Mathew
3. George Muthoot Jacob

IT Strategy Committee

1. Thevalakkara Thomas Mathew
2. George Muthoot Jacob
3. Aneesh C E

REPORT OF THE BOARD OF DIRECTORS

Dear Shareholders,

Your directors present the 31st Annual Report along with the audited standalone and consolidated financial statements for 2022-23.

1. COMPANY OVERVIEW

Muthoot Vehicle & Asset Finance Limited is a public limited company incorporated on 08 June 1992 under the Companies Act, 1956 and has its registered office at Muthoot Chambers, OppSaritha Theatre, Banerji Road, Cochin, Ernakulam, Kerala-682018. The Company changed its name from Muthoot Leasing and Finance Limited to Muthoot Vehicle & Asset Finance Limited in the year 2008. It is registered as a Deposit taking Non-Banking Finance Company vide the Reserve Bank of India ('RBI') certificate of registration dated November 30, 1998 (bearing no. No.A16.00042). The Company launched its initial public offering of non-convertible debentures and was listed on the BSE Ltd. in the year 2020. It has been classified in the Middle Layer pursuant to RBI Scale Based Regulations.

2. PERFORMANCE HIGHLIGHTS

a) Financial Results

The financial highlights of your company for the financial year 2022-23 are summarized below:

(Amt. in lakhs)

Particulars	For the year ended	
	31.03.2023	**31.03.2022**
Total Income	6,199.85	5,474.31
Total expenses	4,770.14	6,131.27
Profit Before tax	1,429.71	(656.97)
Tax Expense	14.83	189.45
Profit after Tax	1,414.88	(846.42)
Basic Earnings per share(EPS)	5.66	(3.39)

Note: Previous Year figures have been reworked, re-grouped, re-arranged and re-classified to conform to the current year figures.

b. Business Growth

During the Financial Year (FY) ended March 31, 2023, the total Asset Under Management (AUM) of your Company increased by 7.00%. The AUM of the Company as on March 31, 2023 stood at Rs. 24,228.25 lakhs whereas for the same for the FY 2021 - 2022 was Rs. 22,642.97 lakhs.

c. Profitability

The total income of the Company increased to Rs. 6,199.85 lakhs during the FY 2022-23 as against Rs. 5,474.31 lakhs during the FY 2021-22. The total expenditure for the FY 2022-23 was at Rs. 4,770.14 lakhs as against Rs. 6131.27 lakhs during the FY 2021-22

d. Asset quality

As on March 31, 2023, the Gross NPA and Net NPA in the books of your Company stood at Rs. 1,349.10 lakhs and Rs. 722.38 lakhs respectively. Your Company has also adopted new methods to control NPAs and improve asset quality at lower costs.

e. Net worth & Capital Adequacy Ratio

Consequent to the profit of Rs. 1,414.88 lakhs, the net worth of your Company increased to Rs. 9,684.58 lakhs as against Rs. 8,271.30 lakhs in the previous year. The Company's Capital Adequacy Ratio (CRAR) as on March 31, 2023 stood at 38.88% of the aggregate risk weighted assets on the Balance Sheet and risk adjusted value of the off Balance Sheet items, which is above the statutory minimum of 15%. Out of the above, Tier I CRAR stood at 38.88% and Tier II CRAR stood at 0.00%. The CRAR as on March 31, 2022, stood at 35.10%.

3. SCALE BASED REGULATIONS

Reserve Bank of India issued a circular on "Scale Based Regulation (SBR): A Revised Regulatory Framework for NBFCs" on 22 October 2021 ('SBR Framework'). As per the framework, based on size, activity, and risk perceived, NBFCs are categorised into four layers, NBFC - Base Layer (NBFC-BL), NBFC - Middle Layer (NBFC-ML), NBFC - Upper Layer (NBFC-UL) and NBFC - Top Layer (NBFC-TL). RBI has categorised Muthoot Vehicle & Asset Finance Limited as an NBFC - Middle Layer (NBFC-ML). The Company has put in place necessary Board approved policies like Compensation Policy for Key Managerial Personnel and Senior Management under the SBR Framework.

4. FINANCIAL SUMMARY AND PERFORMANCE

Your company's business operations are primarily focused on retail lending portfolio and we cater extensively to retail customers. While in the past the company had a wholesale lending business vertical which extended loans to commercial businesses, MVFL have discontinued the exposure to this portfolio and is now focusing on pure retail business only. During the year under review, your company advanced substantial amount of Gold Loans to diversify operations and to improve profitability. Your company opened 10 new branches during the year – Tripunithura, Perumbavoor, Malikamukku, Ayyappankavu, Kathrikadavu, Thuravoor, Cherthala, Kuruppumpadi, Pudunagaram, Muthalamada to cater to Gold Loan business

The financial performance of your company during the year ended March 31, 2023 remained very healthy. The company was able to achieve an impressive growth during the year under review.

5. CHANGE IN THE NATURE OF BUSINESS, IF ANY

During the year under review, there was no change in the nature of business of the Company.

6. SHARE CAPITAL

The issued, subscribed and paid-up Share Capital of the Company stood at Rs 25,00,00,000 as at 31st March 2023 comprising of 2,50,00,000 ordinary (equity) shares of Rs 10 each fully paid up. There were no change in Share Capital during the year under review.

7. DIVIDEND

No Dividend was declared for the current financial year.

8. INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013 ("the Act") no unclaimed/ unpaid dividend are liable to get transferred to Investor Education and Protection Fund during the financial year 2022-23.

Details of unclaimed dividend are available on the website of the Company at www.mvafl.com

During the financial year 2022-23, unclaimed deposit of Rs. 27,694 along with interest were transferred to IEPF as per applicable IEPF Rules.

9. LISTING

Non- Convertible debentures issued by the Company through public issues are listed on BSE Ltd. Your Company has paid applicable listing fees to Stock Exchanges.

10. TRANSFER TO RESERVES

During the year, the Company has transferred an amount of Rs. 282.98 lakhs to the Statutory Reserve maintained under Section 45-IC of the Reserve Bank of India Act, 1934. No General Reserve for the Financial year ended March 31, 2023. Your Board has decided to retain Rs.4,599.60 lakhs as surplus in the Profit and Loss Account.

11. RESOURCE MOBILISATION

a. Fixed Deposits

Your company is a Deposit Taking Asset Finance Company (NBFC-D), registered with Reserve Bank of India (RBI), which has been re-classified as a NBFC - Investment and-Credit Company (NBFC-ICC) pursuant to RBI's recent directive. The deposits of the company are rated as "A (Stable) "CRISIL A/Stable" by the rating agency CRISIL .The outstanding amount of deposits as on March 31, 2023, received by the Company including interest accrued on that date is Rs.5947.99 lakhs.(Public deposit including interest accrued is Rs:5932.10 Lakhs and related parties including interest accrued Rs:15.89 Lakhs). As on March 31, 2023, there are 46 accounts of public deposits amounting to Rs. 80.29 lakhs which have not claimed for payment.

After close follow-up; the figures are currently down to 39 public deposits and Rs.58.54 lakhs respectively as on August 08, 2022

Chapter V of the Companies Act, 2013, relating to acceptance of deposits by Companies, is not applicable to the Company since it is a Deposit-Taking NBFC registered with RBI.

TRUSTEES FOR DEPOSIT HOLDERS:

Subject to the provisions of RBI Guidelines for Trustees of deposit holders of the Non-Banking Finance Company (NBFC), the Board appointed IDBI Trusteeship Services Limited as Trustees for deposit holders.

In compliance with the Master Circular-Miscellaneous instruction to all NBFCs dated 1st July, 2014, your Company has created a floating charge on the Statutory Liquid Assets in favour of IDBI Trusteeship Service Limited as Trustee on behalf of the depositors as required under Section 45-1B of the RBI Act, 1934.

b. Bank Loan

The company raised funds for its working capital requirements from banks. As on 31.03.2023, the outstanding amount of loan against deposit placed with banks were Rs. 1453.69 Lakhs.

c. Loan from Directors & Relatives

The company has not obtained any loans from their Directors/Relatives during the FY 2022-23. As on 31.03.2023, the outstanding amount from directors & relatives were Nil.

d. Secured Redeemable NCD (Public Issue)

The Company raised funds by way of Public Issue of Secured Redeemable Non-convertible Debentures (NCD) with a base Issue Size of Rs. 100 Crores with an option to retain over subscription upto Rs.100 Crores aggregating upto the Limit of Rs. 200 Crores in the year 2020. The Allotment was done on March 17, 2020 to 4838 applicants (for an amount of Rs. 200 Cores) and the same was listed with BSE on March 19, 2020. During the financial year ended 31 March 2023, there was no redemption of NCDs and the total outstanding NCDs as on March 31, 2023 is Rs.15,008.76 Lakhs

12. DIRECTORS

Your Company has a well-structured Board consisting of six directors. Out of the non-executive directors, two are independent directors. The Board of Directors of your company as on 31 March, 2023 are as follows:

Category	Name of Directors
Executive Directors	Mr. George Muthoot Jacob, Whole Time Director
Non-Executive Non-Independent Directors	Mr. George Alexander Muthoot, Non-Executive Director
	Mr. Ragesh G R, Non-Executive Director
	Mrs. Anna Alexander, Non-Executive Director
Non – Executive Independent Directors	Mr. Kurian Chirathalattu George, Independent Director
	Mr. Thevalakkara Thomas Mathew, Independent Director

There was no change in the constitution of the board of directors during the year under review.

13. DECLARATION OF DIRECTORS

All the Directors of the Company have confirmed that they satisfy the "Fit & Proper" criteria as prescribed under Chapter XI of RBI Master Direction No.DNBR. PD.008/03.10.119/2016-17 dated 1st September, 2016, as amended, and that they are not disqualified from being appointed/continuing as Directors in terms of Section 164(2) of the Companies Act, 2013.

14. RE-APPOINTMENT OF INDEPENDENT DIRECTORS

During the period under review, no Independent Directors were liable for re-appointment.

15. CESSATION/APPOINTMENT OF DIRECTORS

During the year under review, there was no change in the constitution of the board of directors.

16. ROTATION OF DIRECTORS

Mrs. Anna Alexander (DIN: 00017147) retires at the ensuing Annual General Meeting and seek for re-appointment.

Recommendation for appointment is mentioned in Notice of the 31st AGM.

17. CHANGE IN KEY MANAGERIAL PERSONNELS

During the period under review, the following changes occured with respect to the key managerial personnel of the Company.

Sl No.	Name	Designation	Change
1.	Mr. Harimon Govindankutty Nair	GM & CEO	Resigned with effect form 16/11/2022
2.	Ms.Kavitha Kamala Nair	Company Secretary	Resigned with effect from 12/11/2022
3.	Mr. Akshay Anand T S	Company Secretary	Appointed with effect from 12/11/2022

Mr. Phiip P T was appointed as the CEO in the board meeting held on 15/05/2023 after the end of financial year.

18. WOMAN DIRECTOR

Your Company has Ms. Anna Alexander, as Woman Director on the Board of the Company and she is a Non-Executive, Non Independent Director.

19. DECLARATION FROM INDEPENDENT DIRECTORS

All the Independent Directors of the Company have given their declarations and confirmation that they fulfill the criteria of Independence as prescribed under Section 149(6) of the Act and have confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

Further, the Board after taking these declarations/ disclosures on record and acknowledging the veracity of the same, concluded that the Independent Directors are persons of integrity and possess the relevant proficiency, expertise and experience to qualify as Independent Directors of the Company and are Independent of the Management of the Company.

In terms of Section 150 of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, Independent Directors of the Company have confirmed that they have registered themselves with the databank maintained by the Indian Institute of Corporate Affairs, Manesar ("IICA") and the said registration is renewed and active.

20. MEETING OF THE BOARDS

During the FY 2022-23 your Board of Directors met five times, on 04/04/2022, 30/05/2022, 08/08/2022, 12/11/2022 and 07/02/2023.

21. COMMITTEES OF THE BOARD

a) Audit Committee

The Audit Committee was constituted as per the Companies Act, 2013 after induction of independent directors. The members of the Audit Committee are Mr. George Muthoot Jacob (Whole Time Director), Mr. Kurian Chirathalattu George (Independent Director) and Mr. Thevalakkara Thomas Mathew (Independent Director).

b) Nomination and Remuneration Committee

The Nomination and Remuneration Committee was constituted as per the Companies Act, 2013 and last reconstituted after induction of independent directors. The committee comprises of Mr. Thevalakkara Thomas Mathew (Independent Director), Mr. Kurian Chirathalattu George (Independent Director) and Mrs. Anna Alexander (Non-Executive Director).

c) Stakeholders Relationship Committee

The Stakeholders Relationship Committee was constituted as per the Companies Act, 2013and last reconstituted after induction of independent directors. The Committee comprises of Mr. Kurian Chirathalattu George (Independent Director), Mr. Thevalakkara Thomas Mathew (Independent Director) and Mr George Muthoot Jacob (Whole time Director).

d) Asset Liability Management Committee

The Asset Liability Management Committee was constituted as per RBI Directions. The Committee was last reconstituted on 11.08.2021. The Committee comprises of Mr. George Alexander Muthoot (Non-Executive Director), Mr. George Muthoot Jacob (Whole Time Director) and Mr, Ragesh G R (Non-Executive Director).

e) Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee was reconstituted on 11.08.2021. The Committee comprises of Mr. Thevalakkara Thomas Mathew (Independent Director), Mr.

George Alexander Muthoot (Non-Executive Director) and Mr. Ragesh G R (Non-Executive Director).

f) Risk Management Committee

The Risk Management Committee was last reconstituted after induction of independent directors. The Committee comprises of Mr George Alexander Muthoot (Non-Executive Director), Mr George Muthoot Jacob (Whole-time Director) and Mr Kurian Chirathalattu George (Independent Director).

g) IT Strategy Committee

The IT Strategy Committee was constituted as per RBI Directions. The Committee was constituted on 05.02.2021. The Committee comprises of Mr. Thevalakkara Thomas Mathew (Independent Director), Mr. George Muthoot Jacob (Whole-time Director) and Mr. Aneesh C E (AGM - IT)

22. CORPORATE SOCIAL RESPONSIBILITY

The Corporate Social Responsibility Committee had formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) which was subsequently adopted by it and is being implemented by the Company.

The Policy of the Company is available on the website of the Company at https://mvafl.com/upload/pdf_files/182180e0e0e6babbe3c271d7009ad0c8.pdf

The Company was not required to make any expenditure towards CSR in the financial year 2022-23.

23. MANAGEMENT DISCUSSION AND ANALYSIS

ECONOMIC OVERVIEW

Global growth is projected to fall from an estimated 3.5 percent in 2022 to 3.0 percent in both 2023 and 2024. While the forecast for 2023 is modestly higher than predicted in the April 2023 World Economic Outlook (WEO), it remains weak by historical standards. Economic growth is moderating under the weight of still high inflation and monetary policy tightening. Rather than a global recession, a relatively subdued economic outlook is expected. Stronger growth is witnessed in emerging Asian economies, and is weakest in Europe and the US. In most economies, the priority remains achieving sustained disinflation while ensuring financial stability. Therefore, central banks should remain focused on restoring price stability and strengthen financial supervision and risk monitoring. They should also build fiscal buffers, with the composition of fiscal adjustment ensuring targeted support for the most vulnerable. Improvements to the supply side of the economy would facilitate fiscal consolidation and a smoother decline of inflation towards target levels.

Two key risks stand out regarding the global economic outlook. The first relates to inflation. While headline inflation has peaked in most economies, core inflation (excluding volatile items such as food and energy) has proven stickier and has not decisively peaked in many economies. The second risk relates to financial market stability.Over 85 per cent of central banks worldwide tightened monetary policy and raised interest rates in quick succession since late 2021, to tame inflationary pressures and avoid a recession. A series of severe and mutually reinforcing shocks — the COVID-19 pandemic, the war in Ukraine and resulting food and energy crises, surging inflation, debt tightening, as well as the climate emergency — battered the world economy in 2022. This exposed weaknesses in the banking sector, and financial markets in general. Amid high inflation, aggressive monetary tightening and heightened uncertainties, the current downturn has slowed the pace of economic recovery from the COVID-19 crisis, threatening several countries — both developed and developing — with the prospects of recession in 2023. Growth momentum significantly weakened in the United States, the European Union and other developed economies in 2022, adversely impacting the rest of the global economy through a number of channels. While most indicators point to relative stability in global financial markets, long and variable lags in the pass through of monetary policy mean more financial turmoil could be on the horizon. Although inflation has declined as central banks have raised interest rates and food and energy prices have come down, underlying price pressures are proving sticky, with labour markets tight in a number of economies. Side effects from the fast rise in policy rates are becoming apparent, as banking sector vulnerabilities have come into focus and fears of contagion have risen across the broader financial sector, including nonbank financial institutions. Risks to the outlook are heavily skewed to the downside, with the chances of a hard landing having risen sharply. Inflation could remain high and even rise if further shocks occur, including those from an intensification of the war in Ukraine and extreme weather-related events, triggering more restrictive monetary policy.

Financial sector turbulence could resume as markets adjust to further policy tightening by central banks. Rapid monetary policy tightening over the last year or so led to weakening in global housing, bank lending, and the industrial sector. However, this weakness has been more than offset by strength in other sectors, most notably service-sector activities, which is visible in labor markets. Strong consumer spending and the fading impact of shocks of recent years have been difficult to assess, leading to ongoing forecast revisions. Nonetheless, recent data point to moderation of these positive trends, leading to slower global growth in the second half of 2023 and early 2024.

Global growth will return to its slowing trajectory with mature markets making smaller contributions to global GDP over the next decade. Keys to ensuring growth over the longer term include developing new lines of business; strengthening corporate culture; embracing digital transformation and automation; recruiting for talent with new skills not currently represented in the company; and maximizing the hybrid work model where it makes sense.

INDIAN ECONOMY

After two years of rapid economic growth in 2021 and 2022, the near-term economic outlook is for continued rapid expansion during 2023-24, underpinned by strong growth in private consumption and investment. The acceleration of foreign direct investment inflows into India over the past decade reflects the favourable long-term growth outlook for the Indian economy, helped by a youthful demographic profile and rapidly rising urban household incomes. The growth moderation for India in FY2023 is premised on an ongoing global economic slowdown, tight monetary conditions, and elevated oil prices. India enjoys a Goldilocks moment as it sees its economic activity gaining momentum amid continuing global uncertainties. According to a consensus of GDP forecasts from international organizations, the RBI, and global rating agencies, India's economy will grow by 6-6.5% in the fiscal year 2023-24. "Growth in India is projected at 6.1% in 2023, a 0.2percentage point upward revision compared with the April projection, reflecting momentum from stronger-than-expected growth in the fourth quarter of 2022 as a result of stronger domestic investment": IMF said in a report. Meanwhile, the Reserve Bank of India (RBI) has projected our country's economic growth at 6.5% during 2024.

Evidently, economists and analysts are bullish about the Indian economy. They expect India to grow between 6% and 6.3% in FY2023–24 and have a stronger outlook thereafter. In fact, if global uncertainties recede, growth is expected to surpass 7% over the next two years. The central government's commitment to significantly increase capital expenditure in FY2023, despite targeting a lower fiscal deficit of 5.9% of GDP, will also spur demand. Helped by recovery in tourism and other contact services, the services sector will grow strongly in FY2023 and FY2024 as the impact of COVID-19 wanes.

The digital transformation of India that is currently underway is expected to accelerate the growth of e-commerce, changing the retail consumer market landscape over the next decade. This is attracting leading global multinationals in technology and e-commerce to the Indian market. Recent announcements to boost agricultural productivity, such as setting up digital services for crop planning and support for agriculture start-ups will be important in sustaining agriculture growth in the medium term. FY 2023-2024 is expected to see faster growth in investment, thanks to supportive government policies and sound macroeconomic fundamentals, lower non-performing loans in banks, and significant corporate deleveraging that will enhance bank lending.

Overall, India is expected to continue to be one of the world's fastest growing economies over the next decade. This will make India one of the most important long-term growth markets for multinationals in a wide range of industries, including manufacturing industries such as autos, electronics and chemicals to services industries such as banking, insurance, asset management, health care and information technology. However, geopolitical tensions, weather-related shocks, uncertainties around the activities of central banks globally and oil price movements are key risks to India's economic outlook.

OUTLOOK FOR THE INDUSTRY

Non-Banking Financial Companies (NBFCs) have emerged as the primary source of financing for a vast section of the population including small and medium-scale enterprises as well as the economically unserved and underserved individuals. They have been able to meet the diverse requirements of borrowers in the most efficient and timely approach considering their wide geographic reach, comprehension of the numerous financial needs of people, and extremely swift turnarounds.

NBFCs provide a wide range of financial services such as consumer loans, business loans, microfinance, housing finance, vehicle finance and more. NBFCs have played a vital role in bridging the credit gap, especially in rural and semi-urban areas where access to formal banking services is limited. Therefore, non-bank lenders have contributed significantly to the cause of financial inclusion and have also been a key component in fostering the expansion of millions of MSMEs and self-employed entrepreneurs. In addition to the growing role played by non-bank lenders in the consumer financing industry, the expansion of a few key economic sectors, including housing, consumer goods, and transportation has been boosted. NBFCs have contributed towards the development of the country's infrastructure. The availability of long-term funding by non-bank lenders has helped in the financial closure and growth of many large-scale infrastructural projects.

One of the key advantages of NBFCs is their ability to be flexible in their lending practices. Unlike banks, which have a rigid set of guidelines for lending, NBFCs can tailor their lending practices to meet the specific needs of their clients. This has made them an attractive option for those who are looking for more personalised financial services. Digital platforms have also enabled NBFCs to streamline their operations, reduce costs, and enhance their customer experience. This has resulted in NBFCs being able to offer competitive interest rates and customized products to their customers. Evolution of credit bureaus and improved understanding of borrower-level cash flows over the years have helped NBFCs fine-tune their underwriting models.

Manushree Saggar, vice president and sector head of financial sector ratings at ICRA Ltd, said, disbursements of NBFCs (excluding infra-NBFCs) and HFCs (Housing Finance Companies) have been higher than the pre-pandemic levels for three consecutive quarters, indicating that the industry has finally come out of the long trough. According to the report, the asset quality of non-banks has been improving steadily since December 2021 as borrowers gradually recovered from the pandemic-induced stress. The improvement has been made possible by higher collections, a lower-than-anticipated restructured portfolio estimated at 2 per cent of total assets under management as of September 2022 and controlled slippages in the loan book and reported ratios, all benefiting from the base effect of high growth. Stable margins along with moderation in credit cost will support the improvement in profitability indicators for NBFCs.

One of the key factors driving the positive outlook for NBFCs in India is the regulatory environment. The Reserve Bank of India (RBI) and other regulatory bodies have taken significant steps to promote the growth and stability of the sector. They have introduced measures to streamline NBFC operations, enhance risk management practices, and strengthen corporate governance. These regulatory reforms have not only fostered investor confidence but have also encouraged NBFCs to adopt more responsible lending practices, ensuring the overall stability of the financial system. With favorable regulatory reforms, technological advancements, and evolving consumer preferences, the stage is set for the NBFC industry to thrive in the coming years. The NBFCs can set a new benchmark by tying up with fintechs and introducing new business models with personalised offerings.

OPPORTUNITIES AND THREATS AND FUTURE OUTLOOK

Non-banking Financial Companies (NBFC) sector in India has undergone a significant transformation over the past few years and plays a significant role in the growth of the Indian financial system. Going ahead, the transformation of NBFCs in the pursuit of a more resilient, efficient and trusted financial system is both inevitable and desirable because of the inexorable process of change triggered by the headwinds stemming from market risk, technology, consumer protection and sustainability. The transformation of the form and substance of NBFCs in India is a tall order and necessitates synchronized efforts by all stakeholders with a sense of urgency. Towards this end, strong capital buffers, adequate provisions and sufficient liquidity in their books augur well for the NBFCs. Given the winds of change sweeping the globe, there must be an accent on digitization, including chatbots to enhance customer service, provide digital solutions and develop alliance with fin-techs as partners in development. With increasing use of instruments, such as, eKYC (Electronic Know Your Customer), e-signature, and Aadhaar-based verification, NBFCs are driving financial inclusion, increasing penetration of financial assets, wider participation in equity markets and technology adoption.

The RBI also proposed a scale-based regulatory framework for NBFCs to promote better governance and structural strengthening of the sector, with the long-term objective of bridging the gap between banks and NBFCs. In view of the increasing scale and complexity of NBFCs' operations along with their rising interconnectedness with other entities in the financial system, the RBI issued a notification on 22 October 2021 on 'Scale Based Regulation (SBR): A Revised Regulatory Framework for NBFCs '(SBR Framework). These regulations mark a paradigm shift from an activity based regulation to one based on riskiness and scale of operations, following the principle of proportionality. These measures together with application of other regulatory prescriptions, such as, PCA and IRACP (Income Recognition, Asset Classification and Provisioning) norms would strengthen the NBFCs and make them more robust and scalable over the medium-term.

Non-Banking Financial Companies have outperformed banks in the Mortgage Industry, by leveraging technology in credit deployment. NBFC's have strongly focused on unorganized & Under-served segments of the economy, which led the companies to create a niche for themselves through frequent interactions with their Customer segments & deeply understanding needs. They are ensuring last-mile delivery & enhanced customer experience of products & services.

Non- performing assets have been a challenge not only for the banks but as well as for the NBFCs. With the new credit customers, the risk remains higher as compared to those customers who have a credit history. Therefore, NBFCs continuously works on checking and balancing so as to make sure that the EMIs are on time and records of the customers remains up to date and any issues are notified immediately. The due diligence is important to optimize the default risk. Since the customers who avail borrowings from NBFCs do not have any credit history, it becomes quite difficult to verify their financial credentials. Resultantly, NBFCs have to take up additional resources for on-ground visits, reference checks etc. and all of this adds to the operational cost and becomes difficult to service this segment.

Several NBFCs have focused on a limited line (or often a mono-line set of products) to serve the target customer segment. Armed with a thorough comprehension of their target segment, NBFCs have customized product offerings to address unique characteristics of the customer segment and focus on meeting the right needs. Several NBFCs are adopting non-standard pricing models for product lines, in-line with the customer profile and inherent risk of lending.

The use of technology is helping NBFC companies customize credit assessment models and optimize business processes, thereby reducing the time to market and helping improve customer experience. The adoption of digital technologies in the financial sectorhas led to a surge in the number of digital transactions. The use of technologies such as Artificial Intelligence (AI) and Machine Learning (ML) can help NBFCs to automate their processes, reduce costs and enhance customer experience.The use of data analytics can help NBFCs to make faster and more informed lending decisions, reduce the risk of defaults and enhance customer experience.

The Reserve Bank of India (RBI) has announced several measures to address the liquidity crunches faced by NBFCs, such as the Targeted Long-Term Repo Operations (TLTRO) and the Partial Credit Guarantee Scheme. However, NBFCs need to adopt a cautious approach to manage their liquidity to mitigate the impact of any future disruptions.

Banks have been expanding their offerings to cater to the needs of the unbanked and under-banked segments of the population, which were earlier serviced by NBFCs. Fintech companies have also been disrupting the traditional financial sector by offering innovative financial products and services. NBFCs need to be agile and innovative in their approach to stay competitive in the evolving financial sector environment. NBFCs need to maintain strong corporate governance and risk management practices to build trust and credibility with their stakeholders. With the right strategies and capabilities, NBFCs can continue to thrive in the dynamic financial ecosystem and contribute to India's economic growth and development.

NBFCs have been playing a crucial role in the Indian financial ecosystem by providing credit to individuals and small and medium-sized businesses. The increasing demand for credit in the Indian market and the adoption of digital technologies provide significant opportunities for NBFCs to grow and expand their offerings. Overall, the future of NBFCs looks promising, and they are expected to play a significant role in the financial sector's growth and development in the coming years

HUMAN RESOURCES

"Human Resources in NBFCs play a vital role as the custodians of talent, culture and compliance. They bridge the gap between the organization's strategic goals and its people, ensuring a harmonious balance that drives success in the financial sector." Non-Banking Finance Companies are essential to the Indian Financial System because of the significant roles they play in nation building and financial inclusion. They complement the role of the banking sector in reaching out and extending credit facilities to the unbanked sections of society. Respectively, they always consider their employees as the backbone of their Companies and are aimed at providing employee satisfaction. However, developing an understanding of employees is a tough task for the Human Resource Department subjecting most of the NBFCs to higher attrition rates problems.

The tremendous growth of Indian Non-Banking Financial Industry has changed its face with a decreasing emphasis on human interventions. These days, improved technologies are being followed by the NBFCs for upgrading their work methods, work norms, technical and managerial skills which helps employees to face the fast emerging challenges, both in the manufacturing and service sectors. In order to provide their customers more flexible and convenient services as well as to reduce servicing costs, NBFCs have been investing huge amounts to computerize their branches and at the same time, are putting greater emphasis on the management of their human resources and training and development to achieve job satisfaction. The need for sound and effective human resources management policies and practices as well as personal development is being felt strongly at every level. Human resource practices are evolving along with business expansion, with bigger NBFCs having better practices while the others are trying to catch up. Most of the NBFCs are facing higher attrition rates at field-level while the larger NBFCs are also facing attrition rates even at supervisory and high officials' levels. Some of the major reasons are transfer and posting policy, lack of career progression. Finally, the absence of the best human resource practices and job security are the biggest human resources challenges of the NBFCs in the modern era.

Human Resource department is responsible for identifying and recruiting individuals with the right set of values and skills, ensuring that the workforce is aligned with the organization's goals and ethical standards. By fostering a culture of trust, accountability, and professionalism, Human Resource Department plays a key role in building a strong and reliable workforce that can thrive in the competitive non-banking landscape. The financial markets make it difficult for finance companies to keep their employees up-to-date. Now is the time for HR to invest in data visualization and cyber security training. They need to create more upward mobility to reduce recruiting and on boarding costs. The people handling the day-to-day affairs must keep the customers in mind as well. HR ensures candidates selected for positions in the NBFCs receive adequate training before they begin working, to ensure they are familiar with the nuances of core system and customer relationship.

They must collaborate to identify skill gaps and design effective recruitment strategies. They have to source, screen, and assess candidates, ensuring necessary expertise and cultural fit. In a highly regulated industry, HR also needs to ensure compliance with legal requirements and background checks to maintain the integrity and credibility of the institution. Talent retention is also a concern of HR. They have to make arrangements to stop the resignations by assessing and analysing the reasons behind the decisions.

As the success of any organization largely depends on the quality of its human resources and the degree to which they are satisfied, there is the need for the effective management of human resources regardless of the size and or the nature of the organization.

24. RISK MANAGEMENT

The Company's principal financial liabilities comprise deposits, debt securities, borrowings and trade and other payable. 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, fixed deposits with banks and other receivables that are derived directly from its operations. As an NBFC, Company is exposed to various risks that are related to lending business and operating environment. The principal objective in Company's risk management processes is to measure and monitor the various risks that Company is subject to and to follow policies and procedures to address such risks. The Company's Risk Management Committee of the Board of directors constituted in accordance with the Reserve Bank of India regulations has overall responsibility for overseeing the implementation of the Risk Management Policy. The committee meets at least twice in a year to review the Risk Management practices. Risk Management department periodically places its report to the committee for review. The committee's suggestions for improving the Risk Management Practices are implemented by the Credit department.

Credit department shall be responsible for the following:

a) Identifying the various risks associated with the activities of the Company and assessing their impact on the business.

b) Measuring the risks and suggesting measures to effectively mitigate the risks. However, the primary responsibility for managing the various risks on a day to day basis will be with the heads of the respective business units of the Company. The Company is generally exposed to credit risk, liquidity risk, market risk and operational risk.

1. CREDIT RISK

Credit Risk arises from the risk of loss that may occur from the default of the company's customers under loan agreements. A risk of loss due to the failure of a borrower or counter party to meet the contractual obligation of repaying his debt as per the agreed terms is commonly known as a risk of default. Customer defaults and inadequate collateral may lead to loan losses.

Company's Risk Management is mainly described in 3 major pillars i.e.

1. Defining the Risk Appetite.

2. Guidelines for Risk Acquisition

3. Measuring & Monitoring of Risk

Pillar 1: Defining Risk Appetite.

The Risk appetite is the risk taking ability of the company and range in which the company wants to operate to get the return on its investment. Company's major focus is in retail segment and more spread out customer base, which diversifies the risk of concentration of customer segment, customer profile, asset base etc. This is mainly classified in the below terms i.e.

i. Setting up Exposure Limits

ii. Defining Customer Risk Profile Standards

iii. Setting up of Loan Sanctioning Powers

iv. Risk based pricing

Pillar 2: Policy Guidelines for Risk Acquisition

In line with set-up risk acquisition standards, Company has put in place the Credit Policy prescribing appraisal methodology based on the type of customer, business, income assessment module/s, geographical specific products etc. but within overall limit of set-up standards. The credit policies are reviewed on periodical basis after analyzing the portfolio, NPA, Collection feedback etc and sufficient corrections/updations are being made in the policy to cover the External and Inherent risk. To ward of any risk on this count, deviations are to be allowed only by the delegated authority.

Pillar 3: Monitoring of Risk Acquisition

a) Portfolio Analytics:

A Risk committee (Portfolio Review Committee) is been formed, comprising of Department HODs of Collection, Sales New & Used and Credit, who meets on a periodical basis ,ideally on a quarterly basis to review the collection portfolio. They also take note of collection strength and corrective measures required if any, time to time and recommend for the policy changes to be done putting the portfolio under control in accordance with CEO. The Portfolio Committee also analyses on various parameters like Port folio composition (various product base of New & Used, customer categories and profiles as per credit policy, product-wise efficacy etc.) to assess the inherent risks vis-a-vis rewards and place their reports to the Chief Executive Officer. For the purpose of assimilation of information, exception reports, customer feed-backs and inputs from Collection & Recovery would be incorporated. Portfolio Analysis would be a continuous exercise for assessing embedded risks in the portfolio.

b) Default Analytics:

Risk committee would on a continuous basis do the risk analysis of Early Delinquency Cases and Non Starter Cases, also RCU Negative cases and Alert cases in audits on random sample basis on credit and operations dimensions and would present the report to CEO. There would be feedback taken from the collection team and RCA (Route Cause Analysis) report of the Credit team members which would decide the future plan of action on the said deal how to get solution of the particular kind of cases and necessary changes of policy recommendations if any. Risk Committee would also assess the Probability of Default (PD) for the portfolio, products and on demographic and geographical dimensions so that learning can be used, for taking prudent decisions on products and policies by the management.

As an Asset Based Finance Company, collateral management is of utmost importance and as funding is on a depreciating asset, LTV parameters are the key to have positive asset value to Loan Ratio. Therefore assessment of Loss/Probable losses are also been taken into consideration while deciding the policy changes in LTV for particular asset and revisions if any time to time.

Collateral and other credit enhancements:

The amount and type of collateral required depends on an assessment of the credit risk of the counter-party. Guide lines are in place covering the acceptability and valuation of each type of collateral.

2. LIQUIDITY RISK:

Liquidity risk is the risk of being unable to raise necessary funds from the market at optimal cost to meet operational and debt servicing requirements. The purpose of liquidity management is to ensure sufficient cash flow to meet all financial commitments and to capitalise on opportunities for business expansion. Board of Directors will have overall responsibility of monitoring, supervision and control of the ALM mechanism. Board will have a sub-committee of Directors (ALM Committee) to review the ALM position of the company on at least half yearly intervals. An Asset Liability Management Committee (ALCO) consisting of senior executive of the company including the CEO shall be responsible for the day to day as well as periodic monitoring and control of Asset Liability management.

3. MARKET RISK:

Market Risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity and other market changes. The objective of market risk management is to avoid excessive exposure of our earnings and equity to loss and reduce our exposure to the volatility inherent in financial instruments.

4. INTEREST RATE RISK:

Interest rate risk is the risk that the fair value of future cashflows of a financial instrument will fluctuate because of changes in market interest rates. The company is subject to interest rate risk, primarily since it lends to customers at fixed rates and for maturity periods shorter than the funding sources. Majority of our borrowings are at fixed rates. However, borrowings at floating rates gives rise to interest rate risk. Interest rates are highly sensitive to many factors beyond control, including the monetary policies of the Reserve Bank of India, deregulation of the financial sector in India, domestic and international economic and political conditions, inflation and other factors.

In order to manage interest rate risk, the company seeks to optimize borrowing profile between short-term and long term loans. The company adopts funding strategies to ensure diversified resource-raising options to minimize cost and maximize stability of funds. Assets and liabilities are categorized into various time buckets based on their maturities and Asset Liability Management Committee supervise an interest rate sensitivity report periodically for assessment of interest rate risks. The Interest Rate Risk is mitigated by availing funds at very competitive rates through diversified borrowings and for different tenors.

5. RISK BASED PRICING:

Company has set its benchmark lending rate band and all the loan products as per their perceived risk profiling are priced accordingly. The Rate offered for each category of customer is based on the asset they are taking, categorization as per the credit policy etc. Approved ROI and PF Matrix (Rate Card) also provides for concessions in the rate of interest to be charged to the customer in wake of competition and market compulsions and hence has put in place rate approval matrix. It is prudent on the part of approval authorities to allow concessions in rate of interests on selective basis and strictly on merits. In case there is any policy deviation, for which a deviation matrix is prescribed in the Rate approval Matrix, the above-stated card rates are additionally loaded as risk adjusted loading.

Therefore by virtue of its Company ensures uniform rates for all the loans with similar risk profile.

6. PREPAYMENT RISK:

Prepayment risk is the risk that the Company will incur a financial loss because its customers and counter parties repay or request repayment earlier or later than expected, such as fixed rate loans like ours when interest rates fall.

7. 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 endeavors to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include effective segregation of duties, access, authorization and reconciliation procedures, staff education and assessment processes, such as the use of internal audit.

25. NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURE OR ASSOCIATE COMPANIES DURING THE YEAR

As on March 31, 2023, the Company does not have any subsidiaries, joint venture or associate companies in existence.

Presently, the Company does not have any material subsidiary

26. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There were no material changes and commitments affecting the financial position of the Company between the end of financial year and the date of this report.

27. CREDIT RATING

The Company has debt credit ratings as below:

Sl No.	Rating Agency	Instruments	Ratings As on 31.03.2023
1.	CRISIL Ratings	Bank Loans-Long Term	CRISIL A/Stable
2.	CRISIL Ratings	Fixed Deposits	CRISIL A/Stable
3.	CRISIL Ratings	Non-Convertible Debentures	CRISIL A/Stable

28. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO.

The information pursuant to Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 is as follows:

a. Conservation of energy

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

b. Technology Absorption

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

In 2006-07, MVFL had implemented & migrated from DOS based accounting system to a custom built online SAAS model Loan Management System (LMS), Deposit management with an integrated Corporate Accounting system to support its core business function of Term Lending. Over the years, MVFL's business requirements have changed in view of the increase in its operations, new requirements have emerged and it is decided to implement a new system for Loan Management, Deposit management and Finance & Accounting Management System, other modules like mobile app, CKYC and Gold Loan .The new core system, has been developed by M/s. Emsyne Technologies Private Limited and has been rolled out in February 2022. All other supporting modules will be completed in a phased manner.

c. Foreign Exchange earnings and outgo

There were no foreign exchange earnings or outgo during the year under review.

29. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Your Company, being an NBFC registered with RBI and engaged in the business of giving loans in ordinary course of its business is exempt, from complying with the provisions of Section 186 of the Act with respect to loans.

30. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

Your Directors confirm that all contracts/arrangements/ transactions entered into by the Company during the FY 2022 – 2023 with related parties were in compliance with the provisions of the Companies Act, 2013. The Company had obtained prior approval of the Audit Committee for all the related party transactions during the FY 2022–2023. Further, the Audit Committee had given prior omnibus approval for related party transactions that are foreseen and of repetitive in nature during the period under review and the required disclosures are made to the Committee on quarterly basis against the approval of the Committee.

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 ordinary course of business or with approval of the Audit Committee.The Board has formulated a policy on related party transactions, which is approved by the Board of Directors. In the opinion of the Board, none of the transactions of the Company entered into with the related parties were in conflict with the interests of the Company. The details of the related party transactions are disclosed in the notes on accounts, forming part of Financial Statements.

The disclosure with respect to such transactions are provided in Annexure I AOC 2 is attached to this report.

31. AUDITS

a) Statutory Audit under Section 139

In line with the RBI requirements, the Board of Directors based on the recommendation of the Audit Committee, at their meeting held on 08th August 2022 appointed M/s Rangamani& Co, Chartered Accountants (ICAI Firm Registration No. 003050S) as Statutory Auditors for a period of 2 years to conduct audit of the financial statements of the Company for the financial years 2023 and 2024. The said appointment was also approved by the shareholders.

The Statutory Audit Report issued the Statutory Auditors of the Company, on the financial statements of the Company for the year 2022-23 forms part of the Annual Report.

b) Secretarial Audit under Section 204

Pursuant to the provisions of section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed M/s. Caesar Pinto John & Associates LLP, Practising Company Secretaries, to undertake secretarial audit of the Company. A report from the secretarial auditor in the prescribed Form MR-3 is annexed to this Report (Annexure II).

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark or disclaimer.

c) Cost records and Cost Audit

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

d) Reporting of frauds by Auditors

The auditors, i.e., statutory auditors and secretarial auditor have not reported any matter under section 143(12) of the Act, and therefore, no details are required to be disclosed under section 134(3)(ca) of the Act.

32. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

In compliance with Section 138 of the Companies Act, 2013, the Company has in place adequate internal financial controls which include a full-fledged auditing team with 7 staffs including a senior Manager – Internal Audit, who do regular branch visits and other field Audits to help the Company in reliable reporting with reference to the financial statements.

During the year under review there were no reportable material weaknesses in the systems or operations.

Over the years Company has evolved a robust, proper and adequate internal audit system in keeping with the size of the Company and its business model. Company has developed well documented internal audit and control system for meticulous compliance from all layers of the Company. Our internal controls are supplemented by an extensive programme of internal audits, reviews by the management and documented policies, guidelines and procedures. The audit system also takes care to see that revenue leakages and losses to the Company are prevented and our income streams are protected.

Company has a well-structured Audit & Inspection department to perform timely and frequent internal audit to evaluate the adequacy of systems and procedures and also to evaluate the status of compliance to Company's guidelines and other statutory requirements. The department is manned by a team of 7 dedicated personnel who constantly engaged in safeguarding your Company's assets, ensures the quality of assets financed and also evaluates the adequacy of risk management systems at its operating units. Internal Auditor of the Company directly reports to the Audit Committee of the Board.

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

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

33. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS

Your directors confirm that there were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

34. ANNUAL RETURN

Pursuant to Section 134(3)(a) and Section 92(3) of the Companies Act, 2013 read with the Rule 12(1) of the Companies (Management and Administration) Rules, 2014, a copy of the annual return is placed on the website of the Company and can be accessed at www.mvafl.com

35. POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS AND PERFORMANCE EVALUATION OF BOARD, COMMITTEES AND DIRECTORS

a. Policy on appointment and remuneration of directors

Board of Directors of your Company, on recommendation of Nomination and Remuneration Committee, has formulated a policy for selection, appointment and remuneration of the directors, senior management personnel as required under Section 178(3) of Companies Act, 2013. The policy is available on the website of the Company at www.mvafl.com

Terms of reference of the Nomination and Remuneration Committee shall include the following:

i. Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria as laid down and recommend to the Board their appointment and removal.

ii. Ensuring persons proposed to be appointed on the Board do not suffer any disqualifications for being appointed as a director under the Companies Act, 2013.

iii. Ensure that the proposed appointees have given their consent in writing to the Company.

iv. Review and carry out every Director's performance, the structure, size and composition including skills, knowledge and experience required of the Board compared to its current position and make recommendation to the Board with regard to any changes.

v. Plan for the succession planning for directors in the course of its work, taking into consideration the challenges and opportunities facing the Company and what skills and expertise are therefore needed on the Board in the future.

vi. Be responsible for identifying and nominating for the approval of the Board, candidates to fill board vacancies as and when they arise.

vii. Keep under review the leadership needs of the organization, both executive and non-executive, with a view to ensuring the continued ability of the organization to compete efficiently in the market place; and

viii. Ensure that on appointment to the Board, non-executive directors receive a formal letter of appointment setting out clearly what is expected of them in terms of committee services and involvement outside board meetings.

ix. Determine and agree with the Board the frame work for broad policy regarding the criteria for determining qualifications, positive attitudes and independence of a director and recommend to the Board a policy, relating to remuneration for the Directors, Key Managerial Personnel and other employees.

x. Review the on-going appropriateness and relevance of the remuneration policy.

xi. Ensure that contractual terms of the agreement that Company enters into with Directors as part of their employment in the Company are fair to the individual and the Company.

xii. Ensure that all provisions regarding disclosure of Nomination and Remuneration Policy as required under the Companies Act, 2013 or such other acts, rules, regulations or guideline are complied with.

b. Performance Evaluation of Board, Committees and Directors

Pursuant to the provisions of the Companies Act, 2013 and rules made thereunder, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of the Committees of the Board.

The Board performance was evaluated based on the feedback received from each Director about their views on the performance of the Board covering various aspects of their functioning. Board structure and composition, establishment and delineation of responsibilities to various Committees, effectiveness of Board processes, information and functioning, Board culture and quality of relationship between the Board and the management etc.

36. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place a Policy on Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace and an Internal Complaint Committee in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made there under for reporting and conducting inquiry into the complaints made by the victim on the harassments at the work place. The functioning of the Committees were carried out as per letter and spirit contained in the provisions of the Act. During the financial year 2022 - 2023, the Company has not received any complaint of sexual harassment and hence, there were no complaints pending for redressal as on March 31, 2023.

The Policy is available on the website of the Company https://mvafl.com/upload/pdf_files/d7e10a84a068e037fc183f94c417b04a.pdf

37. FAIR PRACTICE CODE

The Company has in place, a Fair Practice Code approved by the Board, in compliance with the guidelines issued by the RBI, to ensure better service and provide necessary information to customers to take informed decisions. The FPC is available on the website of the Company at the below link: https://www.mvafl.com/upload/pdf_files/farepracticecode.pdf

The FPC is also reviewed by the Board at frequent intervals to ensure its level of adequacy and appropriateness.

38. PARTICULARS OF EMPLOYEES IN RECEIPT OF REMUNERATION ABOVE THE LIMITS AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013

The various disclosures as per Section 197(12) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are applicable and annexed to this Report as Annexure III.

39. STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR

No Independent Directors were appointed during the year under review. The Independent directors are selected as per the applicable provisions of the Companies Act, 2013, RBI Directions. The integrity, expertise and experience of the independent Directors have been evaluated by the Nomination and Remuneration Committee and the Board of Directors at the time of appointment.

40. VIGIL MECHANISM POLICY

The Vigil Mechanism as envisaged in the Companies Act, 2013, the Rules prescribed thereunder and the Listing Regulations is implemented through the Company's Whistle Blower Policy to enable the Directors, employees and all stakeholders of the Company to report genuine concerns, to provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the Chairman of the Audit Committee.

Whistle Blower Policy of your Company is available on the Company's website and can be accessed in the Downloads section at the web link https://www.mvafl.com/upload/pdf_files/709b77a7c1bc7d45a551ff75f1e4885e.pdf

41. CUSTOMER GRIEVANCE

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

42. REGULATORY GUIDELINES

Your Company has complied with all the applicable regulations prescribed by the Reserve Bank of India from time to time.

43. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, your Directors, based on the representations received from the operating management, and after due enquiry confirm that:-

a. in the preparation of the annual accounts, the applicable Indian Accounting Standards have been followed along with proper explanation relating to material departures;

b. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

c. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. they have prepared the annual accounts on a going concern basis;

e. they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively.

f. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively

44. OHTERS

Your directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions/ events on these items during the year under review:

a) Issue of equity shares with differential rights as to dividend, voting or otherwise.

b) Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except Employees Stock Option Schemes (ESOS) referred to in this Report.

c) Voting rights which are not directly exercised by the employees in respect of shares for the subscription/ purchase of which loan was given by the Company (as there is no scheme pursuant to which such persons can beneficially hold shares as envisaged under Section 67(3)(c) of the Companies Act, 2013.

d) No application was made or any proceeding is pending under the Insolvency and Bankruptcy Code, 2016 during the year in respect of your Company.

e) There was no one time settlement of loan obtained from the Banks or Financial Institutions.

f) The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings, Annual General Meetings and Dividend.

45. CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis Report describing the Company's objectives, expectations or predictions may be forward-looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statements, since various economic, legal, policy and regulatory factors may affect or influence the performance of the Company.

46. ACKNOWLEDGEMENTS

Your directors gratefully acknowledge the support and co-operation extended by all the shareholders, depositors, customers, vehicle manufacturers, dealers, rating agencies, bankers, debenture holders, debenture trustees and all our well-wishers to our Company during the year and look forward to their continued support.

The Board sincerely expresses its gratitude to Reserve Bank of India and all statutory authorities for guidance and support received from them from time to time.

Above all, your directors place on record their appreciation of the dedication and commitment displayed by the employees of the Company, enabling it to report another year of strong performance.

We would like to assure you again that your company has put in place appropriate plan, policies and strategies to achieve growth with quality and continue your support, encouragement and faith to excel in our journey forward.

On behalf of the Board of Directors

	Sd/-	Sd/-
Place: Kochi	George Alexander Muthoot	George Muthoot Jacob
Date: August 14, 2023	Director	Whole-Time Director
	(DIN: 00016787)	(DIN: 00018955)

Annexure I

AOC – 2

Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014:

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

Names of the related party and natures of relationship	Nature of relationship	Nature of contracts/ arrangement/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or agreements or transactions including the value, if any	Date of approval by the board, if any	Amount paid as advances, if any: (In Lakhs)
			NIL			

On behalf of the Board of Directors

	Sd/-	Sd/-
Place: Kochi	George Alexander Muthoot	George Muthoot Jacob
Date: August 14, 2023	Director	Whole-Time Director
	(DIN: 00016787)	(DIN: 00018955)

Annexure II

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2023

[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 Vehicle & Asset Finance Limited
Muthoot Chambers, OppSaritha Theatre
Banerji Road, Cochin
Ernakulam, Kerala – 682018

We, CaesarPintoJohn& Associates LLP, Company Secretaries, have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Muthoot Vehicle & Asset Finance Limited [CIN: U65910KL1992PLC006544] (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 31.03.2023 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 examined the books, papers, minute books, forms and returns filed and other records maintained by Muthoot Vehicle & Asset Finance Limited ("the Company") for the financial year ended on 31.03.2023 according to the provisions of:

(i) The Companies Act, 2013 and the Rules made there under;

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

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

(iv) The following Regulation and Guideline prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

a. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

d. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

e. Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

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

a. Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016;

b. Non-Banking Financial (Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007;

c. Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016;

d. Guidelines for Asset Liability Management (ALM) system in Non-Banking Financial Companies;

e. Frauds- Future Approach towards monitoring of Frauds in Non-Banking Financial Companies and Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016;

f. Know Your Customer (KYC) Guidelines- Anti Money Laundering Standards and Know Your Customer (KYC) Direction, 2016;

g. Non-Banking Financial Companies Corporate Governance (Reserve Bank) Directions, 2015;

h. Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016;

i. Non-Banking Financial Company Returns (Reserve Bank) Directions, 2016;

j. Issuance of Non-Convertible Debentures (Reserve Bank) Directions, 2010;

k. Scale Based Regulation (SBR): A Revised Regulatory Framework for NBFCs Guidelines

l. Compliance Function and Role of Chief Compliance Officer (CCO) – NBFCs Guidelines

m. Disclosures in Financial Statements- Notes to Accounts of NBFCs Guidelines

n. Loans and Advances – Regulatory Restrictions – NBFCs Guidelines

(vi) The Prevention of Money Laundering Act, 2002 and the Regulations and bye laws framed thereunder

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

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

(ii) The Listing Agreements entered into by the Company with BSE Limited for the listing of Non-convertible Debentures.

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

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. There were no changes in composition of Board of Directors during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and at shorter notice in certain cases in accordance with the provisions of the Act and Secretarial Standards, and 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.

There were no dissenting views on any decisions of the Board, as recorded in the Minutes of Board meetings. 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 there were no instances of:

i. Right / Preferential issue of shares / debentures / sweat equity;

ii. Redemption / buy-back of securities;

iii. Major decisions taken by the members in pursuance to Section 180 of the Act;

iv. Merger / amalgamation / reconstruction etc.;

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 CaesarPintoJohn& Associates LLP

Company Secretaries
Sd/-
Nikhil George Pinto
Partner
M. No. F11074
CP. No. 16059
Peer Review Certificate No. 2148/2022
Kochi
August 14, 2023

UDIN: F011074E000797464

ANNEXURE TO THE SECRETARIAL AUDIT REPORT OF EVEN DATE

To
The Members
Muthoot Vehicle & Asset Finance Limited
Muthoot Chambers, OppSaritha Theatre
Banerji Road, Cochin
Ernakulam, Kerala - 682018

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 processes 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 2023 but before issue of the Report.

7. 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 CaesarPintoJohn& Associates LLP

Company Secretaries
Sd/-
Nikhil George Pinto
Partner
M. No. F11074 CP. No. 16059
Peer Review Certificate No. 2148/2022
Kochi
August 14, 2023
UDIN: F011074E000797464

Annexure IV

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

a) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2022-23 ;

1. the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2022-23;

Sl. No.	Name of Director and KMP	Designation	% increase in remuneration during year 2022-23	Ratio of Remuneration of each Director to median remuneration of employees of the company
1	George Alexander Muthoot	Director	-4.17%	1.24:1
2	George Muthoot Jacob	Whole Time Director	-	-
3	Anna Alexander	Director	-	0.92:1
4	Ragesh G R	Director	-	8.12:1
5	Kurian C George	Independent Director	-18.37%	1.19:1
6	T Thomas Mathew	Independent Director	3.57%	1.57:1
7	Harimon G $	Chief Executive Officer & GM	6.01%	7.65:1
8	P T Philip *	Chief Executive Officer & DGM	149.56%	9.01:1
9	Geena Thomas	Chief Financial Officer	20.54%	5.7:1
10	Kavitha K Nair @	Company Secretary	-12.94%	2.59:1
11	Akshay Anand ^	Company Secretary	NA	1.33:1

$Mr.Harimon G Resigned from the office of CEO on 16/11/2022

** Mr. P T Philip was appointed as CEO on 15/05/2023*

@ Ms. Kavitha K Nair resigned from the position of Company Secretary & Compliance Officer on 12/11/2022

^ Mr. Akshay Anand was appointed as Company Secretary & Compliance Officer on 12/11/2022

b). The percentage decrease in the median remuneration of employees in the financial year 2021-22 : 24.02%

c). The number of permanent employees on the rolls of company as on March 31, 2023: 142

d). Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;

Average percentile of employees increased to 58.10%. Average percentile of managerial remuneration increased to 23.51%.

Commission to Non-Executive Directors during the year stands at Rs. 13,60,000.

e) The remuneration paid is as per the remuneration policy of the Company.

On behalf of the Board of Directors

	Sd/-	Sd/-
Place: Kochi	George Alexander Muthoot	George Muthoot Jacob
Date: August 14, 2023	Director	Whole-Time Director
	(DIN: 00016787)	(DIN: 00018955)

CORPORATE GOVERNANCE REPORT

1. Company's Philosophy on Corporate Governance

Good corporate governance helps to build an environment of trust, transparency and accountability necessary for fostering long-term investment, financial stability and business integrity, thereby supporting stronger growth.
Effective fundamentals of Company which is 'unchanging values in changing time' is frequently lauded and followed practice in your Company and is the founding stone of your Company and key to effective governance and business with an unblemished track record.

The company's Philosophy of Corporate Governance is aimed at transparency in corporate decision-making, value creation and keeping the interests of all stakeholders protected in the most inclusive way. The principal of inclusion has been the foundation of our business and governance practices.
Corporate Governance has always been an integral element of the Company to have a system of proper accountability, transparency and responsiveness and for improving efficiency and growth as well as enhancing investor confidence. The company believes in sustainable corporate growth that emanates from the top management down through the organisation to the various stakeholders which is reflected in its sound financial system and enhanced market reputation.

2. Composition of the Board

Sl No.	Name of Director	Director since	Capacity	Number of Board Meetings		No. of other Directorships	Remuneration			No. of shares held in and convertible instruments held in the NBFC
				Held	Attended		Salary and other compensation	Sitting Fee	Commission	
1.	GEORGE ALEXANDER MUTHOOT (DIN: 00016787)	08/06/1992	Non-Executive, Non-Independent (Promoter)	5	5	15	-	2,30,000	-	Shares: 50,45,300 NCDs: Nil
2.	ANNA ALEXANDER (DIN: 00017147)	01/04/2005	Non-Executive, Non-Independent (Promoter Group)	5	5	17	-	1,70,000	-	Shares: 11,52,500 NCDs: Nil
3.	GEORGE MUTHOOT JACOB (DIN: 00018955)	22/04/2015	Executive, Non-Independent (Promoter Group)	5	5	19	-	-	-	Shares: Nil NCDs: Nil
4.	GOVINDAKURUP RAVEENDRAKURUP RAGESH (DIN: 01991210)	11/08/2021	Non-Executive, Non-Independent	5	5	2	-	1,90,000	13,10,000	Shares: Nil NCDs: 3092
5.	KURIAN CHIRATHALATTU GEORGE (DIN: 00427344)	06/08/2019	Non-Executive, Independent	5	4	6	-	2,20,000	-	Shares: Nil NCDs: Nil
6.	THEVALAKKARA THOMAS MATHEW (DIN: 08545597)	06/08/2019	Non-Executive, Independent	5	5	1	-	2,90,000	-	Shares: Nil NCDs: Nil

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

Sl No.	Name of Director	Capacity	Nature of change	Effective date
NIL				

4. Committees of the Board and their composition

a. Audit Committee

The members of the Audit Committee are:

Sl No.	Name of Director	Member of Committee since	Capacity	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Kurian C George	21.11.2019	Chairman, Non-Executive, Independent Director	4	3	Nil
2.	T. Thomas Mathew	21.11.2019	Member, Non-Executive, Independent Director	4	4	Nil
3.	George Muthoot Jacob	21.11.2019	Member, Whole-Time Director	4	4	Nil

The terms of reference of the Audit Committee are as follows:
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. Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
iii. Reviewing, with the management, the annual financial statements and Auditors 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 and other matters.
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. Qualifications in the draft audit report.
iv. Reviewing, with the management, the quarterly financial statements before submission to the board for
Approval.
v. 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 purpos-

es 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 or rights issue and making appropriate recommendations to the Board to take up steps in this matter.
vi. Reviewing, with the management, performance of statutory and internal auditors, evaluation of the internal control systems including internal financial controls and risk management.
vii. 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.
viii. Discussion with internal auditors on any significant findings and follow up there on.
ix. 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.
x. 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.
xi. To look into the reasons for substantial defaults in the payment to the debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
xii. To review the functioning of the Whistle Blower mechanism, in case the same exists.
xiii. To approve the appointment of Chief Financial Officer, if any.
xiv. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
xv. Approval or any subsequent modification of transactions of the Company with related parties.
xvi. Valuation of undertakings or assets of the Company, wherever it is necessary

b. Nomination and Remuneration Committee.

The members of the Nomination and Remuneration Committee are:

Sl No.	Name of Director	Member of Committee since	Capacity	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	T. Thomas Mathew	04.06.2021	Chairman, Non-Executive, Independent Director	2	2	Nil
2.	Kurian C George	04.06.2021	Member, Non-Executive, Independent Director	2	2	Nil
3.	Anna Alexander	04.06.2021	Member, Non-Executive Director, (Promoter group)	2	2	11,52,500

The terms of reference of the Nomination and Remuneration Committee are as follows:
i. Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with Criteria as laid down and recommend to the Board their appointment and removal.
ii. Ensure persons proposed to be appointed on the Board do not suffer any disqualifications for being appointed as a director under the Companies Act, 2013.
iii. Ensure that the proposed appointees have given their consent in writing to the Company;
iv. Review and carry out every Director's performance, the structure, size and composition including skills, knowledge and experience required of the Board compared to its current position and make recommendations to the Board with regard to any changes;
v. Plan for the succession planning for directors in the course of its work, taking into account the challenges and opportunities facing the Company and what skills and expertise are therefore needed on the Board in the future;
vi. Be responsible for identifying and nominating for the approval of the Board, candidates to fill board vacancies as and when they arise;
vii. Keep under review the leadership needs of the organization, both executive and nonexecutive, with a view to ensuring the continued ability of the organization to compete efficiently in the market place; and
viii. Ensure that on appointment to the Board, non-executive directors receive a formal letter of appointment setting out clearly what is expected of them in terms of committee services and involvement outside board meetings.
ix. Determine and agree with the Board the framework for broad policy regarding the criteria for determining qualifications, positive attitudes and independence of a director and recommend to the Board a policy, relating to remuneration for the Directors, Key Managerial Personnel and other employees.
x. Review the on-going appropriateness and relevance of the remuneration policy.
xi. Ensure that contractual terms of the agreement that Company enters into with Directors as part of their employment in the Company are fair to the individual and the Company.
xii. Ensure that all provisions regarding disclosure of Nomination and Remuneration Policy as required under the Companies Act, 2013 or such other acts, rules, regulations or guidelines are complied with.

c. Stakeholders' Relationship Committee

The members of the Stakeholders' Relationship Committee are:

Sl No.	Name of Director	Member of Committee since	Capacity	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Kurian C George	21.11.2019	Chairman, Non-Executive, Independent Director	4	3	Nil
2.	T. Thomas Mathew	21.11.2019	Member, Non-Executive, Independent Director	4	4	Nil
3.	George Muthoot Jacob	21.11.2019	Member, Whole-Time Director	4	4	Nil

The terms of reference of the Stakeholder's Relationship Committee include:
i. Resolving the grievances of the security holders including complaints related to transfer/transmission/transposition and mutation of shares, issue of new/duplicate certificates and also to deal with all the matters related to de-materialisation or re-materialisation of shares, change in the beneficial holders of demat shares and granting of necessary approvals wherever required.
ii. Review of measures taken for effective exercise of voting rights by shareholders.
iii. Review of adherence to the service standards adopted in respect of various services being rendered by the Registrar & Share Transfer Agent.
iv. Review of the various measures and initiatives taken for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company."
v. Any such matters that may be considered necessary in relation to security holders and investors of the Company.

d. Corporate Social Responsibility Committee

The members of the CSR Committee are:

Sl No.	Name of Director	Member of Committee since	Capacity	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	T. Thomas Mathew	11.08.2021	Chairman, Non-Executive, Independent Director	1	1	Nil
2.	George Alexander Muthoot	11.08.2021	Member, Non-Executive Director (Promoter)	1	1	50,45,300
3.	Ragesh G R	11.08.2021	Member, Non-Executive Director	1	1	Nil

The terms of reference of the CSR Committee include:
i. To do all acts and deeds as required under Section 135 of Companies Act, 2013 read with Relevant Rules;
ii. To approve, adopt and alter the Policy Documents for CSR Committee activities of our Company;
iii. To supervise, monitor and Direct CSR Committee activities of the Company and approving Budgets, sanctioning the amount required for various CSR Activities;
iv. To authorize or delegate any of its power for administration purposes/expenses related to day to day activities of Company for CSR to any member of the Committee;
v. To review CSR activities of the Company on a regular basis as decided by the Committee on basis of CSR policy and other guidelines as adopted by the Committee.

e. Asset Liability Management Committee

The members of the Asset Liability Management Committee are:

Sl No.	Name of Director	Member of Committee since	Capacity	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	George Alexander Muthoot	11.08.2021	Chairman, Non-Executive Director (Promoter)	2	2	50,45,300
2.	George Muthoot Jacob	11.08.2021	Member, Whole-Time Director	2	2	Nil
3.	Ragesh G R	11.08.2021	Member, Non-Executive Director	2	2	Nil

The terms of reference of the Asset Liability Management Committee are as set out below:
i. The ALCO is responsible for recommending to the Board of Directors prudent asset/liability management policies and procedures that enable the NBFC to achieve its goals while operating in full compliance with all rules, and regulations set by RBI & other regulators.
ii. The ALCO is a decision making unit responsible for balance sheet planning from risk return perspective including the strategic management of interest rate and liquidity risks.
iii. The business issues that an ALCO would consider, inter alia, will include product pricing for both deposits and advances, desired maturity profile and mix of the incremental assets and liabilities, prevailing interest rates offered by other peer NBFCs for the similar services/product etc.
iv. The ALCO would also articulate the current interest rate view of the company and base its decisions for future business strategy on this view. In respect of the funding policy, for instance, its responsibility would be to decide on source and mix of liabilities or sale of assets.
v. In addition to monitoring the risk levels of the company, the ALCO should review the results and progress in implementation of the decisions made in the previous meetings.

f. Risk Management Committee

The members of the Risk Management Committee are:

Sl No.	Name of Director	Member of Committee since	Capacity	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	George Alexander Muthoot	21.11.2019	Chairman, Non-Executive Director (Promoter)	4	4	50,45,300
2.	George Muthoot Jacob	21.11.2019	Member, Whole-Time Director	4	4	Nil
3.	Kurian C George	21.11.2019	Member, Non-Executive, Independent Director	4	3	Nil

The terms of reference of the Risk Management Committee are as set out below:

i. Oversee the development, implementation and maintenance of the Company's overall risk management framework and its appetite, strategy, principles and policies, to ensure they are in line with emerging regulatory, corporate governance and industry best practice;

ii. Oversee the Company's risk exposures, risk/return and proposed improvements to the risk management framework of the company and its risk appetite, strategy, principles, policies and standards;

iii. Monitoring the cyber security of the Company and take appropriate actions/approach to combat cyber threats given the level of complexity of business and acceptable levels of risk;

iv. Review new risk principles and policy and material amendments to risk principles and policy recommended by the Internal risk management committee of the company;

v. Oversee adherence to Company's risk principles, policies and standards and any action taken resulting from material policy breaches, based upon reports from the internal risk management committee;

vi. Review and discuss with the Internal risk management committee the scope of work of the Company's RCU, its plans, the issues identified as a result of its work, how management is addressing these issues and the effectiveness of systems of risk management;

vii. Review the adequacy of the Company's Risk Division's resources, and its authority and standing within the Company; and

viii. Review co-ordination between the Company's RCU and the internal auditors.

g. It Strategy Committee

The members of the Risk Management Committee are:

Sl No.	Name of Members	Member of Committee since	Capacity	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	T. Thomas Mathew	05.02.2021	Chairman, Non-Executive, Independent Director	3	3	Nil
2.	George Muthoot Jacob	05.02.2021	Member, Whole Time Director	3	3	Nil
3.	Aneesh C E	05.02.2021	AGM - IT	3	3	Nil

The terms of reference of the IT-Strategy Committee are as set out below

i. Approving IT-Strategy and policy documents and ensuring that the management has put an effective strategic planning process in place.

ii. Ascertaining that management has implemented process and practices that ensure that the IT delivers value to the business.

iii. Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable

iv. Monitoring the method that management uses to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resources.

v. Ensuring proper balance of IT investments for sustaining NBFC's growth and becoming aware about exposure towards IT risks and controls.

5. General Body Meetings

Details of the General Meetings held in the last year.

Sl No.	Type of Meeting (Annual/ Extra-Ordinary)	Date and Place	Special resolutions passed
1.	Annual General Meeting	13/09/2022, Registered office	NIL

6. Details of non-compliance with requirements of Companies Act, 2013

During the Financial year 2022-23 there was no instance of non-compliance with requirements of Companies Act, 2013, the Accounting and Secretarial standards.

7. Details of penalties and strictures

During the financial year 2022-23 no penalty or stricture has been imposed on the Company by the Reserve Bank, the stock exchanges, SEBI or any other statutory authority.

On behalf of the Board of Directors

	Sd/-	Sd/-
Place: Kochi	George Alexander Muthoot	George Muthoot Jacob
Date: August 14, 2023	Director	Whole-Time Director
	(DIN: 00016787)	(DIN: 00018955)

INDEPENDENT AUDITOR'S REPORT

To the Members of

Muthoot Vehicle & Asset Finance Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying financial statements of **Muthoot Vehicle & Asset Finance Limited** ('the Company'), which comprise the Balance Sheet as at **31 March 2023,** the Statement of Profitand Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing 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 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	Auditor Response
Assessment of impairment loss allowance based on expected credit loss (ECL) on Loans (Refer Note 6 of the financial statements The loan balances towards vehicle loan, gold loan business loans, loans against deposits, and other loans aggregating to INR 24,228.25 lakhs and the associated impairment allowances aggregating to INR 1,124.97 lakhs are significant to the financial statements and involves judgement around the determination of the impairment allowance in line with the requirements of the Ind AS 109 "Financial Instruments". Impairment allowances represent management's estimate of the losses incurred within the loan portfolios at the balance sheet date and are inherently judgmental. Impairment, based on ECL model, is calculated using main variables, viz. 'Staging', 'Exposure At Default', 'Probability of Default' and 'Loss Given Default' as specified under Ind AS 109. Quantitative factors like days past due, behaviour of the portfolio, historical losses incurred on defaults and macro-economic data points identified by the Management's expert and qualitative factors like nature of the underlying loan, deterioration in credit quality, correlation of macro- economic variables to determine expected losses, uncertainty over realisability of security, judgement in relation to management overlays and related Reserve Bank of India (RBI) guidelines, to the extent applicable, etc. have been taken into account in the ECL computation. Given the inherent judgmental nature and the complexity of model involved, we determined this to be a Key Audit Matter.	The audit procedures performed by us to assess appropriateness of the impairment allowance based on ECL on loans included the following: • We understood and evaluated the design and tested the operating effectiveness of the key controls put in place by the management over i. the assumptions used in the calculation of ECL and its various aspects such as determination of Probability of Default, Loss Given Default, Exposure At Default, Staging of Loans, etc.; ii. the completeness and accuracy of source data used by the Management in the ECL computation; and iii. ECL computations for their reasonableness. • We verified the appropriateness of methodology and models used by the Company and reasonableness of the assumptions used within the computation process to estimate the impairment provision. • We test-checked the completeness and accuracy of source data used. • We recomputed the impairment provision for a sample of loans across the loan portfolio to verify the arithmetical accuracy and compliance with the requirements of Ind AS 109. • We evaluated the reasonableness of the judgement involved in management overlays that form part of the impairment provision, and the related approvals. We evaluated the adequacy of presentation and disclosures in relation to impairment loss allowance in the Financial Statements.

Key Audit Matters	Auditor Response
Information Technology system for the financial reporting process. The company is highly dependent upon its information technology (IT) systems for carrying out its operations and processing significant volume of transactions, which impacts key financial accounting and reporting activities. The company has put in place the IT General Controls and application controls to ensure that the information produced by the company is complete, accurate and reliable. Among other things, the Management also uses the information produced by the entity's IT systems for accounting, preparation and the presentation of the financial statements. Since our audit strategy included focus on entity's key IT systems relevant to our audit due to their potential pervasive impact on the financial statements, we have determined the audit of IT systems and related control environment for accounting and financial reporting as a key audit matter.	Our audit procedures for assessment of the IT systems and controls over financial reporting, included but were not limited to the following: • Obtained an understanding of the Company's key IT systems, IT General Controls which covered access controls, program/ system changes, program development and computer operations i.e. job processing, data/ system backup and incident management and application controls relevant to our audit. • Tested the design, implementation and operating effectiveness of the general IT controls over the key IT systems that are critical to financial reporting. This included evaluation of entity's controls to ensure segregation of duties and access rights being provisioned / modified based on duly approved requests, access for exit cases being revoked in a timely manner and access of all users being re-certified during the period of audit. Further, controls related to program change were evaluated to verify whether the changes were approved, tested in an environment that was segre-

	gated from production and moved to production by appropriate users; • Tested application controls (automated controls), related interfaces and report logic for system generated reports relevant to the audit of loans, expenses, payroll, borrowings and investment among others, for evaluating completeness and accuracy; • Tested compensating controls or performed alternate audit procedures to assess whether there were any unaddressed IT risks that would impact the controls or completeness and/or accuracy of data.

Information other than the Financial Statements and Auditor's Report thereon

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information 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 in the 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 Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to 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 management.

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

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

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 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 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, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in 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 are in agreement with the books of account.

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(g) 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 financial statements – Refer Note 40A to the financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company..

iv. a. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person or entity, including foreign entities ('the 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 ('the 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, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the 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; and

c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our attention that causes us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. No dividend is declared during the year ended 31 March 2023 by the Company.

vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 regarding the maintaining books of accounts using accounting software which has a feature of recording audit trail facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For Rangamani & Co
Chartered Accountants
(Firm Registration No.: 003050 S)

Sd/-
R Sreenivasan
Partner
Membership No. 020566

Place : Alleppey
Date : 15 May 2023
UDIN :23020566BGSLPS5250

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) of the Independent Auditor's Report of even date)

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act, of Muthoot Vehicle & Asset Finance Limited ('the Company')

We have audited the internal financial controls with reference to financial statements of Muthoot Vehicle & Asset Finance Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Board of Directors 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 ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone 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 standalone financialstatements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Rangamani & Co
Chartered Accountants
(Firm Registration No.: 003050 S)

Sd/-
R Sreenivasan
Partner
Membership No. 020566

Place : Alleppey
Date : 15 May 2023
UDIN :23020566BGSLPS5250

ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013 ('the Act') of Muthoot Vehicle & Asset Finance Limited ('the Company')

(i) In respect of the Company's fixed assets:

(a) i) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property Plant & Equipment;

ii) The company is maintaining proper records showing full particulars of intangible assets.

(b) As informed to us, not all the fixed assets have been physically verified by the management during the year, but there is a regular programme of verification, which, in our opinion, is reasonable have regard to the size of the company and the nature of its assets. We are informed that no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the title deed provided to us, we report that the title deeds comprising all the immovable properties of land and buildings, are held in the name of the Company as at the balance sheet date.

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

(e) The Company does not hold any benami property under the Benami Transactions (prohibitions) Act, 1988 and rules made thereunder.

(ii) As the company is not dealing in/holding goods, the clauses relating to inventories are not applicable to the company.

(iii) (a) The company has granted loans in the ordinary course of business as a Non- Banking Finance Company to parties listed in the register maintained under Section 189 of The Companies Act, 2013.

(b) According to the information and explanations given to us, the terms and conditions of the loans are not prima facie prejudicial to the interest of the Company.

(c) The schedule of repayment of principal and payment of interest has been stipulated and such repayments or receipts are regular.

(d) According to the information and explanations given to us, for the loan amount overdue for more than 90 days, reasonable steps have been taken by company for recovery.

(e) The principal business of the Company is to give loans, hence the requirement to report on clause 3(iii) (e) of the Order is not applicable to the company.

(f) The company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(iv) The company has complied with the provisions of Section 185 and 186 of The Companies Act, 2013, with respect to the loans and investments made.

(v) In our opinion and according to the information and explanations given to us, the company has complied with the directions issued by the Reserve Bank of India and the provisions of sections 73 to 76 of the Companies Act, 2013 and rules made there under in respect of deposits accepted from public.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Companies Act, 2013 for the company.

(vii) (a) According to the information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service tax, duty of Customs, Cess and other material statutory dues applicable to it with the appropriate authorities.

(b) According to the information and explanations given to us, there are no material dues of Income Tax, Goods and Service Tax, duty of Customs which have not been deposited on account of any disputes other than mentioned below;

Name of Statute	Nature of Dues	Amount (Rs)	Period to which the amount relates.	Forum where dispute is pending	Amount paid under protest
Income Tax Act,1961	Income Tax	7,83,880.00	2011-12	Commissioner of Income Tax	0.00
Income Tax Act,1961	Income Tax	7,43,450.00	2013-14	Commissioner of Income Tax	7,43,450.00
Income Tax Act,1961	Income Tax	1,00,852.00	2014-15	Commissioner of Income Tax	0.00

(viii) According to the information and explanations given to us, there are no transactions that are not recorded in the books of account to be surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(ix) According to the records of the Company examined by us and the information and explanations given to us, the company has not defaulted in any repayment of dues to any financial institution or bank or debenture holders.

(x) (a) According to the records of the Company examined by us and the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instrument).

(a) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3(x) of the Order is not applicable to the Company.

(xi) Based upon the audit procedures performed and information and explanations given to us by the management, we report that no fraud by the company or on the company by its officers/employees have been noticed or reported during the course of our audit.

(xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us during the year, the transactions entered into with related parties are in compliance with section 177 & 188 of The Companies Act 2013 and the details have been disclosed in the financial statements as required by the applicable accounting standards

(xiv) According to the information and explanations given to us during the year, the Company has not any internal audit system hence reporting under clause 3(xiv) of the Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us during the year, the Company has not entered into any non-cash transactions with its Directors or persons connected to its Directors and hence reporting under clause 3(xv) of the Order is not applicable to the Company.

(xvi) The company has obtained registration under Section 45-IA of the Reserve Bank of India Act, 1934 to carry on the business as a Non-Banking Financial Company accepting public deposit vide registration number A-16.00042 dated 20.03.2007.

(xvii) According to the information and explanations given to us, the Company has not incurred cash loss for the current financial year and has incurred Rs. 616.69 lakhs in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, aging and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

(xx) According to the information and explanations given to us, during the year the Company is not required to spend any amount of CSR as per section 135 of the Act. Thus, paragraph 3 (xx) of the Order is not applicable to the Company.

(xxi) According to the information and explanations given to us, there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order reports of the companies included in the consolidated financial statements hence reporting under clause 3(xxi) of the Order is not applicable to the Company.

For Rangamani & Co
Chartered Accountants
(Firm Registration No.: 003050 S)

Sd/-
R Sreenivasan
Partner
Membership No. 020566

Place : Alleppey
Date : 15 May 2023
UDIN :23020566BGSLPS5250

MUTHOOT VEHICLE & ASSET FINANCE LIMITED

Muthoot Chambers, Opp. Saritha Theatre, Banerji Road, Cochin, Phone: +91 75938 64417
CIN: U65910KL1992PLC006544 | www.mvafl.com | mvflcoadmin@muthootgroup.com

BALANCE SHEET AS AT 31st MARCH, 2023

₹ in Lakhs

Particulars	Note No	As at 31 March 2023	As at 31 March 2022
ASSETS			
Financial Assets			
Cash and Cash Equivalents	4	7,095.19	5,433.77
Bank balances other than cash and cash equivalents	5	819.27	2,687.97
Loans	6	23,103.28	21,875.64
Investments	7	1,885.19	2,101.56
Other financial assets	8	117.08	107.33
Non - Financial Assets			
Current Tax Assets (Net)	9	-	90.56
Deferred Tax Assets (Net)	20	169.55	56.85
Investment Property	10	10.83	10.83
Property, Plant and Equipment	11	405.03	365.86
Intangible Assets	11	4.16	9.49
Other Non-financial Assets	12	833.52	1,086.90
Total Assets		**34,443.10**	**33,826.76**
LIABILITIES AND EQUITY			
Liabilities			
Financial Liabilities			
Payables			
Trade Payables			
Total outstanding dues of micro enterprises and small enterprises			
Total outstanding dues of creditors other than micro enterprises and small enterprises	13	59.99	76.03
Other Payables			
Total outstanding dues of micro enterprises and small enterprises			
Total outstanding dues of creditors other than micro enterprises and small enterprises	14	6.32	4.35
Debt Securities	15	15,008.76	14,955.64
Borrowings (other than debt securities)	16	1,453.69	-
Deposits	17	5,755.20	8,417.28
Other Financial Liabilities	18	2,199.16	1,761.02
Non Financial Liabilities			
Current Tax Liabilities (Net)	36	19.77	-
Provisions	19	58.24	32.94
Other Non-financial Liabilities	21	197.39	308.20
Equity			
Equity Share Capital	22	2,500.00	2,500.00
Other Equity	23	7,184.58	5,771.30
Total Liabilities and Equity		**34,443.10**	**33,826.76**

The accompanying notes form integral part of the financial statements

As per our report of even date attached

For and on behalf of the Board of Directors

For Rangamani & Co
Chartered Accountants

George Alexander Muthoot
Director (DIN - 00016787)

George M Jacob
Whole Time Director (DIN - 00018955)

R Sreenivasan
Partner

Philip P T
CEO

Geena Thomas
Chief Financial Officer

Akshay Anand
Company Secretary

Place : Cochin
Date : 15-05-2023

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PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31st MARCH, 2023

₹ in Lakhs

Particulars	Note No	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Revenue from operations			
Interest Income	24	4,191.72	4,854.33
Dividend Income	25	1.97	25.24
Net Gain on Fair Value Changes	26	21.79	0.69
Sale of Services	27	-	-
Total Revenue from Operations		**4,215.48**	**4,880.26**
Other Income	28	1,984.37	594.05
Total Income		**6,199.85**	**5,474.31**
Expenses			
Finance Cost	29	2,211.31	3,117.00
Fees and Commission Expense	30	13.18	13.60
Impairment on Financial Instruments	31	426.45	1,577.25
Employee Benefit Expense	32	1,361.67	786.18
Depreciation, amortization and impairment	33	79.56	40.10
Other Expenses	34	677.97	597.15
Total Expense		**4,770.14**	**6,131.27**
Profit Before Tax		**1,429.71**	**(656.97)**
Tax Expense	20		
Current Tax		112.62	-
Deferred Tax		(112.16)	189.45
Taxes Relating to Prior Years		14.37	(0.00)
Total Tax Expense		**14.83**	**189.45**
Profit after Tax		**1,414.88**	**(846.42)**
Other Comprehensive Income (OCI)			
Items that will not be reclassified to profit or loss:			
Remeasurement gains/(losses) on defined benefit plans		(2.15)	5.26
Tax impact on above		0.54	(1.32)
Items that will be reclassified to profit or loss in subsequent periods:			
Tax impact on above			
Other comprehensive income for the year (net of tax)		**(1.61)**	**3.93**
Total comprehensive income for the year		**1,413.27**	**(842.48)**
Earnings per Equity share:			
(Face value of Rs. 10/- each)			
Basic (Rs.)	35	5.66	(3.39)
Diluted (Rs.)		5.66	(3.39)

The accompanying notes form integral part of the financial statements

As per our report of even date attached

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Chartered Accountants

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Company Secretary

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CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2023

₹ in Lakhs

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
A Cash flow from Operating activities		
Profit before tax	1,429.71	(656.97)
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation, amortisation and impairment	79.56	40.10
Impairment on financial instruments	426.45	1,577.25
Finance cost	2,211.31	3,117.00
Loss on sale of Property, plant and equipment	1.12	0.51
Provision for Gratuity	6.48	6.11
Provision for Leave Encashment	(38.43)	(41.30)
Profit on sale of investments	-	(2.05)
Profit on sale of Property, plant and equipment	(0.25)	(0.08)
Dividend from mutual fund	(1.97)	(25.24)
Net Gain on Fair Value Changes	(21.79)	(0.69)
Interest income from investment	(91.71)	(117.06)
Operating Profit Before Working Capital Changes	**4,000.48**	**3,897.58**
(Increase)/Decrease in Current Tax Asset	(36.42)	131.44
(Increase)/Decrease in Loans	(1,654.08)	6,872.64
(Increase)/Decrease in Other financial asset	(9.75)	(19.75)
(Increase)/Decrease in Other non-financial asset	244.75	(111.81)
Increase/(Decrease) in Other financial liabilities	438.14	30.42
Increase/(Decrease) in Other non financial liabilities	(110.81)	172.07
Increase/(Decrease) in Trade payables	(16.04)	28.64
Increase/(Decrease) in Provisions	63.73	22.52
Cash Generated From Operations	**2,920.00**	**11,023.76**
Financial expenses paid	(2,211.31)	(3,117.00)
Income Tax Paid	19.77	(90.56)
Net cash from operating activities	**728.46**	**7,816.20**
B Cash flow from Investing activities		
Purchase of Property, plant and equipment and intangible assets	(113.16)	(77.77)
Proceeds from sale of Property, plant and equipments	0.85	0.41
(Increase)/Decrease in Bank balances other than cash and cash equivalents	1,868.40	1,586.31
(Purchase) / Sale of investments	238.46	641.00
Dividend from mutual fund	1.97	25.24
Interest income from investments	91.71	117.06
Net cash from Investing activities	**2,088.23**	**2,292.25**
C Cash flow from Financing activities		
Increase/(Decrease) in Deposits	(2,662.08)	(3,922.98)
Increase / (decrease) in debt securities	53.12	(5,953.62)
Increase / (decrease) in borrowings (other than debt securities)	1,453.69	(1.01)
Dividend paid (including dividend distribution tax	-	-
Net cash from financing activities	**(1,155.27)**	**(9,877.61)**
D Net increase/(decrease) in cash and cash equivalents (A+B+C)	**1,661.42**	**230.84**
Cash and cash equivalents at Beginning of the Year	5,433.77	5,202.93
Cash and cash equivalents at end of the Year	**7,095.19**	**5,433.77**

The accompanying notes form integral part of the financial statements

As per our report of even date attached

For and on behalf of the Board of Directors

For Rangamani & Co
Chartered Accountants

George Alexander Muthoot
Director (DIN - 00016787)

George M Jacob
Whole Time Director (DIN - 00018955)

R Sreenivasan
Partner

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Geena Thomas
Chief Financial Officer

Akshay Anand
Company Secretary

Place : Cochin
Date : 15-05-2023

MUTHOOT VEHICLE & ASSET FINANCE LIMITED

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Statement of Changes in Equity

a) Equity share capital
2,50,00,000 Equity Shares of Rs.10 each issued, subscribed and fully paid

Particulars	As at 31 March 2023	As at 31 March 2022
Balance at the beginning of the year	2,500	2,500
Changes in equity share capital during the year	-	-
Balance at the end of the year	**2,500**	**2,500**

b) Other Equity

Particulars	Reserves and Surplus			Other Comprehensive Income	Total
	Statutory Reserve	General Reserve	Retained Earnings	Remeasurement of defined benefit Plan	
Balance as at April 01st, 2022	**2,238.58**	**86.40**	**3,467.70**	**(21.38)**	**5,771.30**
Dividend			-		-
Tax on dividend			-		-
Transfer to reserve Fund in terms of 45 IC of RBI Act	282.98		(282.98)		-
Profit for the year after income tax			1,414.88		1,414.88
Other Comprehensive Income (OCI) for the year before income tax				(2.15)	(2.15)
Income Tax on OCI				0.54	0.54
Balance As at 31 March 2023	**2,521.56**	**86.40**	**4,599.60**	**(22.99)**	**7,184.58**

Particulars	Reserves and Surplus			Other Comprehensive Income	Total
	Statutory Reserve	General Reserve	Retained Earnings	Remeasurement of defined benefit Plan	
Balance as at April 01st, 2021	**2,238.58**	**86.40**	**4,314.12**	**(25.32)**	**6,613.78**
Dividend			-		-
Tax on dividend			-		-
Transfer to reserve Fund in terms of 45 IC of RBI Act	-		-		-
Profit for the year after income tax			(846.42)		(846.42)
Other Comprehensive Income (OCI) for the year before income tax				5.26	5.26
Income Tax on OCI				(1.32)	(1.32)
Balance As at 31 March 2022	**2,238.58**	**86.40**	**3,467.70**	**(21.38)**	**5,771.30**

As per our report of even date attached

For and on behalf of the Board of Directors

For Rangamani & Co
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Chief Financial Officer

Akshay Anand
Company Secretary

Place : Cochin
Date : 15-05-2023

1 CORPORATE INFORMATION

Muthoot Vehicle & Asset Finance Ltd. (formerly known as Muthoot Leasing & Finance Ltd.) was incorporated as a public Limited company on 08th June 1992. The Company is a part of the Muthoot Group and was incorporated for undertaking Hire Purchase operations. The Company has over the years transformed its business and is, presently, a multi category Loan portfolio company. The Company has been into the business of granting loans against security of vehicles and assets and also accepts public and corporate deposits predominantly in the state of Kerala and also operates in Coimbatore in the state of Tamil Nadu. The Company has its registered office at 2nd Floor, Muthoot Chambers, Opp. Saritha Theatre Complex, Banerji Road, Kochi – 682 018 and its Corporate Office at 5th & 6thfloor, Mithun Towers, K.P.Vallon Road, Kadavanthra, Kochi – 682 020.

The Company obtained a certificate of registration dated 30th November, 1998 (bearing no. A-16.00042) issued by the RBI to carry on the activities of a deposit taking non-banking financial company (NBFC) under section 45 IA of the RBI Act, 1934.Subsequently, on change of its name on October 3, 2008 a fresh Certificate bearing No. A-16.00042 was issued to the company. The Company has been reclassified as NBFC- Investment and Credit Company (NBFC-ICC).

2 BASIS OF PREPARATION

2.1 Statement of Compliance

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). These financial statements may require further adjustments, if any, necessitated by the guidelines / clarifications / directions issued in the future by RBI, Ministry of Corporate Affairs, or other regulators, which will be implemented as and when the same are issued and made applicable.

2.2 Basis of measurement

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

i. Financial assets and liabilities designated at fair value through profit or loss (FVTPL)

ii. Defined benefit plans

2.3 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.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

3.1 Income

3.1.1 Interest Income

The Company recognizes interest income using Effective Interest Rate (EIR) on all financial assets subsequently measured at amortized cost. EIR is calculated by considering all costs and incomes attributable to acquisition of a financial asset or assumption of a financial liability and it represents a rate that exactly discounts estimated future cash payments/receipts through the expected life of the financial asset/financial liability to the gross carrying amount of a financial asset or to the amortized cost of a financial liability.

The Company recognizes interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. In case of credit-impaired financial assets regarded as 'stage 3', the Company recognizes interest income on the amortized cost net of impairment loss of the financial asset at EIR. If the financial asset is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

3.1.2 Sale of Services

Income from prepaid instruments is recognized when the business transactions were successfully performed.

3.1.3 Other Income

The Company recognizes revenue from contracts with customers (other than financial assets to which Ind AS 109 'Financial Instruments' is applicable) based on a comprehensive assessment model as set out in Ind AS 115 'Revenue from contracts with customers'.

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: Thetransaction 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.

(A) Fees and commission

The Company recognizes service and administration charges towards rendering of additional services to its loan customers on satisfactory completion of service delivery.

Fees on value added services and products are recognized on rendering of services and products to the customer. The income so earned is recognized on successful sales on behalf of other entities subject to there being no significant uncertainty of its recovery.

Foreclosure charges are collected from loan customers for early payment/closure of loan and are recognized on realization.

(B) Dividend Income

Dividend income is recognised when the Company's right to receive the payment is established. This is established when it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably.

(C) Recoveries of financial assets written off

The Company recognizes income on recoveries of financial assets written off on realization.

(D) 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.

(E) Net gain 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 on fair value change of financial assets measured at FVTPL on net basis

3.2. Financial Instruments

A financial instrument is defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

All the financial instruments are recognized on the date when the Company becomes party to the contractual provisions of the financial instruments.

A. Financial Assets

Financial assets include cash, or an equity instrument of another entity, or a contractual right to receive cash or another financial asset from another entity which normally includes loan receivables, debt instruments, cash & cash equivalents etc.

3.2.1. Initial Recognition

All financial assets are recognized initially at fair value including transaction costs that are attributable to the acquisition of financial assets except in the case of financial assets recorded at FVTPL where the transaction costs are charged to profit or loss.

3.2.2. Subsequent measurement

(a) Financial assets measured at amortised cost

The Company measures its financial assets at amortized cost if both the following conditions are met:

• The asset is held within a business model of collecting contractual cash flows; and

• Contractual terms of the asset give rise on specified dates to cash flows that are Sole Payments of Principal and Interest (SPPI) on the principal amount outstanding.

To make the SPPI assessment, the Company applies judgment and considers relevant factors such as the nature of portfolio and the period for which the interest rate is set.

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. If cash flows after initial recognition are realized 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 financial assets going forward.

The business model of the Company for assets subsequently measured at amortized cost category is to hold and collect contractual cash flows

After initial measurement, such financial assets are subsequently measured at amortized cost on effective interest rate (EIR). The expected credit loss (ECL) calculation for debt instruments at amortized cost is explained in subsequent notes in this section.

(b) Financial assets measured at fair value through other comprehensive income (FVOCI)

A financial asset is measured at FVOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and contractual terms of financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal

amount outstanding.

(c) Financial assets measured at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

B. Financial liabilities

Financial liabilities include liabilities that represent a contractual obligation to deliver cash or another financial assets to another entity, or a contract that may or will be settled in the entities own equity instruments which normally includes trade payables, debt securities ,other borrowings etc.

3.2.3. Initial recognition

All financial liabilities are recognized initially at fair value and, in the case of borrowings, net of directly attributable transaction costs.

3.2.4. Subsequent measurement

After initial recognition, all financial liabilities are subsequently measured at amortized cost using the EIR. Any gains or losses arising on derecognition of liabilities are recognized in the Statement of Profit and Loss.

3.3. Derecognition of Financial Assets and liabilities

3.3.1. Financial Asset

The Company derecognizes a financial asset (or, where applicable, a part of a financial asset) when the right to receive cash flows from the asset have expired.

3.3.2. Financial Liability

The Company derecognizes a financial liability when the obligation under the liability is discharged, cancelled or expired. 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 recognized in profit or loss.

3.3.3 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 realize the asset and settle the liability simultaneously in all the following circumstances:

a. The normal course of business

b. The event of default

c. The event of insolvency or bankruptcy of the Company and/or its counterparties

3.4. Impairment of financial assets

Expected Credit Loss (ECL) are recognized for financial assets held under amortized cost, certain loan commitments, etc.

Financial assets where no significant increase in credit risk has been observed are considered to be in 'stage 1' and for which a 12 month ECL is recognized. Financial assets that are considered to have significant increase in credit risk are considered to be in 'stage 2' and those which are in default or for which there is an objective evidence of impairment are considered to be in 'stage 3'. Lifetime ECL is recognized for stage 2 and stage 3 financial assets.

In the event of a significant increase in credit risk, allowance (or provision) is required for ECL towards all possible default events over the expected life of the financial instrument ('lifetime ECL').

Financial assets (and the related impairment loss allowances) are written off in full, when there is no realistic prospect of recovery.

3.4.1. Treatment of the different stages of financial assets and the methodology of determination of Expected Credit Loss (ECL)

(a) Stage3 - Financial asset is credit impaired

The Company recognizes a financial asset to be credit impaired and in stage 3 by considering relevant objective evidence, primarily whether:

• Contractual payments of either principal or interest are past due for more than 90 days;

• The loan is otherwise considered to be in default.

Restructured loans except COVID-19-Restructured Accounts, where repayment terms are renegotiated as compared to the original contracted terms due to significant credit distress of the borrower, are classified as credit impaired. Such loans continue to be in stage 3 until they exhibit regular payment of renegotiated principal and interest over a minimum observation period, typically 12 months– post renegotiation, and there are no other indicators of impairment. Having satisfied the conditions of timely payment over the observation period these loans could be transferred to stage 1 or 2 and a fresh assessment of the risk of default be done for such loans.

Interest income is recognized by applying the Effective Interest Rate (EIR) to the net amortized cost amount i.e. gross carrying amount less ECL allowance.

(b) Stage 2- Financial asset having significant increase in credit risk

An assessment of whether credit risk has increased significantly since initial recognition is performed at each reporting period by considering the change in the risk of default of the loan exposure. However, unless identified at an earlier stage, 30 days past due is considered as an indication of financial assets to have suffered a significant increase in credit risk. Based on other indications such as borrower's frequently delaying payments beyond due dates though not 30 days past due are included in stage 2.

The measurement of risk of defaults under stage 2 is computed on homogenous portfolios, generally by nature of loans, tenors, underlying collateral, geographies and borrower profiles. The default risk is assessed using PD (probability of default) derived from past behavioral trends of default across the identified homogenous portfolios. These past trends factor in the past customer behavioral trends, credit transition probabilities and macroeconomic conditions. The assessed PDs are then aligned considering future economic conditions that are determined to have a bearing on ECL.

(c) Stage 1- Financial asset without significant increase in credit risk since initial recognition

ECL resulting from default events that are possible in the next 12 months is recognized for financial instruments in stage 1. The Company has ascertained default possibilities on past behavioral trends witnessed for each homogenous portfolio using application/behavioral score cards and other performance indicators, determined statistically.

(d) Measurement of Expected Credit Loss (ECL)

The assessment of credit risk and estimation of ECL are unbiased and probability weighted. It incorporates all information that is relevant including information about past events, current conditions and reasonable forecasts of future events and economic conditions at the reporting date. In addition, the estimation of ECL takes into account the time value of money. Forward looking economic scenarios determined with reference to external forecasts of economic parameters that have demonstrated a linkage to the performance of our portfolios over a period of time have been applied to determine impact of macroeconomic factors.

The Company has considered the following three main components for calculating ECL:

1. Probability of default (PD)

Probability of Default is an estimate of the likelihood of default over a given time horizon. The company uses historical information where available to determine PD. Considering the different products and schemes, the company has bifurcated its loan portfolio into various pools. For certain a pool where historical information is available, the PD is calculated considering fresh slippage of past years. For those pools where historical information is not available, the PD/default rates as stated by external reporting agencies are considered.

2. Loss Given Default (LGD)

Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realization of any collateral.

3. Exposure at Default (EAD)

Exposure at Default is an estimate of the exposure at a future default date, considering expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected draw downs on committed facilities, and accrued interest from missed payments.

ECL is calculated by multiplying the PD, LGD and EAD and adjusted for time value of money using a rate which is a reasonable approximation of EIR.

• Probability of Default (PD) is determined for each stages of ECL.

• Exposure at Default (EAD) represents the expected balance at default, taking into account the repayment of principal and interest from the Balance Sheet date to the date of default together with any expected drawdowns of committed facilities.

• Loss Given Default (LGD) represents expected losses on the EAD given the event of default, taking into account, among other attributes, the mitigating effect of collateral value at the time it is expected to be realized and the time value of money.

Detailed description of the methodology used for ECL is covered in the 'credit risk' section of note No.3.19.

Forward looking information

While estimating the expected credit losses, the Company reviews macro-economic developments occurring in the economy and market it operates in. On a periodic basis, the Company analyses if there is any relationship between key economic trends like GDP, unemployment rates, benchmark rates set by the Reserve Bank of India, inflation etc. with the estimate of PD, LGD determined by the Company based on its internal data. While the internal estimates of PD, LGD rates by the Company may not be always reflective of such relationships, temporary overlays, if any, are embedded in the methodology to reflect such macro-economic trends reasonably. To mitigate its credit risks on financial assets, the Company seeks to use collateral, where possible.

The collateral comes in various forms, such as securities, deposits, vehicles, etc. However, the fair value of collateral affects the calculation of ECL. The collateral is majorly the property for which the loan is given. The fair value of the same is based on data provided by third party or management judgments. Loans are written off (either partially or in full) when there is no realistic prospect of recovery. This is generally the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. Any subsequent recoveries against such loans are credited to the statement of profit and loss.

3.5. Determination of fair value of Financial Instruments

The Company measures financial instruments, such as, investments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either: Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

i. In the principal market for the asset or liability, or

ii. In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing 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 summarized 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.

3.6. Cash and cash equivalents

Cash and cash equivalents include cash on hand, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short- term deposits, as defined above, net of outstanding bank overdrafts if any, as they are considered an integral part of the Company's cash management.

3.7. Property, plant and equipment

Property, plant and equipment (PPE) are measured at cost less accumulated depreciation and accumulated impairment, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent expenditure related to the asset are added to its carrying amount or recognized as a separate asset only if it increases the future benefits of the existing asset, beyond its previously assessed standards of performance and cost can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

3.7.1. Depreciation on property, plant and equipment

(a) Depreciation is provided on a pro-rata basis for all tangible assets on straight line method over the useful life of assets which is in line with the estimated useful life as specified in Schedule II of the Companies Act 2013.The management estimate the useful lives as follows:

Assets	Useful life (In years)
Building	60
Computer	3
Electrical Fittings	10
Furniture and fixtures	10
Office Equipment	5
Vehicle	10
Temporary Partitions	1

(b) Depreciation on addition to assets and assets sold during the year is being provided for on a pro rata basis with reference to the month in which such asset is added or sold as the case may be.

(c) 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.

(d) Changes in the expected useful life are accounted for by changing the amortization period or methodology, as appropriate, and treated as changes in accounting estimates.

(e) An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal.

(f) 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 included under other income in the Statement of Profit and Loss when the asset is derecognized. 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.

3.8. Intangible assets and amortization thereof

An intangible asset is recognized only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Company. Intangible assets acquired separately are measured on initial recognition at cost. The cost of an intangible asset comprises its purchase price including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use following initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses.

Subsequent expenditure related to the asset is added to its carrying amount or recognized as a separate asset only if it increases the future benefits of the existing asset, beyond its previously assessed standards of performance and cost can be measured reliably.

Intangible assets comprising of software is amortized on straight line basis over a period of 5 years, unless it has a shorter useful life. Gains or losses from derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognized in the Statement of Profit or Loss when the asset is derecognized.

3.9. 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 derecognized 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 recognized in the Statement of Profit and Loss in the same period.

3.10. Impairment of non-financial assets

An assessment is done at each Balance Sheet date to ascertain whether there is any indication that an asset may be impaired. If any such indication exists, an estimate of the recoverable amount of asset is determined. If the carrying value of relevant asset is higher than the recoverable amount, the carrying value is written down accordingly.

3.11. Retirement and other employee benefits

3.11.1. Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services

3.11.2. Post-Employment benefits

A. Defined Contribution Plans:

All eligible employees of the company are entitled to receive benefits under the provident fund, a defined contribution plan in which both the employee and the company contribute monthly at a stipulated percentage of the covered employee's salary. Contributions are made to Employees Provident Fund Organization and Employee State Insurance Corporation at prescribed rates and are charged to Statement of Profit & Loss at actuals. The company has no liability other than its annual contribution.

B. Defined Benefit Plans:

Gratuity

The Company provides for gratuity covering eligible employees under which a lumpsum payment is paid to vested employees at retirement, death, incapacitation or termination of employment, of an amount reckoned on the respective employee's salary and his tenor of employment with the Company. The Company accounts for its liability for future gratuity benefits based on actuarial valuation determined at each Balance Sheet date by an Independent Actuary using Projected Unit Credit Method. The Company makes annual contribution to a Gratuity Fund administered by Trustees and separate schemes managed by the Life Insurance Corporation of India (LIC).

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on Government Securities as at the Balance Sheet date.

An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Re-measurement, comprising of actuarial gains and losses (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income in the period in which they occur. Re-measurements are not reclassified to profit and loss in subsequent periods.

3.11.3. Other Long Term Employee Benefits

Accumulated Compensated absences

The Company provides for liability of accumulated compensated absences for eligible employees on the basis of an independent actuarial valuation carried out at the end of the year, using the projected unit credit method. Actuarial gains and losses are recognized in the Statement of Profit and Loss for the period in which they occur.

3.12. Provisions

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources 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. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. The Company also discloses present obligations for which a reliable estimate cannot be made. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

3.13. Taxes

3.13.1. Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) prescribed therein. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current tax relating to items recognized outside profit or loss is recognized 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.

3.13.2. Deferred tax

Deferred tax is provided using the Balance Sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for deductible temporary differences to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets, if any, are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized either in OCI or in other equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

3.14. 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.

3.15. 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.

3.16. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated.

3.17. Critical accounting estimates and judgments

The preparation of the Company's financial statements requires Management to make use of estimates and judgments. In view of the inherent uncertainties and a level of subjectivity involved in measurement of items, it is possible that the outcomes in the subsequent financial years could differ from those on which the Management's estimates are based. Accounting estimates and judgments are used in various line items in the financial statements for e.g.:

i. Business Model Assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgment 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.

ii. Effective Interest Rate (EIR) method:

The Company's EIR methodology recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges). This estimation, by nature, requires an element of judgment regarding the expected behaviour and life-cycle of the instruments, probable fluctuations in collateral value as well as expected changes to India's base rate and other fee income/expense that are integral parts of the instrument.

iii. Impairment of loans portfolio:

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances. It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

iv. 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.

v. 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.

vi. Other estimates:

These include contingent liabilities, useful lives of tangible and intangible assets etc.

3.18. Valuation techniques

3.18.1. Short-term financial assets and liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and cash equivalents, trade receivables, balances other than cash and cash equivalents and trade payables without a specific maturity. Such amounts have been classified as Level 2/Level 3 on the basis that no adjustments have been made to the balances in the balance sheet.

3.18.2. Loans

The fair values of loans and receivables are estimated by discounted cash flow models that incorporate assumptions for credit risks, probability of default and loss given default estimates. Since comparable data is not available, Credit risk is derived using, historical experience, management view and other information used in its collective impairment models.

Fair values of portfolios are calculated using a portfolio-based approach, grouping loans as far as possible into homogenous groups based on similar characteristics i.e., type of loan. The Company then calculates and extrapolates the fair value to the entire portfolio using Effective interest rate model that incorporate interest rate estimates considering all significant characteristics of the loans. The credit risk is applied as a top-side adjustment based on the collective impairment model incorporating probability of defaults and loss given defaults.

3.18.3. Financial liability at amortised cost

The fair values of financial liability held-to-maturity are estimated using effective interest rate model based on contractual cash flows using actual yields.

3.19. Risk Management

The Company's principal financial liabilities comprise deposits, debt securities, borrowings and trade and other payables. The main purpose of these financial liabilities is to finance and support the company's operations. The Company's principal financial assets include loans, investments, cash and cash equivalents, fixed deposits with banks and other receivables that are derived directly from its operations. As a NBFC, Company is exposed to various risks that are related to lending business and operating environment. The principal objective in Company's risk management processes is to measure and monitor the various risks that Company is subject to and to follow policies and procedures to address such risks.

The Company's Risk Management Committee of the Board of directors constituted in accordance with the Reserve Bank of India regulations has overall responsibility for overseeing the implementation of the Risk Management Policy. The committee meets at least twice in a year to review the Risk Management practices. Risk Management department periodically places its report to the committee for review.

The committee's suggestions for improving the Risk Management Practices are implemented by the Risk Management department.

Risk Management department shall be responsible for the following:

a) Identifying the various risks associated with the activities of the Company and assessing their impact on the business.

b) Measuring the risks and suggesting measures to effectively mitigate the risks.

However, the primary responsibility for managing the various risks on a day to day basis will be with the heads of the respective business units of the Company. The Company is generally exposed to credit risk, liquidity risk, market risk and operational risk.

1. 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.

Company's Risk Management is mainly described in 3 major pillars i.e.

1. Defining the Risk Appetite.

2. Guidelines for Risk Acquisition

3. Measuring & Monitoring of Risk

Pillar 1: Defining Risk Appetite.

The Risk appetite is the risk taking ability of the company and range in which the company wants to operate to get the return on its investment. Company's major focus is in retail segment and more spread out customer base, which diversifies the risk of concentration of customer segment, customer profile, asset base etc. This is mainly classified in the below terms i.e.

i. Setting up Exposure Limits

ii. Defining Customer Risk Profile Standards

iii. Setting up of Loan Sanctioning Powers

iv. Risk based pricing

Pillar 2: Policy Guidelines for Risk Acquisition

In line with set-up risk acquisition standards, Company has put in place the Credit Policy prescribing appraisal methodology based on the type of customer, business, income assessment module/s, geographical specific products etc. but within overall limit of set-up standards.

The credit policies are reviewed on periodical basis after analysing the portfolio, NPA, Collection feedback etc and sufficient corrections /updates are being made in the policy to cover the External and Inherent risk. To ward off any risk on this count, deviations are to be allowed only by the delegated authority.

Pillar 3: Monitoring of Risk Acquisition

A. Portfolio Analytics:

A Risk committee (Portfolio Review Committee) is been Formed, comprising of Department HODs of Collection, Sales New & Used and Credit, who meets on a periodical Basis ,ideally on a Quarterly basis to review the collection portfolio. They also take note of collection strength and corrective measures required if any, time to time and recommend for the policy changes to be done putting the portfolio under control in accordance with CEO. The Portfolio Committee also analyses on various parameters like Portfolio composition (Various product base of New & Used, Customer categories, and profiles as per credit policy, product-wise efficacy etc.) to assess the inherent risks vis-à-vis rewards and place their reports to the Chief Executive Officer. For the purpose of assimilation of information, exception reports, customer feed-backs and inputs from Collection & Recovery would be incorporated. Portfolio Analysis would be a continuous exercise for assessing embedded risks in the portfolio.

B. Default Analytics:

Risk committee would on a continuous basis do the risk analysis of Early Delinquency Cases and Non Starter Cases, also RCU Negative cases and Alert cases in audits on random sample basis on credit and operations dimensions and would present the report to CEO. There would be feedback taken from the collection team and RCA (Route Cause Analysis) report of the Credit team members which would be decide the future plan of action on the said deal how to get solution of the particular kind of cases and necessary changes of policy recommendations if any. Risk Committee would also assess the Probability of Default (PD) for the portfolio, products and on Demographic and geographical dimensions so that learning can be used, for taking prudent decisions on products and policies by the management.

As an Asset Based Finance Company, collateral management is of utmost importance and as funding is on a depreciating asset, LTV parameters are the key to have positive asset value to Loan Ratio. Therefore assessment of Loss/ Probable losses are also been taken into consideration while deciding the policy changes in LTV for particular asset and

revisions if any time to time.

3.20. Impairment Assessment

The Company is mainly engaged in the business of providing vehicle loans which has tenure of between 12 months to 84 months. While in the past, the company had a wholesale lending business vertical which extended loans to commercial businesses and mortgage loans which is discontinued for the time being. The company also provides unsecured personal loans and trade advance.

The Company's impairment assessment and measurement approach is set out in this note. It should be read in conjunction with the Summary of significant accounting policies.

3.20.1. Definition of default and cure:

The company considers a financial instrument as default and therefore Stage 3 (credit-impaired) for Expected Credit Loss (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 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 or whether Stage 2, as appropriate.

It is the Company's policy to consider a financial instrument as 'cured' and therefore re-classified out of Stage 3 when none of the default criteria have been present for at least three consecutive months. The decision whether to classify an asset as Stage 2 or Stage 1 once cured depends on the updated credit grade, at the time of the cure, and whether this indicates there has been a significant increase in credit risk compared to initial recognition.

Company's internal credit rating grades and staging criteria for loans are as follows:

Rating	Loans Days past due (DPD/ Year)	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	61-90 DPD	Stage II
Individually impaired	91 DPD or more	Stage III

3.20.2Exposure at Default (EAD):

The Exposure at Default is an estimate of the exposure at a future default date, considering expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected draw downs on committed facilities, and accrued interest

3.20.3 Probability of default (PD):

The Probability of Default is an estimate of the likelihood of default over a given time horizon. To calculate the ECL for a Stage 1 loan, the Company assesses the possible default events within 12 months for the calculation of the 12 month ECL. For Stage 2 and Stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments. The Company uses historical information wherever available to determine PD. PD is calculated using Incremental 91 DPD approach considering fresh slippage using historical information.

Based on its review of macro-economic developments and economic outlook, the Company has assessed that no adjustment is required for temporary overlays to determine qualitative impact on its PD's as at March 31, 2023 and March 31, 2022.

3.20.4. Loss Given Default (LGD):

LGD is the estimated loss that the Company might bear if the borrower defaults. The Company determines its recovery (net present value) by analysing the recovery trends, borrower rating, collateral value and expected proceeds from sale of asset. LGD Rates have been computed internally based on the discounted recoveries in defaulted accounts that are closed/ written off/ repossessed and upgraded during the year. When estimating ECLs on a collective basis for a group of similar assets, the Company applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition. Company has adopted LGD at a rate drawn reference from Internal Rating Based (IRB) approach guidelines issued by Reserve Bank of India for Banks to calculate LGD where sufficient past information is not available.

3.20.5. Collateral and other credit enhancements:

The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are in place covering the acceptability and valuation of each type of collateral.

3.20.6. Liquidity risk:

Liquidity risk is the risk of being unable to raise necessary funds from the market at optimal cost to meet operational and debt servicing requirements. The purpose of liquidity management is to ensure sufficient cash flow to meet all financial commitments and to capitalise on opportunities for business expansion. Board of Directors will have overall responsibility of monitoring, supervision and control of the ALM mechanism. Board will have a sub-committee of Directors (ALM Committee) to review the ALM position of the company on at least half yearly intervals. An Asset Liability Committee (ALCO) consisting of senior executive of the company including the CEO shall be responsible for the day to day as well as periodic monitoring and control of Asset Liability management.

3.20.7. Market risk:

Market Risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity, and other market changes. The objective of market risk management is to avoid excessive exposure of our earnings and equity to loss and reduce our exposure to the volatility inherent in financial instruments.

3.20.8. Interest rate risk:

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company is subject to interest rate risk, primarily since it lends to customers at fixed rates and for maturity periods shorter than the funding sources. Majority of our borrowings are at fixed rates .However, borrowings at floating rates gives rise to interest rate risk. Interest rates are highly sensitive to many factors beyond control, including the monetary policies of the Reserve Bank of India, deregulation of the financial sector in India, domestic and international economic and political conditions, inflation and other factors.

In order to manage interest rate risk, the company seeks to optimize borrowing profile between short-term and long-term loans. The company adopts funding strategies to ensure diversified resource-raising options to minimize cost and maximize stability of funds. Assets and liabilities are categorized into various time buckets based on their maturities and Asset Liability Management Committee supervise an interest rate sensitivity report periodically for assessment of interest rate risks. The Interest Rate Risk is mitigated by availing funds at very competitive rates through diversified borrowings and for different tenors.

3.20.9. Risk Based Pricing:

Company has set its benchmark lending rate band and all the loan products as per their perceived risk profiling are priced accordingly. The Rate offered for each category of customer is based on the asset they are taking, categorisation as per the credit policy etc.

Approved ROI and PF Matrix (Rate Card) also provides for concessions in the rate of interest to be charged to the customer in wake of competition and market compulsions and hence has put in place rate approval matrix. It is prudent on the part of approval authorities to allow concessions in rate of interests on selective basis and strictly on merits. In case there is any policy deviation, for which a deviation matrix is prescribed in the Rate approval Matrix, the above-stated card rates are additionally loaded as risk adjusted loading. Therefore by virtue of its Company ensures uniform rates for all the loans with similar risk profile.

3.20.10 Prepayment risk:

Prepayment risk is the risk that the Company will incur a financial loss because its customers and counterparties repay or request repayment earlier or later than expected, such as fixed rate loans like ours when interest rates fall.

3.20.11 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.

3.21. Disclosure with regard to dues to Micro Enterprises and Small Enterprises:

Based on the information available with the Company, none of the suppliers have confirmed to be registered under "The Micro, Small and Medium Enterprises Development ('MSMED') Act, 2006". Accordingly, no disclosures relating to principal amounts unpaid as at the period ended March 31, 2023 together with interest paid /payable are required to be furnished.

3.22. Segment reporting:

The Company is engaged in the business segment of Financing, whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated and to assess its performance, and for which discrete financial information is available. Further other business segments do not exceed the quantitative thresholds as defined by the Ind AS 108 on "Operating Segment". Hence, there are no separate reportable segments, as required by the Ind AS 108 on "Operating Segment".

3.23. Utilization of proceeds of Public Issue of Non - Convertible Debentures

During the year 2020 the company has raised through public issue of Secured Redeemable Non-Convertible Debentures worth Rs.20,000 lakhs out of which Rs. 8,53,200 was incurred as issue related expenses. Further the company has utilized the net proceeds during the current year in the following manner;

Description	Rupees in Lakhs
Onward lending and for repayment of interest and principal of existing loans	19,984.01
General corporate purposes	2.45

As at March 31, 2023, the company has temporarily parked unutilized proceeds of the public issue with fixed deposits at scheduled banks in accordance with the objects stated in the offer documents, the position of which as follows

Facility	Rupees in Lakhs
Balance in Escrow Account	5.00

3.24. Corporate Social Responsibility (CSR)

The company has constituted CSR Committee and has undertaken CSR activities in accordance with Schedule VII to the Companies Act, 2013 mainly through Muthoot M George Foundation. Muthoot M George Foundation, a public charitable trust formed under Indian Trust Act, 1882 having registration under section 12 AA of the Income Tax Act, 1961. The company has not been required to spent as per Section 135 of the Companies Act, 2013 for the financial year ended March 31,2023 and the company has spent Rs.5,75,000/- for the FY 2021-22.

3.25. Frauds during the year

During the year, no frauds has been committed by customers of the company which has been recovered/written off/ provided for.

Note 4. Cash and Cash equivalents

Particulars	As at 31 March 2023	As at 31 March 2022
Cash On Hand	220.06	200.88
Balance With Banks		
-in Current Account	55.35	195.37
-in fixed deposit (maturing within a period of three months)	6,819.78	5,037.52
	7,095.19	**5,433.78**

Note 5. Bank balance other than Cash and Cash equivalents

Particulars	As at 31 March 2023	As at 31 March 2022
Fixed Deposit With Banks (Maturing above 3 Months)	750.47	2,607.03
Balance in Escrow accounts		
Unclaimed Dividend	0.02	0.02
Balance for Listed NCD	5.00	5.00
Balance for DMT	47.34	47.34
Unpaid (Unclaimed) interest and redemption proceeds on Non - Convertible Debentures	16.44	28.57
	819.27	**2,687.97**

Note 6. Loans

Particulars	As at 31 March 2023	As at 31 March 2022
At amortised Cost		
(A) Loans		
I Vehicle Loan	18,288.29	19,542.20
II Business Loan	171.70	327.78
III Gold Loan	2,935.01	1,499.28
III Personal Loan	2.79	4.23
IV Loan against Deposit	36.82	25.79
V Trade Advance	39.92	180.93
VI Mortgage Loan	238.12	362.76
VII Secured Term Loan	350.00	700.00
VIII Corporate Loan	2,165.60	-
Total (A Gross)	**24,228.25**	**22,642.97**
Less: Impairment Loss Allowance	1,124.97	767.33
Total (A Net)	**23,103.28**	**21,875.64**
(B)		
I Loan to Related Parties	452.72	802.71
II Loan to Others	23,775.53	21,840.26
Total (B Gross)	**24,228.25**	**22,642.97**
Less: Impairment Loss Allowance	1,124.97	767.33
Total (B Net)	**23,103.28**	**21,875.64**
(C)		
I - Secured		
By tangible Assets	21,983.12	22,432.02
By Intangible Assets	2,165.60	-
II Covered By Bank/ Govt Guarantee	-	-
III Covered By Deposits	36.82	25.79
IV -Un-Secured	42.71	185.16
Total (C Gross)	**24,228.25**	**22,642.97**
Less: Impairment Loss Allowance	1,124.97	767.33
Total (C Net)	**23,103.28**	**21,875.64**
(D)		
I Loans in India		
- Public Sector	-	-
-Others	24,228.25	22,642.97
II Loans Outside India	-	-
Total (D Gross)	**24,228.25**	**22,642.97**
Less: Impairment Loss Allowance	1,124.97	767.33
Total (D Net)	**23,103.28**	**21,875.64**

Credit Quality of Assets

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.

₹ in Lakhs

Particulars	As at March 31, 2023				As at March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Internal rating grade								
Performing					-	-	-	-
High grade	21,187.60			21,187.60	16,314.36	-	-	16,314.36
Standard grade	996.73			996.73	1,829.27	-	-	1,829.27
Sub-standard grade		599.50		599.50	-	1,587.35	-	1,587.35
Past due but not impaired		95.31		95.31	-	1,811.08	-	1,811.08
Non- performing				-	-	-	-	-
Individually impaired			1,349.11	1,349.11	-	-	1,100.90	1,100.90
Total	**22,184.33**	**694.81**	**1,349.11**	**24,228.25**	**18,143.63**	**3,398.43**	**1,100.90**	**22,642.96**

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to receivables under financing activities is, as follows:

₹ in Lakhs

Particulars	Gross carrying Amount							
	31/Mar/23				31/Mar/22			
Stages	Stage I	Stage II	Stage III	Total	Stage I	Stage II	Stage III	Total
Balance at the beginning of the year	**18,143.63**	**3,398.44**	**1,100.90**	**22,642.96**	**23,764.12**	**4,748.90**	**3,528.25**	**32,041.27**
New assets originated or purchased	16,457.63			**16,457.63**	8,072.29	-	-	**8,072.29**
Assets repaid (excluding write offs)	(12,515.17)	(1,694.49)	(473.91)	**(14,683.57)**	(11,824.06)	(2,017.05)	(826.08)	**(14,667.19)**
Transfers to Stage I	1,046.26	(868.76)	(177.50)	**-**	795.65	(670.68)	(124.97)	**-**
Transfers to Stage II	(454.52)	465.18	(10.66)	**-**	(2,040.76)	2,317.51	(276.75)	**-**
Transfers to Stage III	(493.50)	(605.56)	1,099.06	**-**	(623.61)	(980.24)	1,603.85	**-**
Amounts written off			(188.78)	**(188.78)**	-	-	(2,803.41)	**(2,803.41)**
Balance at the end of the year	**22,184.33**	**694.81**	**1,349.11**	**24,228.25**	**18,143.63**	**3,398.44**	**1,100.90**	**22,642.96**

Reconciliation of ECL Balance is given below:

₹ in Lakhs

Particulars	Expected Credit Loss (ECL)							
	31/Mar/23				31/Mar/22			
Stages	Stage I	Stage II	Stage III	Total	Stage I	Stage II	Stage III	Total
Balance at the beginning of the year	**286.86**	**137.82**	**342.65**	**767.33**	**316.82**	**191.93**	**1,207.00**	**1,715.75**
New assets originated or purchased	260.20			**260.20**	107.26	-	-	**107.26**
Assets repaid (excluding write offs)	(197.87)	(68.72)	(147.50)	**(414.09)**	(112.39)	(81.05)	(316.56)	**(510.00)**
Transfers to Stage I	90.48	(35.23)	(55.25)	**-**	69.86	(27.11)	(42.75)	**-**
Transfers to Stage II	(7.19)	10.51	(3.32)	**-**	(27.12)	121.79	(94.67)	**-**
Transfers to Stage III	(7.80)	(24.56)	32.36	**-**	(8.29)	(39.61)	47.90	**-**
Impact on year end ECL of exposures transferred between stages during the year	42.05	11.70	646.56	**700.31**	(59.28)	(28.13)	2,345.14	**2,257.73**
Amounts written off	-		(188.78)	**(188.78)**	-	-	(2,803.41)	**(2,803.41)**
Balance at the end of the year	**466.73**	**31.52**	**626.72**	**1,124.97**	**286.86**	**137.82**	**342.65**	**767.33**

Asset Liability Management (ALM)

The table below shows the maturity pattern of the assets and liabilities. In the case of loans, contracted tenor of Vehicle loan is maximum of 84 months. However, on account of high incidence of prepayment before contracted maturity, the below maturity profile has been prepared by the management on the basis of historical pattern of repayments. In case of loans other than Vehicle loan, the maturity profile is based on contracted maturity.

Maturity pattern of assets and liabilities as on March 31 2023

₹ in Lakhs

Particulars	Contractual cash Flows							
	Up to 3 Months	Over 3 & Upto 6 Months	Over 6 & Upto 1 Year	Over 1 Year & Upto 3 Years	Over 3 Years & Upto 5 Years	Over 5 Years	Not Sensitive to ALM	Total
Financial Assets								
Each item classified under Financial Assets								
(a)Cash and Cash Equivalents	7,095.19	-	-	-	-	-		7,095.19
(b)Bank balances other than cash and cash equivalents	-	311.65	475.50	32.12	-	-		819.27
(c)Loans	2,950.39	2,694.95	7,445.83	8,887.66	2,248.20	1.22	(1,124.97)	23,103.28
(d)Investments	878.42	40.00	2.70	9.93	789.41	164.73		1,885.19
(e)Other Financial assets	24.03	-	-	19.02	-	74.03		117.08
Total	10,948.03	3,046.60	7,924.03	8,948.73	3,037.61	239.98	(1,124.97)	33,020.01
Financial Liabilities								
Each item classified under Financial Liabilities								
(a)Payables	66.31	-	-	-	-	-	-	66.31
(b)Debt Securities	6,263.47	-	-	6,363.70	2,381.59	-	-	15,008.76
(c)Borrowings(other than debt securities)	1,453.69	-	-	-	-	-	-	1,453.69
(d)Deposits	235.36	401.31	778.91	4,270.76	68.86	-	-	5,755.20
(e)Other Financial Liabilities	158.91	8.04	2,032.21	-	-	-	-	2,199.16
Total	8,177.74	409.35	2,811.12	10,634.46	2,450.45	-	-	24,483.12

Maturity pattern of assets and liabilities as on March 31 2022

Particulars	Contractual cash Flows							
	Up to 3 Months	Over 3 & Upto 6 Months	Over 6 & Upto 1 Year	Over 1 Year & Upto 3 Years	Over 3 Years & Upto 5 Years	Over 5 Years	Not Sensitive to ALM	Total
Financial Assets								
Each item classified under Financial Assets								
`	5,433.77	-	-	-	-	-	-	5,433.77
(b)Bank balances other than cash and cash equivalents	-	204.52	1,554.93	928.53	-	-	-	2,687.97
(a)Loans	4,631.17	2,115.87	3,973.55	11,764.67	157.72	-	(767.33)	21,875.64
(b)Investments	835.96	-	100.70	210.76	160.19	793.95		2,101.56
(c)Other Financial assets	28.69	-	-	18.10	-	60.54		107.33
Total	10,929.58	2,320.38	5,629.18	12,922.06	317.91	854.49	(767.33)	32,206.27
Financial Liabilities								
Each item classified under Financial Liabilities								
(a)Payables	80.38	-	-	-	-	-	-	80.38
(b)Debt Securities		-	-	6,234.10	6,344.70	2,376.84	-	14,955.64
(c)Borrowings(other than debt securities)	-	-	-	-	-	-	-	-
(d)Deposits	580.06	1,090.36	1,071.29	5,484.42	191.16	-	-	8,417.29
(e)Other Financial Liabilities	341.43	27.34	1,392.25		-	-	-	1,761.02
Total	1,001.88	1,117.70	2,463.54	11,718.52	6,535.86	2,376.85		25,214.34

Note 7. Investments

As at 31 March 2023									
					At fair Value				
Particulars	No of Units	Face value per unit	Face Value (₹ in Lakhs)	Amortised Cost (₹ in Lakhs)	Through OCI	Through P&L	Designated at fair value through profit or loss	Sub Total	Total (₹ in Lakhs)
1.Investment In Government Securities (Quoted)									
08.26% GOI Bonds	100,000	100.00	100.00	100.20	-	-	-	-	100.20
08.26% GOI Bonds	100,000	100.00	100.00	99.05	-	-	-	-	99.05
08.26% GOI Bonds	100,000	100.00	100.00	99.30	-	-	-	-	99.30
08.26% GOI Bonds	100,000	100.00	100.00	97.80	-	-	-	-	97.80
7.95% TNSDL Bonds	40,000	100.00	40.00	40.00	-	-	-	-	40.00
7.20% KSDL Bonds	60,000	100.00	60.00	59.94	-	-	-	-	59.94
7.59% KSDL Bonds	100,000	100.00	100.00	100.25	-	-	-	-	100.25
7.20% WSDL Bonds	35,000	100.00	35.00	35.07	-	-	-	-	35.07
7.19% KSDL Bonds	17,000	100.00	17.00	17.03	-	-	-	-	17.03
7.55% MPSDL Bonds	100,000	100.00	100.00	99.85	-	-	-	-	99.85
7.77% WSDL Bonds	81,000	100.00	81.00	80.92	-	-	-	-	80.92
8.10% KSDL bonds	40,000	100.00	40.00	39.96	-	-	-	-	39.96
8.25% BSDL Bonds	10,000	100.00	10.00	9.93	-	-	-	-	9.93
7.18% MSDL Bonds	120,000	100.00	120.00	114.48	-	-	-	-	114.48
6.17% GOI 2023	121,000	100.00	121.00	120.88	-	-	-	-	120.88
7.17% MDSL Bonds	50,000	100.00	50.00	50.25	-	-	-	-	50.25
Total	**1,174,000**	**1,600.00**	**1,174.00**	**1,164.91**	**-**	**-**	**-**	**-**	**1,164.91**
2. Investments In Other Approved Securities (Unquoted)									
National Saving Certificate	-	-	-	0.10	-	-	-	-	0.10
Treasury Deposit	-	-	-	0.10	-	-	-	-	0.10
Treasury Deposit	-	-	-	0.50	-	-	-	-	0.50
Treasury Deposit	-	-	-	2.00	-	-	-	-	2.00
Total	**-**	**-**	**-**	**2.70**	**-**	**-**	**-**	**-**	**2.70**
3. Investments in Mutual Fund									
SBI Liquid Fund Direct Growth	137	0.04	4.99				5.00		5.00
4. MLD Invetment									
Asirvad Micro Finance Ltd	20	10.00	201.75				201.75		201.75
Shriram Transport Finance	10	10.00	103.33				103.33		103.33
Shriram City Union Finance Ltd	20	10.00	200.37				200.37		200.37
Muthoot Fincorp Ltd	200	1.00	207.14				207.14		207.14
Total	**387**		**717.57**	**-**	**-**	**-**	**717.59**	**-**	**717.59**
Total Investments	**1,174,387**		**1,891.57**	**1,167.61**	**-**	**-**	**717.59**	**-**	**1,885.19**
1. Investments									
In India	1,174,387	-	1,891.57	1,167.61	-	-	-	-	1,885.19
Outside India	-	-	-	-	-	-	-	-	-
Total Investments	**1,174,387**		**1,891.57**	**1,167.61**	**-**	**-**	**-**	**-**	**1,885.19**

Particulars	No of Units	Face value per unit	Face Value (₹ in Lakhs)	Amortised Cost (₹ in Lakhs)	At fair Value: Through OCI	At fair Value: Through P&L	At fair Value: Designated at fair value through profit or loss	At fair Value: Sub Total	Total (₹ in Lakhs)
As at 31 March 2022									
1.Investment In Government Securities (Quoted)									
8.26% GOI Bonds	100,000	100	100.00	100.20	-	-	-	-	100.20
8.26% GOI Bonds	100,000	100	100.00	99.05	-	-	-	-	99.05
8.26% GOI Bonds	100,000	100	100.00	99.30	-	-	-	-	99.30
8.26% GOI Bonds	100,000	100	100.00	97.80	-	-	-	-	97.80
8.58% GSDL Bonds	100,200	100	100.20	100.70	-	-	-	-	100.70
7.95% TNSDL Bonds	40,000	100	40.00	40.00	-	-	-	-	40.00
7.20% KSDL Bonds	60,000	100	60.00	59.94	-	-	-	-	59.94
7.59% KSDL Bonds	100,000	100	100.00	100.25	-	-	-	-	100.25
7.20% WSDL Bonds	35,000	100	35.00	35.07	-	-	-	-	35.07
7.19% KSDL Bonds	17,000	100	17.00	17.03	-	-	-	-	17.03
7.55% MPSDL Bonds	100,000	100	100.00	99.85	-	-	-	-	99.85
7.77% WSDL Bonds	81,000	100	81.00	80.92	-	-	-	-	80.92
8.10%KSDL Bonds	15,040	100	15.04	39.96	-	-	-	-	39.96
8.25% BSDL Bonds	10,000	100	10.00	9.93	-	-	-	-	9.93
7.18% MSDL Bonds	120,000	100	120.00	114.48	-	-	-	-	114.48
6.17% GOI Bonds	121,000	100	121.00	120.88	-	-	-	-	120.88
7.17% MDSL Bonds	50,000	100	50.00	50.25	-	-	-	-	50.25
Total	**1,249,240**	**1,700**	**1,249.24**	**1,265.61**	**-**	**-**	**-**	**-**	**1,265.61**
2. Investments In Other Approved Securities (Unquoted)									
National Saving Certificate	-	-	-	0.10	-	-	-	-	0.10
Treasury Deposit	-	-	-	0.10	-	-	-	-	0.10
Treasury Deposit	-	-	-	0.50	-	-	-	-	0.50
Treasury Deposit	-	-	-	2.00	-	-	-	-	2.00
Total	**-**	**-**	**-**	**2.70**	**-**	**-**	**-**	**-**	**2.70**
3. Investments in Mutual Fund									
SBI Liquid Fund Direct Growth	3,620	0.03	119.98				120.67		120.67
4. MLD Invetment							-		-
Asirvad Micro Finance Ltd	20.00	10.00	201.75				201.75		201.75
Shriram Transport Finance	10.00	10.00	103.33				103.33		103.33
Shriram City Union Finance Ltd	20.00	10.00	200.37				200.37		200.37
Muthoot Fincorp Ltd	200.00	1.00	207.14				207.14		207.14
Total	**3,870**	**31.03**	**832.56**	**-**	**-**	**-**	**833.26**	**-**	**833.26**
Total Investments	**1,253,110**	**1,731**	**2,081.80**	**1,268.31**	**-**	**-**	**833.26**	**-**	**2,101.56**
1. Investments									
In India	1,253,110	-	2,081.80	1,268.31	-	-	-	-	2,101.56
Outside India	-	-	-	-	-	-	-	-	-
Total Investments	**1,253,110**		**2,081.80**	**1,268.31**	**-**	**-**	**-**	**-**	**2,101.56**

Note 8. Other Financial Assets

Particulars	As at 31 March 2023	As at 31 March 2022
Security deposits	93.05	78.64
Other financial assets	24.03	28.69
	117.08	**107.33**

Note 9. Current Tax Assets (Net)

Particulars	As at 31 March 2023	As at 31 March 2022
Advance tax and tax deducted at source (net of provisions)		90.56
Closing Balance	**-**	**90.56**

Note 10. Investment Property

Particulars	Building
Gross block- at cost	
As at April 01, 2021	21.59
Additions	-
Disposals	-
As at March 31, 2022	**21.59**
Additions	-
Disposals	-
As at March 31, 2023	**21.59**
Accumulated depreciation	
As at April 01, 2021	10.76
Disposals	-
Charge for the period	-
As at March 31, 2022	**10.76**
Disposals	-
Charge for the year	-
As at March 31, 2023	**10.76**
Net book value:	
As at April 01, 2021	**10.83**
As at March 31, 2022	**10.83**
As at March 31, 2023	**10.83**

Note 11. Property, Plant and Equipment/ Intangible Assets

(A) Property, Plant and Equipment

Particulars	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount	
	As at 01/04/2022	Additions	Disposals	As at 31/03/2023	As at 01/04/2022	For the Year	Disposals	As at 31/03/2023	As at 31/03/2023	As at 31/03/2022
Land	9.01	-	-	9.01	-	-	-	-	9.01	9.01
Building	283.62	-	-	283.62	48.64	4.33	-	52.97	230.65	234.98
Furniture and Fixtures	130.15	15.05	0.15	145.05	99.90	6.00	0.11	105.79	39.25	30.24
Electrical Fittings	106.25	27.05	2.67	130.63	63.04	7.35	1.98	68.41	62.22	43.21
Office Equipments	20.70	9.66	0.56	29.80	12.41	2.49	0.54	14.36	15.44	8.29
Vehicles	38.57	-	-	38.57	38.57	-	-	38.57	-	-
Computer	145.33	15.48	5.11	155.70	137.42	5.49	4.85	138.05	17.64	7.91
Temporary Partitions	243.68	47.74	13.81	277.61	211.46	48.42	13.10	246.78	30.82	32.22
Total	**977.31**	**114.98**	**22.30**	**1,069.99**	**611.44**	**74.08**	**20.58**	**664.93**	**405.03**	**365.86**

Particulars	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount	
	As at 01/04/2021	Additions	Disposals	As at 31/03/2022	As at 01/04/2021	For the Year	Disposals	As at 31/03/2022	As at 31/03/2022	As at 31/03/2021
Land	9.01	-	-	9.01	-	-	-	-	9.01	9.01
Building	283.62	-	-	283.62	44.31	4.33	-	48.64	234.98	239.30
Furniture and Fixtures	116.76	13.57	0.18	130.15	95.70	4.31	0.10	99.90	30.24	21.06
Electrical Fittings	86.41	21.91	2.07	106.25	59.41	5.00	1.38	63.03	43.21	27.00
Office Equipments	13.21	7.64	0.15	20.70	11.76	0.73	0.08	12.41	8.29	1.45
Vehicles	38.57	-	-	38.57	38.57	-	-	38.57	-	-
Computer	142.07	3.26	-	145.33	128.96	8.46	-	137.42	7.91	13.12
Temporary Partitions	207.93	35.75	-	243.68	199.73	11.72	-	211.45	32.22	8.20
Total	**897.58**	**82.13**	**2.40**	**977.31**	**578.44**	**34.55**	**1.56**	**611.42**	**365.86**	**319.14**

(B) Intangible Asset

Particulars	Gross Carrying Amount				Accumulated Amortisation				Net Carrying Amount	
	As at 01/04/2022	Additions	Disposals	As at 31/03/2023	As at 01/04/2022	For the Year	Disposals	As at 31/03/2023	As at 31/03/2023	As at 31/03/2022
Software	78.01	0.15		78.16	68.52	5.48	-	74.00	4.16	9.49
Total	**78.01**	**0.15**	**-**	**78.16**	**68.52**	**5.48**	**-**	**74.00**	**4.16**	**9.49**

Particulars	Gross Carrying Amount				Accumulated Amortisation				Net Carrying Amount	
	As at 01/04/2021	Additions	Disposals	As at 31/03/2022	As at 01/04/2021	For the Year	Disposals	As at 31/03/2022	As at 31/03/2022	As at 31/03/2021
Software	78.01			78.01	62.97	5.55	-	68.52	9.49	15.04
Total	**78.01**	**-**	**-**	**78.01**	**62.97**	**5.55**	**-**	**68.52**	**9.49**	**15.04**

Note 12. Other Non - Financial Assets

Particulars	As at 31 March 2023	As at 31 March 2022
Asset acquired in satisfaction of debt	579.24	624.85
Repossessed Assets	80.44	156.13
Income Tax Refund Due	75.05	235.35
Other Advances	93.37	64.34
Contribution To Gratuity Fund	5.42	6.23
Total	**833.52**	**1,086.90**

Note 13. Trade Payables

Particulars	As at 31 March 2023	As at 31 March 2022
Total outstanding dues of creditors other than micro enterprises and small enterprises		
Trade Payables for expenses	59.99	76.03
Total outstanding dues of micro enterprises and small enterprises	-	-
Closing Balance	**59.99**	**76.03**

Note 14. Other Payables

Particulars	As at 31 March 2023	As at 31 March 2022
Total outstanding dues of creditors other than micro enterprises and small enterprises		
Expense for Capital Goods Payable	6.32	4.35
Total outstanding dues of micro enterprises and small enterprises	-	-
Closing Balance	**6.32**	**4.35**

Note 14.1 Trade and Other Payables Aging Shedule

Particulars	As at 31 March 2023				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	**Total**
(i)MSME					
(ii)Others	61.39	4.38	0.54		**66.31**
(iii) Disputed dues – MSME					
(iv) Disputed dues - Others					

Particulars	As at 31 March 2022				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	**Total**
(i)MSME					
(ii)Others	79.52	0.50	0.36		**80.38**
(iii) Disputed dues – MSME					
(iv) Disputed dues - Others					

Note 15. Debt Securities

Particulars	As at 31 March 2023			
	At Amortised Cost	At fair value through P&L	Designated at fair value through profit or loss	Total
Secured Non Convertible Debentures Listed* *(Secured by paripassu floating charge on book debts and Current Receivables)*	15,008.76	-	-	**15,008.76**
Total	**15,008.76**	**-**	**-**	**15,008.76**
Debt Securities				
In India	**15,008.76**			**15,008.76**
Outside India	-			-
Total	**15,008.76**			**15,008.76**

*Includes EIR impact of transaction cost; excludes unpaid (unclaimed)matured listed debentures of Rs. 5.10 Lakhs

Particulars	As at 31 March 2022			
	At Amortised Cost	At fair value through P&L	Designated at fair value through profit or loss	Total
Secured Non Convertible Debuntures Listed* *(Secured by paripassu floating charge on book debts and Current Receivables)*	14,955.64	-	-	**14,955.64**
Total	**14,955.64**	**-**	**-**	**14,955.64**
Debt Securities				
In India	**14,955.64**			**14,955.64**
Outside India	-			-
Total	**14,955.64**	**-**	**-**	**14,955.64**

*Includes EIR impact of transaction cost; excludes unpaid (unclaimed)matured listed debentures of Rs. 19.00 Lakhs

Note 15.2. Secured Redeemable Non-Convertible Debentures

a) Public Issue

The principal amount of outstanding Secured Redeemable Non-Convertible Listed Debentures raised through Public Issue stood at Rs. **15,008.76 Lakhs (March 31, 2022 Rs. 14,955.64 Lakhs)**

Series	Date of Allotment	31/03/2023	31/03/2022	Redemption period from the date of allotment	Interest Rate %
Secured NCD's	17/03/2020	1.00		24 Months	9.25%
	17/03/2020	4.10	9.00	24 Months	9.25%
	17/03/2020	-	10.00	24 Months	9.50%
	17/03/2020	2,577.40	2,577.40	38 Months	9.50%
	17/03/2020	2,561.04	2,561.04	38 Months	9.50%
	17/03/2020	1,128.82	1,128.82	38 Months	9.75%
	17/03/2020	2,948.23	2,948.23	60 Months	9.75%
	17/03/2020	831.44	831.44	60 Months	9.75%
	17/03/2020	2,621.34	2,621.34	60 Months	10.00%
	17/03/2020	2,402.82	2,402.82	90 Months	9.67%
Sub Total		15,076.19	15,090.09		
Less: Unpaid/(Uncliamed) matured Listed Non Convertible debentures shown as a part of Other Financial Liabilities		(5.10)	(19.00)		
EIR Impact		(62.33)	(115.45)		
TOTAL		**15,008.76**	**14,955.64**		

Note 16. Borrowings (Other Than Debt Securities)

Particulars	As at 31 March 2023			
	At Amortised cost	At fair value through profit or Loss	Designated at fair Value through profit or loss	Total
Term Loan				
From Banks				
Term loan (*Secured by Pari passu charge on current assets and receivables of the Company)*	-	-	-	-
Other Loan				
Loan Against Deposit	1,453.69	-	-	1,453.69
Total	**1,453.69**	**-**	**-**	**1,453.69**
Borrowings				
In India	**1,453.69**	**-**	**-**	**1,453.69**
Outside India	-	-	-	-
Total	**1,453.69**	**-**	**-**	**1,453.69**

Particulars	As at 31 March 2022			
	At Amortised cost	At fair value through profit or Loss	Designated at fair Value through profit or loss	Total
Term Loan				
From Banks				
Term loan (*Secured by Pari passu charge on current assets and receivables of the Company)*	-	-	-	-
Loan From Related Parties				
Loans Repayable on Demand				
From Banks				
Cash Credit/Short Term Loan *(Secured by paripassu floating charge on current assets, book debts, Loans & advances)*	-	-	-	-
Total	-	-	-	-
Borrowings				
In India	-	-	-	-
Outside India	-	-	-	-
Total	-	-	-	-

Note 17. Deposits

Particulars	As at 31 March 2023			
	At Amortised cost	At fair value through profit or Loss	Designated at fair Value through profit or loss	Total
Public Deposit*	5,739.58	-	-	5,739.58
From Others**	15.62	-	-	15.62
Total	5,755.20	-	-	5,755.20

Particulars	As at 31 March 2022			
	At Amortised cost	At fair value through profit or Loss	Designated at fair Value through profit or loss	Total
Public Deposit*	8,358.89	-	-	8,358.89
From Others**	58.39	-	-	58.39
Total	8,417.28	-	-	8,417.28

**Includes deposits from :
-Related parties
-directors & relatives at the time of acceptance of deposit

Maturity of Deposits

Particulars	As at 31 March 2023					
	2023-24	2024-25	2025-26	2026-27	2027-28	Total
From Public	1,399.96	4,027.34	243.42	56.01	12.85	5,739.58
From others	15.62	-	-	-	-	15.62
TOTAL	**1,415.58**	**4,027.34**	**243.42**	**56.01**	**12.85**	**5,755.20**

Particulars	As at 31 March 2022					
	2022-23	2023-24	2024-25	2025-26	2026-27	Total
From Public	2,697.89	1,408.33	4,061.50	155.73	35.44	8,358.89
From others	43.81	14.58	-	-	-	58.39
TOTAL	**2,741.70**	**1,422.91**	**4,061.50**	**155.73**	**35.44**	**8,417.28**

Note 18. Other Financial Liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Interest Accrued but not Due		
On Deposits	112.41	179.06
On Debentures	1,886.38	1,258.11
Unpaid Dividend	0.02	0.02
Matured But Not claimed Deposits		
From Public	80.29	116.23
Interest Due on Matured but not paid Deposit	0.08	6.37
Unpaid (Unclaimed) interest and redemption proceeds on Non - Convertible Debentures	16.44	28.57
Others		
Prepaid Instruments	53.39	53.39
Prefunding for Mobile wallet	3.72	3.72
Other Financial Liabilities*	46.43	115.55
Total	**2,199.16**	**1,761.02**

*Includes the adjustment on interest on interest charged to the borrowers during the morotorium period as per circular DOR.STR.REC.4/21.04.048/2021-22 dated 07/04/2021

Note 19. Provisions

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for Festival Bonus	37.33	15.42
Provision for Leave Encashment	20.91	17.52
Total	**58.24**	**32.94**

Note 20. Income Tax

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Current tax	112.62	-
Deferred tax	(112.16)	189.45
Income Tax of Prior Period	14.37	-
Income tax expense reported in statement of profit and loss	**14.83**	**189.45**
Income tax recognised in other comprehensive income	0.54	(1.32)
Income tax charged to OCI	**0.54**	**(1.32)**

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 of 25.168%. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended March 31, 2023 and year ended March 31, 2022 is, as follows:

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Accounting profit before tax	1,429.71	(656.97)
Statutory income tax rate of 26%	361.98	(165.35)
Expenses disallowed in Income Tax Act, 1961	133.18	(242.48)
Effect of derecognition of previously recognised deferred tax assets	-	-
Additional deduction under Income tax act	(382.54)	407.83
Others	-	-
Income tax expense reported in the statement of profit or loss	**112.62**	**-**

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

Deferred Tax Assets/(Liabilities)	As at 31 March 2023	As at 31 March 2022
Fixed asset: Timing difference on account of Depreciation and Amortisation	7.45	1.08
On application of Expected Credit Loss method for loan loss provisions and related adjustments as per Ind AS 109 and amortisation of net income under EIR method	157.73	86.29
On amortisation of expenses under Effective Interest Rate method for financial liabilities not permitted under Income Tax Act, 1961	9.83	(25.01)
On other provisions	(5.46)	(5.51)
Deferred Tax Assets/(Liabilities) (Net)	**169.55**	**56.85**

Reconciliation of deferred tax assets/(liabilities)

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	56.85	247.63
Tax income/(expense) during the period recognised in profit or loss	112.16	(189.46)
Tax income/(expense) during the period recognised in OCI	0.54	(1.32)
Closing balance	**169.55**	**56.85**

Note 21. Other Non- Financial Liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Statutory Dues Payable	60.89	29.09
Interest Received From Loans In Advance	4.75	4.75
TDS Advance Payable	10.53	18.03
Other Advances	121.22	256.33
Total	**197.39**	**308.20**

Note 22. Equity Share Capital

22.1 The reconciliation of equity shares outstanding at the beginning and at the end of the period

Particulars	As at 31 March 2023	As at 31 March 2022
Authorised		
2,50,00,000 Equity Shares of Rs.10 each	2,500.00	2,500.00
Issued, subscribed and fully paid up		
2,50,00,000 Equity Shares of Rs.10 each	2,500.00	2,500.00
Total Equity	**2,500.00**	**2,500.00**

22.2 Reconciliation of the number of Equity shares and of Equity share capital amount outstanding at the beginning and at the end of the period

Particulars	As at 31 March 2023	As at 31 March 2022
Number of Shares outstanding at the beginning of the Year	250	250
Amount of Share Capital	2,500.00	2,500.00
Number of Shares issued during the Year	-	-
Amount of Shares issued during the Year	-	-
Number of Shares outstanding at the end of the Year	250	250
Amount of Share Capital	2,500.00	2,500.00

22.3 Terms/ rights attached to equity shares

The Company has only one class of equity shares having face value Rs. 10/- per share. All these shares have the same rights and preferences with respect to the payment of dividend, repayment of capital and voting. The Company declares and pays dividends in Indian rupees.
In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shared held by the shareholders.

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

Name	As at 31 March 2023	
	No of Shares	% of holding
George Thomas Muthoot	50.00	20.00
George Jacob Muthoot	50.00	20.00
George Alexander Muthoot	50.45	20.18
Sara George	20.52	8.21
Alexander George	20.52	8.21
George M George	20.52	8.21

Name	As at 31 March 2022	
	No of Shares	% of holding
Sara George	61.55	24.62
George Thomas Muthoot	50.00	20.00
George Jacob Muthoot	50.00	20.00
George Alexander Muthoot	50.41	20.17

Details of Shares held by promotors

Name	As at 31 March 2023		
	No of Shares	% of holding	% of change in shareholding of Promoters during the year
George Thomas Muthoot	50.00	20.00	-
George Jacob Muthoot	50.00	20.00	-
George Alexander Muthoot	50.45	20.18	0.08

Name	As at 31 March 2022		
	No of Shares	% of holding	% of change in shareholding of Promoters during the year
George Thomas Muthoot	50.00	20.00	-
George Jacob Muthoot	50.00	20.00	-
George Alexander Muthoot	50.41	20.17	0.04

22.5 Disclosure as to aggregate number and class of shares allotted as pursuant to contract(s) without payment being received in cash, fully paid up by way of bonus shares and shares bought back.

Particulars	Fully paid up pursuant to contract(s) without payment being received in cash	Fully paid up by way of bonus shares
Equity Shares :		
2022-23	Nil	Nil
2021-22	Nil	Nil
2020-21	Nil	Nil
2019-20	Nil	Nil
2018-19	Nil	Nil

Note 23. Other Equity

Particulars	As at 31 March 2023	As at 31 March 2022
Statutory Reserve		
Balance at the beginning of the year	2,238.58	2,238.58
Add: Transfer from Retained earnings	282.98	-
Balance at the end of the Year	**2,521.56**	**2,238.58**
General Reserve		
Balance at the beginning of the year	86.40	86.40
Add: Transfer from DRR	-	-
Balance at the end of the Year	**86.40**	**86.40**
Retained Earnings		
Balance at the beginning of the year	3,467.70	4,314.12
Add: Profit for the Year	1,414.88	(846.42)
Less: Final Dividend Paid	-	-
Less: Dividend Distribution Tax	-	-
Less: Transfer to Statutory Reserve - 20%	282.98	-
Balance at the end of the Year	**4,599.60**	**3,467.70**
Other Comprehensive Income		
Remeasurement of defined benefit Plan		
Balance at the begining of the year	(21.38)	(25.32)
Add: Addition during the Year	(2.15)	5.26
Less: Income Tax on OCI	0.54	(1.32)
Balance at the end of the Year	**(22.99)**	**(21.38)**
Total	**7,184.58**	**5,771.30**

Nature and purpose of other equity

1. Statutory Reserve

Statutory Reserve represents the Reserve Fund created under Section 45 IC of the Reserve Bank of India Act, 1934. Accordingly, an amount representing 20% of Profit for the period is transferred to the fund for the year.

2. Retained Earnings

This Reserve represents the cumulative profits of the Company. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

3. Debenture Redemption Reserve

MCA wide its notification dated 16th August 2019 exempted NBFCs registered with RBI under section 45 IA of the Reserve Bank of India Act, 1934 from creation of Debenture Redemption Reserve for both privately placed debentures and public issue of Debentures

4. General Reserve

General Reserve represents amounts set aside from retained profits as a reserve to be utilised for permissible general purpose as per the Companies Act 2013.

Revenue From Operation

Note 24. Interest Income

Particulars	For the Year ended March 31, 2023			For the Year ended March 31, 2022		
	On Financial asset measured at fair value through OCI	On Financial asset measured at amortised cost	Interest income on financial assets classified at fair value through profit or loss	On Financial asset measured at fair value through OCI	On Financial asset measured at amortised cost	Interest income on financial assets classified at fair value through profit or loss
Interest On Loans	-	3,584.09	-	-	4,029.55	-
Interest Income From Investments	-	91.71	-	-	117.05	
Interest on Deposits with banks	-	515.92	-	-	707.73	
Total	**-**	**4,191.72**	**-**	**-**	**4,854.33**	**-**

Note 25. Dividend Income

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Dividend Income	1.97	25.24
Total	**1.97**	**25.24**

Note 26. Net Gain on Fair Value Changes

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Net Gain on Fair Value Changes	21.79	0.69
Total	**21.79**	**0.69**

Note 27. Sale of Services

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Income from PPI Business	-	-
Total	**-**	**-**

Note 28. Other Income

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Other Charges from loans	238.60	251.94
Bad Debts recovered	1,711.71	324.16
Profit on sale of Investment	-	2.05
Profit on sale of Fixed Assets	0.25	0.08
Rental Income	12.18	12.18
Income from other source	20.87	0.28
Miscellaneous Income	0.76	2.92
Charges Received on Forfeit	-	0.44
Total	**1,984.37**	**594.05**

Note 29. Finance Cost

Particulars	For the Year ended March 31, 2023		For the Year ended March 31, 2022	
	On financial liabilities measured at fair value through profit or loss	On financial liabilities measured at amortised cost	On financial liabilities measured at fair value through profit or loss	On financial liabilities measured at amortised cost
Interest on Deposit	-	573.32	-	998.33
Interest on borrowings				
- from Directors and Relatives	-	-	-	-
- From Banks	-	9.72	-	(1.50)
Interest on debt securities	-	1,628.27	-	2,120.17
Other Interest	-	-	-	-
Total	**-**	**2,211.31**	**-**	**3,117.00**

Note 30. Fees and Commission Expense

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Fees and Commission Others		
Transaction Fee	0.08	-
Commission Paid to Direcotors	13.10	13.60
Total	**13.18**	**13.60**

Note 31. Impairment on Financial Instruments

Particulars	For the Year ended March 31, 2023		For the Year ended March 31, 2022	
	On financial instruments measured at the fair value through OCI	On financial Instruments measured at amortised cost	On financial Instruments measured at fair value through profit or loss	On financial Instruments measured at amortised cost
Loans	-	-	-	-
Bad Debt Written off		68.80	-	2,525.67
ECL Allowance		357.65	-	(948.42)
Total	**-**	**426.45**	**-**	**1,577.25**

Note 32. Employee Benefit Expense

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Salaries and Allowance		
Salaries and Allowance (Other than PPI business)	1,082.33	683.83
Staff Incentive		
Staff Incentive (Other than PPI business)	155.29	31.33
Contributions to Provident and Other Funds	113.16	66.74
Staff welfare expenses	10.89	4.28
Total	**1,361.67**	**786.18**

Note 33. Depreciation, amortization and impairment

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Depreciation of Tangible Assets	74.08	34.55
Amortization of Intangible Assets	5.48	5.55
Total	**79.56**	**40.10**

Note 34. Other Expenses

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Rent, Taxes and Energy Costs	107.10	66.59
Repairs and Maintenance	29.76	18.92
Communication Expenses	19.68	14.17
Printing and Stationery	12.45	6.05
Advertisement and Publicity	9.24	9.32
Director's fees, allowances and expenses	11.00	12.00
Auditor's fees and expenses	6.48	6.48
Legal & Professional charges	118.79	78.95
Outsourcing Expenses	258.59	259.85
Insurance	11.90	8.45
Rates and taxes	53.83	39.46
Penalty	0.60	0.01
Travelling and Conveyance Expense	15.41	14.74
Bank charges (Other than PPI Business)	7.50	32.99
Other expenditure	15.64	29.17
Total	**677.97**	**597.15**

34.1 Auditor's fees and expenses:

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Payment to the Auditor:		
(i) As Auditor's	5.50	5.50
(ii) For Taxation Matters	0.93	0.87
(ii) For Other services	0.05	0.11
Total	**6.48**	**6.48**

34.2 Expenditure on Corporate Social Responsibility

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
a) Gross amount required to be spent by the Company during the year	-	5.75
b) Amount spent during the period		
i) Construction/acquisition of any asset		
- In cash	-	-
- Yet to be paid in cash	-	-
ii) On purpose other than (i) above -		
- In cash	-	5.75
- Yet to be paid in cash	-	-
Total	**-**	**5.75**

Note 35. Earnings per share

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Net profit attributable to ordinary equity holders	1,414.88	(846.42)
Weighted average number of ordinary shares for basic earnings per share	250.00	250.00
Effect of dilution:	-	-
Weighted average number of ordinary shares adjusted for effect of dilution	250.00	250.00
Earning per share (Basic) (Rs.)	**5.66**	**(3.39)**
Earning per share (Diluted) (Rs.)	**5.66**	**(3.39)**

Note 36. Current Tax Liabilities (Net)

Particulars	As at 31 March 2023	As at 31 March 2022
Advance tax and tax deducted at source (net of provisions)	19.77	-
Closing Balance	**19.77**	**-**

Note 37. Retirement Benefit Plan

Defined Contribution Plan

Eligible employees of the Company receive benefits under the Provident Fund which is a defined contribution plan wherein both the employee and the Company make monthly contributions equal to a specific percentage of covered employees' salary. These contributions are made to the Fund administered and managed by the Government of India and the Company has no further obligation beyond making its contribution. The Company's monthly contributions are charged to Statement of Profit and Loss in the period in which they are incurred:

₹ in Lakhs

Particulars	For the period ended 31st March , 2023	For the period ended 31st March , 2022
Contributions to Provident and Other Funds	98.66	59.32

Defined Benefit Plan

In accordance with the payment of gratuity under 'Payment of Gratuity Act, 1972' of India, the Company provides for gratuity, a defined retirement benefit plan covering eligible employees. Liability with regard to such gratuity is determined by an independent actuarial valuation using the Projected Unit Credit method and is charged to the Statement of Profit and Loss in the year. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the Balance Sheet

The following tables summaries the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the gratuity plan.

Net liability/(assets) recognised in the Balance Sheet

Particulars	As at March 31, 2023	As at March 31, 2022
Present value of obligations	56.42	59.15
Fair value of planned assets	99.01	98.57
Defined Benefit obligation/(asset)	(42.58)	(39.42)
Asset Ceiling	37.17	33.19
Net liability/(assets) recognised in the Balance Sheet	**(5.41)**	**(6.23)**

Post employment defined benefit plan

Net benefit expense recognised in statement of profit and loss	As at March 31, 2023	As at March 31, 2022
Current service cost	6.86	6.08
Interest cost on benefit obligation	2.54	3.05
Interest cost on Asset Ceiling	1.43	1.22
Expected return on plan assets	(4.36)	(4.26)
Actuarial Loss/(Gain)	-	-
Net benefit expense	**6.47**	**6.09**

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

Particulars	As at March 31, 2023	As at March 31, 2022
Defined benefit obligation at the beginning of the year	59.15	76.26
Current service cost	6.86	6.08
Past Service Cost	-	-
Interest cost on benefit obligations	2.54	3.05
Re-measurements due to:	-	-
a. Actuarial changes arising from changes in demographic assumptions	-	-
b. Actuarial changes arising from changes in financial assumptions	(3.46)	(0.42)
c, Actuarial changes arising from changes in experience over the past years	5.84	(2.15)
Benefits paid	(14.51)	(23.67)
Benefit obligation at the end of the year	**56.42**	**59.15**

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

Particulars	As at March 31, 2023	As at March 31, 2022
Fair value of plan assets at the beginning of the year	98.57	113.87
Interest income on plan assets	4.36	4.26
Employer contributions	7.79	0.01
Benefits paid	(14.51)	(23.67)
Re-measurements:	-	-
a. Return on Plan Assets	2.79	4.11
Fair value of plan assets as at the end of the year	**99.00**	**98.58**

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

Particulars	As at March 31, 2023	As at March 31, 2022
Salary Growth Rate	5.00%	5.00%
Discount Rate	6.90%	4.30%
Withdrawal/ Attrition Rate	43 % p.a	43 % p.a
Mortality	IALM 2012-14 (Ult.)	IALM 2012-14 (Ult.)
Interest rate on net DBO (p.a)	4.30%	4.00%
Weighted average duration of remaining working life	1 year	1 year

A quantitative sensitivity analysis for significant assumption as at March 31, 2023 are as shown below:

Assumptions

Assumptions	**Sensitivity Level**	**As at March 31, 2023**
Discount Rate	Increase by 1%	1.23
Discount Rate	Decrease by 1%	1.28
Further Salary Increase	Increase by 1%	1.30
Further Salary Increase	Decrease by 1%	1.26
Employee turnover	Increase by 1%	0.14
Employee turnover	Decrease by 1%	0.15
Mortality Rate	Increase in expected lifetime by 1 year	100.00
Mortality Rate	Increase in expected lifetime by 3 years	300.00

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

Assumptions

Assumptions	**Sensitivity Level**	**As at March 31, 2022**
Discount Rate	Increase by 1%	1.36
Discount Rate	Decrease by 1%	1.42
Further Salary Increase	Increase by 1%	1.40
Further Salary Increase	Decrease by 1%	1.36
Employee turnover	Increase by 1%	0.19
Employee turnover	Decrease by 1%	0.19
Mortality Rate	Increase in expected lifetime by 1 year	38.00
Mortality Rate	Increase in expected lifetime by 3 years	114.00

The sensitivity is performed on the DBO at the respective valuation date by modifying one parameter whilst retaining other parameters constant. There are no changes from the previous period to the methods and assumptions underlying the sensitivity analyses.

The 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.

Note 38. 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. Loans and advances to customers, the Company uses the same basis of expected repayment behaviour as used for estimating the EIR. Issued debt reflect the contractual coupon amortisations.

₹ in Lakhs

Particulars	March 31 2023				March 31 2022			
	Within 12 Months	1-3 Years	More Than 3 Years	Total	Within 12 Months	1-3 Years	More Than 3 Years	Total
Financial Assets								
(a)Cash and Cash Equivalents	7,095.19			7,095.19	5,433.77	-	-	5,433.77
(b)Bank balances other than cash and ca	787.15	32.12		819.27	1,759.45	928.53	-	2,687.97
Loans	13,091.17	8,887.66	2,249.42	24,228.25	10,720.58	11,764.67	157.72	22,642.97
- Adjustment for ECL				(1,124.97)	-	-	-	(767.33)
Investments	921.12	9.93	954.14	1,885.19	936.66	210.76	954.14	2,101.56
Other Financial assets	24.03	19.02	74.03	117.08	28.69	18.10	60.54	107.33
Non - Financial Assets								
Current Tax Assets (Net)	-			-	90.56	-	-	90.56
Deferred Tax Assets (Net)	169.55			169.55	56.85	-	-	56.85
Investment Property			10.83	10.83	-	-	10.83	10.83
Property, plant and equipment			405.03	405.03	-	-	365.86	365.86
Intangible assets			4.16	4.16	-	-	9.49	9.49
Other non-financial assets	254.29	579.24	-	833.52	462.05	624.85	-	1,086.90
Total Assets	**22,342.50**	**9,527.97**	**3,697.61**	**34,443.10**	**19,488.61**	**13,546.91**	**1,558.58**	**33,826.76**
Financial Liability								
Payables	66.31			66.31	80.38	-	-	80.38
Debt Securities	6,263.47	6,363.70	2,381.59	15,008.76	-	6,234.10	8,721.54	14,955.64
Borrowings(other than debt securities)	1,453.69	-	-	1,453.69	-	-	-	-
Deposits	1,415.58	4,270.76	68.86	5,755.20	2,741.70	5,484.42	191.16	8,417.28
Other Financial Liabilities	2,199.16	-		2,199.16	1,761.02	-	-	1,761.02
Non Financial Liabilities								
Current tax liabilities (net)	19.77			19.77	-	-	-	-
Provisions	58.24			58.24	32.94	-	-	32.94
Deferred tax Liability (Net)	-			-	-	-	-	-
Other non-financial liabilities	197.39			197.39	308.20	-	-	308.20
Total	**11,673.61**	**10,634.46**	**2,450.45**	**24,758.52**	**4,924.24**	**11,718.52**	**8,912.70**	**25,555.46**

Note 39. Change in liabilities arising from financing activities

₹ in Lakhs

Particulars	As at March 31, 2022	Cash Flows	Changes in fair value	Other	As at March 31, 2023
Deposits	8,417.28	(2,662.08)	-	-	5,755.20
Debt securities	14,955.64	115.45	-	(62.33)	15,008.76
Borrowings other than debt securities	-	1,453.69	-	-	1,453.69
Total liabilities from financing activities	**23,372.92**	**(1,092.94)**	**-**	**(62.33)**	**22,217.65**

Particulars	As at March 31, 2021	Cash Flows	Changes in fair value	Other	As at March 31, 2022
Deposits	12,340.26	(3,922.98)	-	-	8,417.28
Debt securities	20,929.25	(5,858.16)	-	(115.45)	14,955.64
Borrowings other than debt securities	1.01	(1.01)	-	-	-
Total liabilities from financing activities	**33,270.51**	**(9,782.15)**	**-**	**(115.45)**	**23,372.92**

Note 39.1 : Change in Loan Asset during the period

Particulars	As at March 31, 2022	Cash Flows	Changes in fair value	Other	As at March 31, 2023
Loan	21,875.64	102.66		1,124.97	23,103.28

Note 39.1 : Change in Loan Asset during the period

Particulars	AS at March 31, 2021	Cash Flows	Changes in fair value	Other	As at March 31, 2022
Loan	30,325.52	(9,217.20)		767.33	21,875.64

Note 40. Contingent liabilities, commitments and leasing arrangements

(A) Contingent Liabilities

₹ in Lakhs

Particulars	31 March 2023	31 March 2022
(a) Claims against the company not acknowledged as debt		
-Income Tax Demands	16.28	16.28
-Disputed claims against the company under Litigation not acknowledged as debts	7.71	19.55

Lease Disclosures

Finance Lease :

The Company has not taken or let out any assets on financial lease.

Operating Lease :

All operating lease agreements entered into by the Company are cancellable in nature & does not have a reasonable certainty of being used for a period of more than 12 months.
Consequently, all the leases entered into by the Company are short term leases & the Company has decided to avail exemption provided under paragraph 5 of IndAS 116.

Lease rental received for assets let out on operating lease Rs.12.18 Lakhs (March 31, 2022 Rs.12.18 Lakhs) are recognized as income in the Statement of Profit and Loss under the head 'Other Income.
Lease rental payments for assets taken on operating Lease Rs. 85.82 Lakhs are recognised as Rent in the statement of Profit or Loss

Note 41. Related Party Disclosures

Name of the Related Parties

(A) Key Managerial Personnel	**Designation**
George Alexander Muthoot	Director
Anna Alexander	Director
George M Jacob	Director
Kurian C George	Director
T Thomas Mathew	Director
Ragesh G R	Director
(B) Relatives of Key Management Personnel	
George Jacob Muthoot	Relatives of Directors
George Muthoot Alexander	Relatives of Directors
George Thomas Muthoot	Relatives of Directors
Susan Mathew/George M Jacob*	Relatives of Directors
Elizebath Jacob	Relatives of Directors
(C)Entities over which Key Management Personnel and their relatives are able to exercise significant influence	
Muthoot Finance Limited	Entities over which Key Management Personnel and their relatives are able to exercise significant influence
Muthoot Precious Metals Corporation	Entities over which Key Management Personnel and their relatives are able to exercise significant influence
Muthoot Securities Ltd	Entities over which Key Management Personnel and their relatives are able to exercise significant influence
Muthoot Health Care Pvt Ltd	Entities over which Key Management Personnel and their relatives are able to exercise significant influence
Muthoot M George Institute Of Technology	Entities over which Key Management Personnel and their relatives are able to exercise significant influence
Muthoot Educational Trust	Entities over which Key Management Personnel and their relatives are able to exercise significant influence
Muthoot M George Foundation	Entities over which Key Management Personnel and their relatives are able to exercise significant influence
Muthoot Forex Limited	Entities over which Key Management Personnel and their relatives are able to exercise significant influence
Bell Star Microfinance Limited	Entities over which Key Management Personnel and their relatives are able to exercise significant influence

Related Party Transactions during the year: ₹ in Lakhs

Particulars	Key Management Personnel		Relatives of Key Management Personnel		Entities over which Key Management Personnel and their relatives are able to exercise significant influence /Associates	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Assets						
Loans Given	-	-	-	-	68.14	10.00
Secured Term Loan Given						700.00
Loans Recovered	-	-	-	-	415.17	74.09
Liabilities						
Deposits Repaid	28.28	-	17.67	-	-	150.00
Income						
Rental Income	-	-	-	-	12.18	12.18
Interest Received from Loans	-	-	-	-	6.45	12.24
Interest Received from Secured Term Loans					48.25	9.10
Commission Received	-	-	-	-	0.03	0.28
Expenses						
Interest Paid on Deposits	0.89	3.14	1.62	1.34		7.94
Interest Paid on NCD - PI	-	-	-	-	119.60	114.21
Sitting Fees	11.00	12.00	-	-	.	-
Commission Paid	13.10	13.60	-	-	0.11	0.12
CSR Expenditure	-	-	-	-	-	5.75

Balance Outstanding at the year end:
(Asset)/Liability

Particulars	Key Management Personnel		Relatives of Key Management Personnel		Entities over which Key Management Personnel and their relatives are able to exercise significant influence /Associates	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Assets						
Loan Given	-	-	-	-	102.72	102.71
Secured Term Loan	-	-	-	-	350.00	700.00
Interest Receivable on loans	-	-	-	-	0.50	0.65
Rent Receivable	-	-	-	-	1.10	1.02
Liabilities						
Loan from Directors	-	-	-	-	-	-
Deposits	-	41.54	15.63	16.85	-	-
Interest Payable on Deposit	-	0.47	1.06	0.14	-	-
NCD Public Issue	30.92	272.11		-	1,855.84	1,190.46
Commission		13.60		-	-	0.01
Amounts payable (net) to related parties	**30.92**	**327.72**	**16.69**	**16.99**	**1,401.53**	**386.09**

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) and Executive Committee to be key management personnel for the purposes of IND AS 24 Related Party Disclosures.

Particulars	As at March 31, 2023	As at March 31, 2022
Short-term employee benefits *Salary*	-	-
Total	-	-

* Joint Deposit with either or survivor clause held in the name of Ms. Susan Mathew(Mother in Law of one of the director, Mr. George M Jacob) as first depositor and Mr. George M Jacob director as second depositor

Note 42. Capital

1) Capital Management

Objective

The Company's objective is to maintain appropriate levels of capital to support its business strategy taking into account the regulatory, economic and commercial environment. The Company aims to maintain a strong capital base to support the risks inherent to its business, growth strategies and to maximise shareholder value. The Company endeavours to maintain a higher capital base than the mandated regulatory capital at all times.

Planning

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and requirements of the financial covenants. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

2) Regulatory capital

₹ in Lakhs

Particulars	31 March 2023	31 March 2022
Tier I capital	9,510.87	8,204.96
Tier II capital	-	302.96
Total	**9,510.87**	**8,507.92**
Risk weighted assets (RWA)	24,460.66	24,236.63
Tier I CRAR	38.88%	33.85%
Tier II CRAR	0.00%	1.25%
Total	**38.88%**	**35.10%**

Regulatory capital consists of CET1 capital, which comprises share capital, share premium, retained earnings including current year profit less accrued dividends. Certain adjustments are made to Ind AS-based results and reserves, as prescribed by the Reserve Bank of India. The other component of regulatory capital is other Tier 2 Capital Instruments.

Note 43. 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 initially measured at fair value and subsequently carried at amortised cost in the financial statements. This table does not include the fair values of investments in subsidiaries measured at cost.

₹ in Lakhs

Particulars	Level	Carrying Value		Fair Value	
		As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
Financial assets					
Cash and Cash Equivalents	1	7,095.19	5,433.77	7,095.19	5,433.77
Bank balances other than cash and cash equivalents	1	819.27	2,687.97	819.27	2,687.97
Loans	3	23,103.28	21,875.64	23,103.28	21,875.64
Investments	3	1,885.19	2,101.56	1,885.19	2,101.56
Other financial assets	3	117.08	107.33	117.08	107.33
Total		**33,020.01**	**32,206.27**	**33,020.01**	**32,206.27**
Financial Liabilities					
Trade Payables	3	59.99	76.03	59.99	76.03
Other Payables	3	6.32	4.35	6.32	4.35
Debt securities	2	15,008.76	14,955.64	15,008.76	14,955.64
Borrowings (other than debt securities)	2	1,453.69	-	1,453.69	-
Deposits	2	5,755.20	8,417.28	5,755.20	8,417.28
Other financial liabilities	3	2,199.16	1,761.02	2,199.16	1,761.02
Total		**24,483.12**	**25,214.33**	**24,483.12**	**25,214.33**

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 cash equivalents, trade receivables, balances other than cash and cash equivalents, other financial assets and trade payables without a specific maturity. Such amounts have been classified as Level 2/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 i.e., type of loan. The Company then calculates and extrapolates the fair value to the entire portfolio using Effective interest rate model that incorporate interest rate estimates considering all significant characteristics of the loans. The credit risk is applied as a top-side adjustment based on the collective impairment model incorporating probability of defaults and loss given defaults.

Financial Liability at anortised 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.

Note 44. Risk Management

The Company's principal financial liabilities comprise loans and borrowings. The main purpose of these financial liabilities is to finance the company's operations. At the other hand Company's principal financial assets include loans and cash and cash equivalents 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 has a risk management policy which covers risk associated with the financial assets and liabilities. The risk management policy is approved by the Board of Directors.

Company gives due importance to prudent lending practices and have implemented suitable measures for risk mitigation, which include verification of credit history from credit history from credit information bureaus, personal verification of a customer's business and residence, technical and legal verifications, conservative loan to value, and required term cover for insurance.

I) Credit Risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical concentrations, and by monitoring exposures in relation to such limits.

Credit risk is monitored by the credit department of the Company. It is their responsibility to review and manage credit risk, including environmental and social risk for all types of counterparties. Credit risk consists of line credit managers who are responsible for their business lines and manage specific portfolios and experts who support both the line credit manager, as well as the business with tools like credit risk systems, policies, models and reporting.

The Company has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties. The credit quality review process aims to allow the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective actions.

Definition of default and cure

The Company considers a financial instrument as 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 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 or whether Stage 2 is appropriate.

It is the Company's policy to consider a financial instrument as 'cured' and therefore re-classified out of Stage 3 when none of the default criteria have been present for at least three consecutive months. The decision whether to classify an asset as Stage 2 or Stage 1 once cured depends on the updated credit grade, at the time of the cure, and whether this indicates there has been a significant increase in credit risk compared to initial recognition.

Company's internal credit rating grades and staging criteria for loans are as follows:

Rating	**Loans Days past due (DPD/ Year)**	**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	61-90 DPD	Stage II
Individually impaired	91 DPD or More	Stage III

Individually Impaired V rating is given for total loss Asset which is determined not based on DPD but on, actual credit quality of the asset.

Exposure at Default (EAD)

The Exposure at Default is an estimate of the exposure at a future default date, considering expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest.

Probability of default (PD)

The Probability of Default is an estimate of the likelihood of default over a given time horizon. To calculate the ECL for a Stage 1 loan, the Company assesses the possible default events within 12 months for the calculation of the 12month 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.

Based on its review of macro-economic developments and economic outlook, the Company has assessed that no adjustment is required for temporary overlays to determine qualitative impact on its PD's as at March 31, 2023 and March 31, 2022.

Pools	As at March 31,2023		
	Stage 1	Stage 2	Stage 3
New Car Loans	3.47%	7.41%	100.00%
Used Car Loans	5.74%	15.37%	100.00%
New Two wheeler Loans	2.29%	5.82%	100.00%
Used Two wheeler Loans	7.76%	13.85%	100.00%
Commercial Vehicle Loans	10.45%	21.17%	100.00%
Business Loan	6.15%	N/A	N/A
Mortgage Loan	9.83%	N/A	100.00%
Personal Loan	6.92%	N/A	100.00%
Gold Loan	10.00%	50%	100.00%

Pools	As at March 31,2022		
	Stage 1	Stage 2	Stage 3
New Car Loans	3.12%	10.86%	100.00%
Used Car Loans	5.88%	15.18%	100.00%
New Two wheeler Loans	1.10%	2.59%	100.00%
Used Two wheeler Loans	8.80%	18.32%	100.00%
Commercial Vehicle Loans	10.94%	24.88%	100.00%
Hypothecation-Others Loans	7.39%	4.33%	100.00%
Business Development Loan	11.79%	21.24%	100.00%
Personal Loan	4.04%	14.02%	100.00%
Gold Loan	7.39%	N/A	N/A

Loss Given Default

The Company determines its recovery rates by analysing the recovery trends over different periods of time after a loan has defaulted. Based on its analysis of historical trends, the Company has assessed that significant recoveries happen in the year in which default has occurred. In estimating LGD, the company reviews macro-economic developments taking place in the economy.

Pools	As at March 31,2023		
	Stage 1	Stage 2	Stage 3
New Car Loans	49.44%	49.44%	49.44%
Used Car Loans	43.89%	43.89%	43.89%
Two wheeler Loans	52.10%	52.10%	52.10%
Commercial Vehicle Loans	28.37%	28.37%	28.37%
Business Loan	6.85%	N/A	N/A
Mortgage Loan	50.00%	N/A	50.00%
Personal Loan	54.46%	N/A	54.46%
Gold Loan	25.00%	10.00%	25.00%

LGD Rates have been computed internally based on the discounted recoveries in defaulted accounts that are closed/ written off/ repossessed and upgraded during the year.

Pools	As at March 31,2022		
	Stage 1	Stage 2	Stage 3
New Car Loans	32.01%	32.01%	32.01%
Used Car Loans	32.47%	32.47%	32.47%
Two wheeler Loans	40.39%	40.39%	40.39%
Commercial Vehicle Loans	26.67%	26.67%	26.67%
Hypothecation-Others Loans	14.16%	14.16%	14.16%
Business Development Loan	50.00%	50.00%	50.00%
Personal Loan	55.11%	55.11%	100.00%
Gold Loan	14.73%	N/A	N/A

Analysis of risk concentration
Industry analysis

As at March 31, 2023	Financial Services	Government	Total
Financial assets			
Cash and cash equivalent	7,095.19	-	**7,095.19**
Bank Balance other than Cash and cash equivalent	819.27	-	**819.27**
Loans	23,103.28	-	**23,103.28**
Investments	619.58	1,265.61	**1,885.19**
Other Financial assets	117.08	-	**117.08**
Total	**31,754.40**	**1,265.61**	**33,020.01**
Other commitments	-	-	-
	31,754.40	**1,265.61**	**33,020.01**

As at March 31, 2022	Financial Services	Government	Total
Financial assets			
Cash and cash equivalent	5,433.77	-	**5,433.77**
Bank Balance other than Cash and cash equivalent	2,687.97	-	**2,687.97**
Loans	21,875.64	-	**21,875.64**
Investments	573.36	1,528.20	**2,101.56**
Other Financial Asset	107.33	-	**107.33**
Total	**30,678.07**	**1,528.20**	**32,206.27**
Other commitments	-	-	-
	30,678.07	**1,528.20**	**32,206.27**

The company does not cater much region as of now and is in the process of building its business. The whole concentration is based out of south region which has its credit exposure of risk spread :-

	As at March 31, 2023			As at March 31, 2022		
Particulars	**Stage I**	**Stage II**	**Stage III**	**Stage I**	**Stage II**	**Stage III**
South region	22,184.35	694.80	1,349.10	18,143.63	3,398.44	1,100.90

Collateral and other credit enhancements

The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are in place covering the acceptability and valuation of each type of collateral.

The tables on the following pages show the maximum exposure to credit risk by class of financial asset. They also shows the total fair value of collateral, any surplus collateral (the extent to which the fair value of collateral held is greater than the exposure to which it relates), and the net exposure to credit risk.

The main type of collateral are as follows:-
Management provide Vehicle Loan against hypothecation of vehicle . The vehicle is hypothecated in the name of company and based on the company policy of loan to value ratio, the loan is provided.

₹ in Lakhs

		Fair value of collateral and credit enhancements held											
As at March 31, 2023	Maximum exposure to credit risk	Cash	Securities	Bank and government guarantees	Plant and Machinery	Land and building	Household used Gold Ornaments	Book debts, Inventory and other working capital items	Vehicle	Surplus collateral	Total collateral	Net exposure	Associated ECLs
Financial assets													
Cash and cash equivalents	7,095.19	7,095.19									7,095.19	-	
Bank Balance other than above	819.27	819.27									819.27	-	
Loans											-	-	
(i) Loan against Hypothecation	18,288.29								18,288.29		18,288.29	-	946.97
(ii) Business Loan	171.70							171.70			171.70	-	12.01
(iii) Personal Loan	2.79										-	2.79	0.12
(iv) Loans against Deposits	36.82		36.82								36.82	-	0.92
(v) Trade Advance	39.92							39.92			39.92	-	1.00
(vi) Gold Loan	2,935.01						2,935.01				2,935.01	-	75.24
(vii) Secured Term Loan	350.00							350.00			350.00	-	8.75
(viii) Mortgage Loan	238.12				238.12						238.12	-	25.83
(ix) Coprporte Loan	2,165.60							2,165.60			2,165.60	-	54.13
Other Financial assets	117.08										-	117.08	
Investments	1,885.19		1,885.19		-						1,885.19	-	
Total financial assets at amortised cost	**34,144.98**	**7,914.46**	**1,922.01**	**-**	**238.12**	**-**	**2,935.01**	**2,727.22**	**18,288.29**		**34,025.11**	**119.87**	**1,124.97**
Other commitments	-												

		Fair value of collateral and credit enhancements held											
As at March 31, 2022	Maximum exposure to credit risk	Cash	Securities	Bank and government guarantees	Plant and Machinery	Land and building	Household used Gold Ornaments	Book debts, Inventory and other working capital items	Vehicle	Surplus collateral	Total collateral	Net exposure	Associated ECLs
Financial assets													
Cash and cash equivalents	5,433.77	5,433.77									5,433.77	-	
Bank Balance other than above	2,687.97	2,687.97									2,687.97	-	
Loans											-	-	
(i) Loan against Hypothecation	19,542.20								19,542.20		19,542.20	-	719.94
(ii) Business Development Loan	327.78							327.78			327.78	-	0.50
(iii) Personal Loan	4.23										-	4.23	0.14
(iv) Loans against Deposits	25.79		25.79								25.79	-	0.64
(v) Trade Advance	180.93							180.93			180.93		4.52
(vi) Gold Loan	1,499.28						1,499.28				1,499.28	-	16.31
(vii) Secured Term Loan	700.00							700.00			700.00		12.93
(viii) Mortgage Loan	362.76				362.76						362.76		12.34
Other Financial assets	107.33										-	107.33	
Investments	2,101.56		2,101.56								2,101.56	-	
Total financial assets at amortised cost	**32,973.60**	**8,121.74**	**2,127.35**	**-**	**362.76**	**-**	**1,499.28**	**1,208.71**	**19,542.20**	**-**	**32,862.04**	**111.56**	**767.32**
Other commitments	-												

II) Market risk

Market Risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity, and other market changes. The objective of market risk management is to avoid excessive exposure of our earnings and equity to loss and reduce our exposure to the volatility inherent in financial instruments. The Company is exposed to two types of market risk as follows:

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company is subject to interest rate risk, primarily since it lends to customers at fixed rates and for maturity periods shorter than the funding sources. Borrowings at floating rates gives rise to interest rate risk. Interest rates are highly sensitive to many factors beyond control, including the monetary policies of the Reserve Bank of India, deregulation of the financial sector in India, domestic and international economic and political conditions, inflation and other factors. In order to manage interest rate risk, the company seek to optimize borrowing profile between short-term and long-term loans. The company adopts funding strategies to ensure diversified resource-raising options to minimize cost and maximize stability of funds. Assets and liabilities are categorized into various time buckets based on their maturities and Asset Liability Management Committee supervise an interest rate sensitivity report periodically for assessment of interest rate risks. The Interest Rate Risk is mitigated by availing funds at very competitive rates through diversified borrowings and for different tenors.

The following table demonstrates the sensitivity to a reasonably possible change in the interest rates on the portion of borrowings affected. With all other variables held constant, the profit before tax is affected through the impact on floating rate borrowings, as follows:

	31/03/2023	31/03/2022
On Borrowings		
1% increase	0	0
1% decrease	0	0

Prepayment risk
Prepayment risk is the risk that the Company will incur a financial loss because its customers and counterparties repay or request repayment earlier or later than expected, such as fixed rate mortgages when interest rates fall.

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.

Disclosure with regard to dues to Micro Enterprises and Small Enterprises
Based on and to the extent on information received by the Company from the Suppliers during the year regarding their status under the Micro Small and Medium Enterprises Development Act, 2006(MSMED Act) there are no amounts due to the suppliers registered under MSMED Act, 2006.

Segment reporting
The Company is primarily engaged in the business of financing and there are no separate reportable segments identified as per the ind AS 108 - Segment Reporting.

Note 45. RBI Disclosures

Asset Classification

₹ in Lakhs

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
-1	2	3	4	(5)=(3)-(4)	6	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	22,184.33	466.73	21,717.60	88.25	378.48
	Stage 2	694.81	31.52	663.29	2.69	28.82
Subtotal		**22,879.14**	**498.25**	**22,380.89**	90.94	**407.31**
Non-Performing Assets (NPA)						
Substandard	Stage 3	1,248.65	579.63	669.01	124.86	454.77
Doubtful - up to 1 year	Stage 3	100.46	47.09	53.36	20.04	27.06
1 to 3 years	Stage 3					-
More than 3 years	Stage 3					-
Subtotal for doubtful		100.46	47.09	53.36	20.04	27.06
Loss	Stage 3					
Subtotal for NPA		1,349.11	626.72	722.39	144.90	481.82
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1					
	Stage 2					
	Stage 3					
Subtotal						
	Stage 1	**22,184.33**	**466.73**	**21,717.60**	**88.25**	**378.48**
	Stage 2	**694.81**	**31.52**	**663.29**	**2.69**	**28.82**
Total	**Stage 3**	**1,349.11**	**626.72**	**722.39**	**144.90**	**481.82**
	Total	**24,228.25**	**1,124.97**	**23,103.28**	**235.84**	**889.12**

Note 46.1. Disclosure of Restructured Accounts

Appendix 4

₹ in Lakhs

Sl. No.	Type of Restructuring		Under CDR Mechanism					Under SME Debt Restructuring Mechanism					Others					Total				
	Asset Classification		Standard	Sub-standard	Doubtful	Loss	Total	Standard	Sub-standard	Doubtful	Loss	Total	Standard	Sub-standard	Doubtful	Loss	Total	Standard	Sub-standard	Doubtful	Loss	Total
	Details																					
1	Restructured Accounts as on April 1 of the FY (opening figures)*	No. of borrowers											85	4	-		89	85	4	-		**89**
		Amount outstanding											782.79	109.48	-		892.27	782.79	109.48	-		**892.27**
		Provision thereon											71.44	30.52	-		101.96	71.44	30.52	-		**101.96**
2	Fresh restructuring during the year	No. of borrowers											-	-	-		-	-	-	-		-
		Amount outstanding											-	-	-		-	-	-	-		-
		Provision thereon											-	-	-		-	-	-	-		-
3	Up gradations to restructured standard category during the FY	No. of borrowers											3				3	3.00	-	-		**3**
		Amount outstanding											44.10				44.10	44.10	-	-		**44.10**
		Provision thereon											4.46				4.46	4.46	-	-		**4.46**
4	Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY	No. of borrowers																				
		Amount outstanding																				
		Provision thereon																				
5	Down gradations of restructured accounts during the FY	No. of borrowers												8			8	-	8.00	-		**8**
		Amount outstanding												38.77			38.77	-	38.77	-		**38.77**
		Provision thereon												3.36			3.36	-	3.36	-		**3.36**
6	Write-offs of restructured accounts during the FY	No. of borrowers											1	-	-		1	1.00	-	-		**1**
		Amount outstanding											2.61	-	-		2.61	2.61	-	-		**2.61**
		Provision thereon											0.26	-	-		0.26	0.26	-	-		**0.26**
7	Restructured Accounts as on March 31 of the FY (closing figures*)	No. of borrowers											68	9	-		77	**68**	**9**	-		**77**
		Amount outstanding											536.18	38.90	-		575.08	**536.18**	**38.90**	-		**575.08**
		Provision thereon											54.30	3.89	-		58.19	**54.30**	**3.89**	-		**58.19**

** Excluding the figures of Standard Restructured Advances which do not attract higher provisioning or risk weight (if applicable).*

Note 46.2: RBI Disclosures Pursuant to Circular No: DOR.No.BP.BC/3/21.04.048/2020-21

₹ in Lakhs

COVID-19-Restructured Accounts

Type of borrower	(A) Number of accounts where resolution plan has been implemented under this window	(B) exposure to accounts mentioned at (A) before implementation of the plan	(C) Of (B), aggregate amount of debt that was converted into other securities	(D) Additional funding sanctioned, if any, including between invocation of the plan and implementation	(E) Increase in provisions on account of the implementation of the resolution plan
Personal Loans	-	-	-	-	-
Corporate Persons*	-	-	-	-	-
Of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

**As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016*

Note 47.1 Disclosure as per the circular no. RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated November 04, 2019 issued by Reserve Bank of India regarding Liquidity Coverage Ratio (LCR)

Maintenance of Liquidity Coverage Ratio (LCR)

Reserve Bank of India vide its notification no. RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/ 03.10.001/ 2019-20 dated November 04, 2019 introduced Liquidity Coverage Ratio for certain categories of NBFCs w.e.f December 01, 2020 . All non-deposit taking NBFCs with asset size of ₹10,000 crore and above, and all deposit taking NBFCs irrespective of their asset size, shall maintain a liquidity buffer in terms of LCR which will promote resilience of NBFCs to potential liquidity disruptions by ensuring that they have sufficient High Quality Liquid Asset (HQLA) to survive any acute liquidity stress scenario lasting for 30 days. The stock of HQLA to be maintained by the NBFCs shall be minimum of 100% of total net cash outflows over the next 30 calendar days. The LCR requirement shall be binding on NBFCs from December 1, 2020 with the minimum HQLAs to be held being 50% of the LCR, progressively reaching up to the required level of 100% by December 1, 2024, as per the time-line given below:

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

A) Quantitative Disclosure

₹ in Lakhs

Sl. No.	Particulars	As at March 31, 2023		As at December 31, 2022		As at September 30, 2022		As at June 31, 2022	
		Total Unweighted Value	Total Weighted Value	Total Unweighted Value	Total Weighted Value	Total Unweighted Value	Total Weighted Value	Total Unweighted Value	Total Weighted Value
	High Quality Liquid Assets								
1	Total High Quality Liquid Assets (HQLA)	8,856.46	8,856.46	9,442.03	9,442.03	10,296.01	10,296.01	9,405.68	9,405.68
	Cash Outflows								
2	Deposits (for deposit taking companies)	415.28	477.57	246.17	283.10	350.48	403.05	236.33	271.78
3	Unsecured wholesale funding								
4	Secured wholesale funding	-	-	-	-	-	-	-	-
5	Additional requirements, of which								
	(i) Outflows related to derivative exposures and other collateral requirements								
	(ii) Outflows related to loss of funding on debt products								
	(iii) Credit and liquidity facilities	-	-	-	-	-	-	-	-
6	Other contractual funding obligations	372.73	428.64	962.46	1,106.83	825.23	949.02	752.77	865.68
7	Other contingent funding obligations								
8	**Total Cash Outflows**	**788.01**	**906.21**	**1,208.64**	**1,389.93**	**1,175.71**	**1,352.07**	**989.10**	**1,137.46**
	Cash Inflows								
9	Secured lending								
;	Inflows from fully performing exposures	864.26	648.20	918.07	688.55	1,022.52	766.89	979.11	734.33
11	Other cash inflows	-	-	-	-	-	-	-	-
12	**Total Cash Inflows**	**864.26**	**648.20**	**918.07**	**688.55**	**1,022.52**	**766.89**	**979.11**	**734.33**
13	**Total HQLA**	**8,856.46**	**8,856.46**	**9,442.03**	**9,442.03**	**10,296.01**	**10,296.01**	**9,405.68**	**9,405.68**
14	**Total Net Cash Outflows**		**258.01**		**347.48**		**338.02**		**284.37**
15	**Liquidity Coverage Ratio (%)**		**3433%**		**2717%**		**3046%**		**3308%**

Sl. No.	Particulars	As at March 31, 2022		As at December 31, 2021		As at September 30, 2021		As at June 31, 2021	
		Total Unweighted Value	Total Weighted Value	Total Unweighted Value	Total Weighted Value	Total Unweighted Value	Total Weighted Value	Total Unweighted Value	Total Weighted Value
	High Quality Liquid Assets								
1	Total High Quality Liquid Assets (HQLA)	12,968.76	12,968.76	14,726.97	14,726.97	14,324.51	14,324.51	12,061.62	12,061.62
		-	-	-	-	-	-	-	-
	Cash Outflows	-	-	-	-	-	-	-	-
2	Deposits (for deposit taking companies)	409.96	471.45	658.07	756.78	271.00	311.65	196.45	225.92
3	Unsecured wholesale funding	-	-	-	-	-	-	-	-
4	Secured wholesale funding	1,676.64	1,928.13	-	-	-	-	-	-
5	Additional requirements, of which	-	-	-	-	-	-	-	-
	(i) Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-
	(ii) Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
	(iii) Credit and liquidity facilities	-	-	-	-	-	-	-	-
6	Other contractual funding obligations	557.01	640.56	254.77	292.98	275.54	316.87	242.98	279.42
7	Other contingent funding obligations	-	-	-	-	-	-	-	-
8	**Total Cash Outflows**	**2,643.61**	**3,040.14**	**912.84**	**1,049.76**	**546.54**	**628.52**	**439.43**	**505.34**
		-	-	-	-	-	-	-	-
	Cash Inflows	-	-	-	-	-	-	-	-
9	Secured lending	-	-	-	-	-	-	-	-
;	Inflows from fully performing exposures	1,261.83	946.38	1,175.19	881.39	1,548.47	1,161.35	1,176.40	882.30
11	Other cash inflows	-	-	-	-	-	-	-	-
12	**Total Cash Inflows**	**1,261.83**	**946.38**	**1,175.19**	**881.39**	**1,548.47**	**1,161.35**	**1,176.40**	**882.30**
		-	-	-	-	-	-	-	-
13	**Total HQLA**	**12,968.76**	**12,968.76**	**14,726.97**	**14,726.97**	**14,324.51**	**14,324.51**	**12,061.62**	**12,061.62**
14	**Total Net Cash Outflows**	**-**	**2,093.77**	**-**	**262.44**	**-**	**157.13**	**-**	**126.34**
15	**Liquidity Coverage Ratio (%)**		**619%**		**5612%**		**9116%**		**9547%**

Note:

1) Unweighted values calculated as outstanding balances maturing or callable within 30 days (for Cash inflows and Cash outflows)
2) Weighted values calculated after the application of respective haircuts (for HQLA) and stress factors (on cash inflow/cash outflow)
3) The average LCR is computed as simple averages of daily observations over the previous quarters
4) The figures pertaining to the respective months used for the quantitative disclosure are based on the estimates and assumptions of the management, which have been relied upon by the auditors.

B) Qualitative Disclosure

The Company follows the criteria laid down by RBI for calculation of High Quality Liquid Assets (HQLA), gross outflows and inflows within the next 30-day period. HQLA predominantly comprises unencumbered Cash and Bank balances, Government securities viz.

The Board shall have the overall responsibility for management of liquidity risk. The Board shall decide the strategy, policies and procedures to manage liquidity risk in accordance with the liquidity risk tolerance/limits decided by it from time to time.

The ALM Committee of the Board of Directors shall be responsible for evaluating the liquidity risk.

The Asset-Liability Management Committee (ALM) consisting of the NBFC's top management shall be responsible for ensuring adherence to the risk tolerance/limits set by the Board as well as implementing the liquidity risk management strategy of the NBFC. Mr. George Alexander Muthoot (Director) heads the Committee. The role of the ALM committee with respect to liquidity risk include, inter alia, decision on desired maturity profile and mix of incremental assets and liabilities, sale of assets as a source of funding, the structure, responsibilities and controls for managing liquidity risk, and overseeing the liquidity positions of the Company

Note 47.2: 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): (₹ in Crore)

Date	Number of Significant Counterparties	Amount	% of Total Deposits	% of Total Liabilities
31/03/2023	4	26.06	45.28%	10.53%
31/03/2022	2	17.65	20.96%	6.90%

(ii)Top 20 large deposits:

Date	Amount	% of Total Deposit
31/03/2023	10.93	18.99%
31/03/2022	11.75	13.96%

(iii)Top 10 borrowings :

Date	Amount	% of Total Borrowings
31/03/2023	26.84	17.88%
31/03/2022	24.49	16.35%

(iv) Funding Concentration based on significant instrument/product

Name of the instrument/product	As at March 31, 2023		As at March 31, 2022	
	Amount	% of Total Liabilities	Amount	% of Total Liabilities
Secured Non-Convertible Debentures	150.09	60.62%	149.76	58.60%
Borrowings from Banks/FIs	14.54	5.87%	0.00	0.00%
Deposits	57.55	23.25%	84.17	32.94%
Other Loans-Loans from Directors and relatives	0.00	-	0.00	0.00%
Total	**222.18**	**89.74%**	**233.93**	**91.54%**

Note:

a) Total Liabilities represent Total Liabilities and Equity as per Balance Sheet less Equity.

(v)Stock Ratios:

Stock Ratios	As at March 31, 2023	As at March 31, 2022
Commercial Paper as a % of Total Public Funds	Nil	Nil
Commercial Paper as a % of Total Liabilities	Nil	Nil
Commercial Paper as a % of Total Assets	Nil	Nil
Non-convertible debentures (NCDs)(original maturity of less than one year) as a % of Total Public Funds	Nil	Nil
Non-convertible debentures (NCDs)(original maturity of less than one year) as a % of Total Liabilities	Nil	Nil
Non-convertible debentures (NCDs)(original maturity of less than one year) as a % of Total Assets	Nil	Nil
Other Short-term Liabilities to Total Public Funds	56.22%	15.93%
Other Short-term Liabilities to Total Liabilities	47.15%	14.58%
Other Short-term Liabilities to Total Assets	33.89%	14.58%

Note:

a) Public Fund represents Debt Securities, Borrowings (other than debt securities) and excludes Loan from Directors and Relatives

b) Total Liabilities represent Total Liabilities and Equity as per Balance Sheet less Equity.

c) Other Short Term Liabilities represent all liabilities (excluding Commercial Paper) maturing within a year.

(vi) Institutional set-up for Liquidity Risk Management

The Board shall have the overall responsibility for management of liquidity risk. The Board shall decide the strategy, policies and procedures to manage liquidity risk in accordance with the liquidity risk tolerance/limits decided by it from time to time.

The ALM Committee of the Board of Directors shall be responsible for evaluating the liquidity risk.

The Asset-Liability Management Committee (ALCO) consisting of the NBFC's top management shall be responsible for ensuring adherence to the risk tolerance/limits set by the Board as well as implementing the liquidity risk management strategy of the NBFC. The CEO heads the Committee. The role of the ALCO with respect to liquidity risk include, inter alia, decision on desired maturity profile and mix of incremental assets and liabilities, sale of assets as a source of funding, the structure, responsibilities and controls for managing liquidity risk, and overseeing the liquidity positions of the Company.

NOTE 48

Disclosure as required by RBI Circular DNBR (PD) CC No. 040/03.01.001/2014-15 dated June 03, 2015 and DOR.ACC.REC.No.20/21.04.018/2022-23 dated April 19,2022

48.1 Capital

(₹ in Crore)

S. No.	Particulars	As at 31 March 2023	As at 31 March 2022
i)	CRAR (%)	38.88	35.10
ii)	CRAR - Tier I Capital (%)	38.88	33.85
iii)	CRAR - Tier II Capital (%)	-	1.25
iv)	Amount of subordinated debt raised as Tier-II capital	-	-
v)	Amount raised by issue of Perpetual Debt Instruments	-	-

48.2 Investments

(₹ in Crore)

S. No.		Particulars	As at 31 March 2023	As at 31 March 2022
1		**Value of Investments**		
	(i)	Gross Value of Investments	18.96	21.12
		(a) In India	18.96	21.12
		(b) Outside India	-	-
	(ii)	Provisions for Depreciation	-	-
		(a) In India	-	-
		(b) Outside India	-	-
	(iii)	Net Value of Investments	18.96	21.12
		(a) In India	18.96	21.12
		(b) Outside India.	-	-
2		**Movement of provisions held towards depreciation on investments.**	-	-
	(i)	Opening balance	-	-
	(ii)	Add : Provisions made during the year	-	-
	(iii)	Less : Write-off / write-back of excess provisions during the year	-	-
	(iv)	Closing balance	-	-

48.3 Derivatives

48.3.1 Forward Rate Agreement / Interest Rate Swap

(₹ in Crore)

S. No.	Particulars	As at 31 March 2023	As at 31 March 2022
(i)	The notional principal of swap agreements	Nil	Nil
(ii)	Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements	Nil	Nil
(iii)	Collateral required by the NBFC upon entering into swaps	Nil	Nil
(iv)	Concentration of credit risk arising from the swaps $	Nil	Nil
(v)	The fair value of the swap book @	Nil	Nil

Note: Nature and terms of the swaps including information on credit and market risk and the accounting policies adopted for recording the swaps should also be disclosed.

$ *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.*

48.3.2 Exchange Traded Interest Rate (IR) Derivatives

(₹ in Crore)

S. No.	Particulars	As at 31 March 2023
(i)	Notional principal amount of exchange traded IR derivatives undertaken during the year (instrument-wise) a) b) c)	Nil
(ii)	Notional principal amount of exchange traded IR derivatives outstanding as on 31st March 2023 (instrument-wise) a) b) c)	Nil
(iii)	Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise) a) b) c)	Nil
(iv)	Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise) a) b) c)	Nil

48.3.3 Disclosures on Risk Exposure in Derivatives

Quantitative Disclosures

(₹ in Crore)

Sl. No.	Particular	Currency Derivatives	Interest Rate Derivatives
(i)	Derivatives (Notional Principal Amount)	Nil	Nil
	For hedging	Nil	Nil
(ii)	Marked to Market Positions [1]		
	a) Asset (+)	Nil	Nil
	b) Liability (-)	Nil	Nil
(iii)	Credit Exposure [2]	Nil	Nil
(iv)	Unhedged Exposures	Nil	Nil

48.4 Disclosures relating to Securitisation

(₹ in Crore)

Sl. No.	Particulars	No. / Amount in crore
1	No of SPVs sponsored by the NBFC for securitisation transactions*	Nil
2	Total amount of securitised assets as per books of the SPVs sponsored	Nil
3	Total amount of exposures retained by the NBFC to comply with MRR as on the date of balance sheet	Nil
	a) Off-balance sheet exposures	
	First loss	Nil
	Others	Nil
	b) On-balance sheet exposures	
	First loss	Nil
	Others	Nil
4	Amount of exposures to securitisation transactions other than MRR	
	a) Off-balance sheet exposures	
	i) Exposure to own securitizations	Nil
	First loss	Nil
	Loss	Nil
	ii) Exposure to third party securitisations	Nil
	First loss	Nil
	Others	Nil
	b) On-balance sheet exposures	
	i) Exposure to own securitisations	Nil
	First loss	Nil
	Others	Nil
	ii) Exposure to third party securitisations	Nil
	First loss	Nil
	Others	Nil

**Only the SPVs relating to outstanding securitisation transactions may be reported here*

48.4.2 Details of Financial Assets sold to Securitisation / Reconstruction Company for Asset Reconstruction

(₹ in Crore)

Sl. No.	Particulars	As at 31 March 2023	As at 31 March 2022
(i)	No. of accounts	Nil	Nil
(ii)	Aggregate value (net of provisions) of accounts sold to SC / RC	Nil	Nil
(iii)	Aggregate consideration	Nil	Nil
(iv)	Additional consideration realized in respect of accounts transferred in earlier years	Nil	Nil
(v)	Aggregate gain / loss over net book value	Nil	Nil

48.4.3 Details of Assignment transactions undertaken by NBFCs

(₹ in Crore)

Sl. No.	Particulars	As at 31 March 2023	As at 31 March 2022
(i)	No. of accounts	Nil	Nil
(ii)	Aggregate value (net of provisions) of accounts sold	Nil	Nil
(iii)	Aggregate consideration	Nil	Nil
(iv)	Additional consideration realized in respect of accounts transferred in earlier years	Nil	Nil
(v)	Aggregate gain / loss over net book value	Nil	Nil

48.4.4 Details of non-performing financial assets purchased / sold

A. Details of non-performing financial assets purchased:

(₹ in Crore)

Sl. No.		Particulars	As at 31 March 2023	As at 31 March 2022
1	(a)	No. of accounts purchased during the year	Nil	Nil
	(b)	Aggregate outstanding	Nil	Nil
2	(a)	Of these, number of accounts restructured during the year	Nil	Nil
	(b)	Aggregate outstanding	Nil	Nil

B. Details of Non-performing Financial Assets sold :

(₹ in Crore)

Sl. No.	Particulars	As at 31 March 2023	As at 31 March 2022
1	No. of accounts sold	Nil	Nil
2	Aggregate outstanding	Nil	Nil
3	Aggregate consideration received	Nil	Nil

48.5 Asset Liability Management Maturity pattern of certain items of Assets and Liabilities

(₹ in Crore)

Particulars	0 day to 7 days	8 days 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
Deposits	0.01	-	0.49	0.80	1.05	4.17	7.63	42.71	0.69	-	**57.55**
Debenture	-	-	-	62.63	-	-	-	63.64	23.82	-	**150.09**
Advances	6.19	3.29	1.55	9.31	9.17	26.95	74.46	88.88	22.48	0.01	**242.29**
Investments	7.17	-	-	0.40	1.21	0.40	0.03	0.10	7.89	1.76	**18.96**
Fixed Deposit With Banks	2.23	-	-	65.96	-	3.12	4.07	0.32	-	-	**75.70**
Borrowings	1.99	-	-	12.55	-	-	-	-	-	-	**14.54**
Foreign Currency assets	-	-	-	-	-	-	-	-	-	-	**-**
Foreign Currency liabilities	-	-	-	-	-	-	-	-	-	-	**-**

48.6 Exposures

48.6.1 Exposure to Real Estate Sector

(₹ in Crore)

Sl. No.	Category	As at 31 March 2023	As at 31 March 2022
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. Exposure would also include non-fund based limits	1.84	3.37
(ii)	Commercial Real Estate - Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based limits	1.96	3.09
(iii)	Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
	a. Residential	-	-
	b. Commercial Real Estate	-	-
b)	Indirect Exposure Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies.	-	-
	Total Exposure to Real Estate Sector	3.80	6.46

48.6.2 Exposure to Capital Market

(₹ in Crore)

Sl. No.	Particulars	As at 31 March 2023	As at 31 March 2022
(i)	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	Nil	Nil
(ii)	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity oriented mutual funds	Nil	Nil
(iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	Nil	Nil
(iv)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	Nil	Nil
(v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	Nil	Nil
(vi)	Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	Nil	Nil
(vii)	Bridge loans to companies against expected equity flows / issues;	Nil	Nil
(viii)	Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	Nil	Nil
(ix)	Financing to stockbrokers for margin trading	Nil	Nil
(x)	All exposures to Alternative Investment Funds:	Nil	Nil
	a. Category I	Nil	Nil
	b. Category II	Nil	Nil
	c. Category III	Nil	Nil
	Total Exposure to Capital Market	Nil	Nil

48.6.3 Sectoral Exposure

(₹ in Crore)

Sectors	As at 31 March 2023			As at 31 March 2022		
	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities	0.00	0.00	0.00	0.00	0.00	0.00
2. Industry						0.00
i) Financial Institution/Financial Services(NBFC's)	25.16	0.00	0.00	7.00	0.00	0.00
3. Services	0.00	0.00	0.00	0.00	0.00	0.00
4. Personal Loans	0.03	0.00	0.84	0.04	0.00	0.85
5. Others						0.00
i) Auto Loans	182.88	13.34	7.29	195.42	9.96	5.10
ii) Gold Loan	29.35	0.08	0.27	14.99	0.00	0.00
ii) Trade Advance	0.40	0.00	0.00	1.81	0.00	0.00
iv) Loans Against Deposit	0.37	0.00	0.00	0.26	0.00	0.00
iv) Business Loan	1.72	0.00	0.00	3.28	0.98	29.90
v) Mortgage Loan	2.38	0.07	2.94	3.63	0.07	1.93

48.6.4 Intra-Group Exposure

(₹ in Crore)

Sl. No.	Particulars	As at 31 March 2023	As at 31 March 2022
1	Total amount of intra-group exposures	4.53	8.03
2	Total amount of top 20 intra-group exposures	4.53	8.03
3	Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers	1.87%	3.55%

48.6.5 Unhedged Foreign Currency Exposure

Not Applicable

48.6.6 Details of financing of parent company products

Not Applicable

48.6.7 Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the NBFC

The company did not lend any advances during the financial year 2022-23 which exceeds the SGL & GBL

48.6.8 Unsecured Advances

(Amount in Rs. crore)

Loan Type	Amount
Trade Advance	0.40
Personal Loan	0.03

48.7. Miscellaneous

48.7.1 Registration obtained from other financial sector regulators

Company has not obtained any registration from other financial regulators during the FY 2022-23

48.7.2 Disclosure of Penalties imposed by RBI and other regulators

No Penalties imposed by RBI & other regulators during the FY 2022-23

48.7.3 Related Party Transactions

Refer to Note No. 41 to Financial Statements

48.7.4 Ratings assigned by credit rating agencies and migration of ratings during the year

Sl No	Particulars	As at March 31,2023	As at March 31,2022
1	Bank Loans- Long Term	CRISIL A (Stable)	CRISIL A (Stable)
2	Non Convertible Debentures- Long Term	CRISIL A (Stable)	CRISIL A (Stable)
3	Public Deposits	CRISIL A (Stable)	CRISIL FA+ (Stable)

48.7.5 Remuneration of Directors

(Amount in Rs. Crores)

Particulars	Amount
Remuneration of Directors	-
Commission to Directors	0.13

48.7.6 Management Discussion and Analysis Report

Refer Directors Report

48.7.7. Net Profit or Loss for the period, prior period items and changes in accounting policies

Refer Note 2 to the Financial Statements

48.7.8 Revenue Recognition

No revenue recognition has been postponed during the FY 2022-23. Refer Note 2 to the Financial Statements.

48.7.9 Accounting Standard 21 -Consolidated Financial Statements (CFS)

Not Applicable

48.8. Additional Disclosures

48.8.1 Provisions and Contingencies (₹ in Crore)

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	As at 31 March 2023	As at 31 March 2022
Provisions for depreciation on Investment	-	-
Provision towards NPA	2.84	(8.64)
Provision made towards Income tax	1.13	0.00
Other Provision and Contingencies (Pvsn. For Leave Encashment)	0.08	0.01
Provision for Standard Assets	0.74	(0.84)

48.8.2 Draw Down from Reserves

Nil

48.8.3 Concentration of Deposits, Advances, Exposures and NPAs

48.8.3.1 Concentration of Deposits (₹ in Crore)

Particulars	As at 31 March 2023	As at 31 March 2022
Total Deposits of twenty largest depositors	10.93	11.75
Percentage of Deposits of twenty largest depositors to Total Deposits of the NBFC	0.19	13.77

48.8.3.2 Concentration of Advances (₹ in Crore)

Particulars	As at 31 March 2023	As at 31 March 2022
Total Advances to twenty largest borrowers	31.84	19.27
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	13.14	8.51

48.8.3.3 Concentration of Exposures (₹ in Crore)

Particulars	As at 31 March 2023	As at 31 March 2022
Total Exposure to twenty largest borrowers / customers	29.11	10.74
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the NBFC on borrowers / customers	14.93	14.73

48.8.3.4 Concentration of NPAs (₹ in Crore)

Particulars	As at 31 March 2023	As at 31 March 2022
Total Exposure to top four NPA accounts	0.37	1.16

48.8.3.5 Sector-wise NPAs (₹ in Crore)

Sector	Percentage of NPAs to Total Advances in that sector
Agriculture & Allied Activities	0.00
MSME	0.00
Gold Loan	0.03
Corporate borrowers	0.00
Services	0.00
Business Loan	0.03
Unsecured personal loans	0.00
Auto loans	5.51
Other personal loans	0.00

48.8.4 Movement of NPAs (₹ in Crore)

Sl. No.	Particulars	As at 31 March 2023	As at 31 March 2022
(i)	Net NPAs to Net Advances (%)	3.13	3.47
(ii)	Movement of NPAs (Gross)		
	(a) Opening balance	11.01	35.28
	(b) Additions during the year	9.71	16.04
	(c) Reductions during the year	7.23	40.31
	(d) Closing balance	13.49	11.01
(iii)	Movement of Net NPAs		
	(a) Opening balance	7.58	23.21
	(b) Additions during the year	5.21	12.61
	(c) Reductions during the year	5.57	28.24
	(d) Closing balance	7.22	7.58
(iv)	Movement of provisions for NPAs (excluding provisions on standard assets)		
	(a) Opening balance	3.43	12.07
	(b) Provisions made during the year	2.84	0.00
	(c) Write-off / write-back of excess provisions	0.00	8.64
	(d) Closing balance	6.27	3.43

48.8.5 Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)

Name of the Joint Venture/ Subsidiary	Other Partner in the JV	Country	Total Assets
Nil	Nil	Nil	Nil

48.8.6 Off-balance Sheet SPVs sponsored

Name of the SPV sponsored	
Domestic	Overseas
Nil	Nil

48.9. Disclosure of Complaints

48.9.1 Customer Complaints

Sl. No.	Particulars	As at 31 March 2023	As at 31 March 2022
	Complaints received by the NBFC from its customers		
(a)	No. of complaints pending at the beginning of the year	0	1
(b)	No. of complaints received during the year	26	36
(c)	No. of complaints redressed during the year	25	34
	(i) Of which, number of complaints rejected by the NBFC	0	0
(d)	No. of complaints pending at the end of the year	4	3
	Maintainable complaints received by the NBFC from Office of Ombudsman		
(e)	Number of maintainable complaints received by the NBFC from Office of Ombudsman		
	Of (e), number of complaints resolved in favour of the NBFC by Office of Ombudsman	3	5
	Of (e), number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman		
	Of (e), number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC		1
(f)	Number of Awards unimplemented within the stipulated time (other than those appealed)		

Grounds of complaints	Number of complaints pending at the beginning of	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
As at 31 March 2023					
CIC report issues		15	275	1	
Dispute on Loan closing figure	3	8	(38)	2	NIL
Deposit related		0	-		
NOC issuance		0	-		
Waiver of CBC		0	-		
Others		3	(75)	1	
Total		26		4	
As at 31 March 2022					
CIC report issues		4	-		
Dispute on Loan closing figure	1	13	(46)	3	
Deposit related		2			
NOC issuance		2			NIL
Waiver of CBC		3	200		
Others		12	50		
Total		36		3	

49. Details of Benami Property Held

No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder in the financial years ended March 31, 2023 and March 31, 2022.

50. Wilful Defaulter

The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender in the financial years ended March 31, 2023 and March 31, 2022

51. Relationship with struck off Companies

The company has no transaction with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.

52. Registration of Charges or satisfaction with Registrar of Companies (ROC)

All charges or satisfaction are registered with ROC within the statutory period for the financial years ended March 31, 2023 and March 31, 2022. No charges or satisfactions are yet to be registered with ROC beyond the statutory period.

53. Compliance with number of layers of companies

The number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules is not applicable to the company.

54. Compliance with approved Scheme(s) of Arrangements

The Company has not entered into any Scheme of Arrangements which requires the approval of the Competent Authority in terms of sections 230 to 237 of the Companies Act,2013 for the financial years ended March 31, 2023 and March 31, 2022.

55. Undisclosed Income

The company does not have any transaction which is not recorded in the books of account but has been surrendered or disclosed as income during the year in tax assessments under the Income tax Act, 1961.

56. Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual currency during the financial years ended March 31, 2023 and March 31, 2022

57. Previous year's figures have been regrouped/rearranged, wherever necessary to conform to current year's classifications/disclosure.

For Rangamani & Co
Chartered Accountants

George Alexander Muthoot
Director (DIN - 00016787)

George M Jacob
Whole Time Director (DIN - 00018955)

Philip P T
CEO

R Sreenivasan
Partner

Geena Thomas
Chief Financial Officer

Akshay Anand
Company Secretary

Place : Cochin
Date : 15-05-2023

SCHEDULE

As required in terms of paragraph 13 of Non Banking Financial (Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007

Sl. No.		Particulars	(Rs. In lakhs)	
		Liabilities Side	**Amt. Outstanding**	**Amt. Overdue #**
1		**Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid**		
	(a)	Debentures : Secured	16,895.13	16.44
		: Unsecured	-	-
		(other than falling within the meaning of public deposits)		
	(b)	Deferred credits	-	-
	(c)	Term Loans	-	-
	(d)	Inter - Corporate loans & borrowings	-	-
	(e)	Commercial paper	-	-
	(f)	Public Deposits*	5,851.73	80.37
	(g)	Other loans(specify nature):		
		Bank Borrowings (Other than Term Loans)	-	-
		Loan from Directors / Relatives	-	-
		Deposit from Directors/Relatives	15.89	-

*As defined in paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998

Matured but not claimed

2		**Break up of 1(f) above (Outstanding public deposits) inclusive of interest accrued thereon but not paid**		
	(a)	In the form of Unsecured Debentures	-	-
	(b)	In the form of Partly secured Debentures ie.debentures where there is a shortfall in the value of security	-	-
	(c)	Other public deposits	5,851.73	80.37

		Assets side		Amt. Outstanding
3		**Break up of Loans & Advances including bills receivables (Other than those included in (4) below):**		
	(a)	Secured		5,348.38
	(b)	Unsecured		41.60
4		**Break up of Leased Assets and stock on hire and other assets counting towards AFC activities**		
	(i)	Lease Assets including lease rentals under Sundry debtors		
		(a) Financial Lease		-
		(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 AFC activities:		
		Loans where assets have been repossessed		80.44
		Loans other than (a) above	: Hypothecation	17,713.30
			: Infrastructure Loans	-
			: Traders Loans	-

5		**Break-up of investments**	
		Current Investments	
	1	Quoted	
		(i) Shares: (a) Equity	-
		(b) Preference	-
		(ii) Debentures and Bonds	712.59
		(iii) Units of Mutual Funds	5.00
		(iv) Government Securities	-
		(v) Others	-
	2	Unquoted	
		(i) Shares: (a) Equity	-
		(b) Preference	-
		(ii) Debentures and Bonds	-
		(iii) Units of Mutual Funds	-
		(iv) Government Securities	2.70
		(v) Others	-
		Long Term Investments	
	1	Quoted	
		(i) Shares: (a) Equity	-
		(b) Preference	-
		(ii) Debentures and Bonds	-
		(iii) Units of Mutual Funds	-
		(iv) Government Securities	1,164.91
		(v) Others - Deposit with Bank	-
	2	Unquoted	
		(i) Shares: (a) Equity	-
		(b) Preference	-
		(ii) Debentures and Bonds	-
		(iii) Units of Mutual Funds	-
		(iv) Government Securities	-
		(v) Investment Property	10.83
		(v) Others	-

6		**Borrower group-wise classification of assets financed as in (3) and (4) above:**			
		Category	Amount Net of Provisions		
			Secured	Unsecured	Total
	1	Related parties			
		(a) Subsidiaries	-	-	-
		(b) Companies in the same group	441.29	-	441.29
		(c) Other related parties	-	-	-
	2	Other than related parties	22,620.39	41.60	22,661.99
		Total	23,061.68	41.60	23,103.28

7		**Investor group-wise classification of all investments (Current and long term) in shares and securities (Both quoted and unquoted)**		
		Category	Market value/Break up or fair value or NAV	Book value (Net of Provisions)
	1	Related parties		
		(a) Subsidiaries		
		(b) Companies in the same group	10.83	10.83
		(c) Other related parties		
	2	Other than related parties	1,885.19	1,885.19
		Total	1,896.02	1,896.02

8		**Other Information**	
		Particulars	Amount
	(i)	Gross Non-Performing Assets	
		(a) Related parties	-
		(b) Other than related parties	1349.10
	(ii)	Net Non-Performing Assets	
		(a) Related parties	-
		(b) Other than related parties	722.38
	(iii)	Assets acquired in satisfaction of debt	579.24

Notes

Notes

Notes

CORPORATE INFORMATION

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

Corporate Office
5th & 6th Floor, Midhun Tower,
K. P Vallon Road Kadavanthra,
Kochi - 682 020, Kerala, India

CIN : U65910KL1992PLC006544
RBI Reg No : A-16.00042

GSTN Kerala : 32AADCM4352R1Z6
GSTN Tamilnadu : 33AADCM4352R1Z4

Tel : 91- 7593864418
Email : mvfl@muthootgroup.com

Statutory Auditors
For Rangamani & Co, Cochin
(Chartered Accountants)

Tax Auditors
M/s. R.G.N Price & Co; Cochin
(Chartered Accountants)

Secretarial Auditor:
M/s. CaesarPintoJohn & Associates LLP, Kochi
(Practicing Company Secretaries)

Public Deposit trustee
IDBI Trusteeship Services Ltd
Asian Building, Ground Floor,
17, R, Kammani Marg,
Ballard Estate, Mumbai – 400 001

Debenture Trustee (Listed NCD)
IDBI TRUSTEESHIP SERVICES LIMITED
Asian Building, Ground Floor
17 R, Kamani Marg, Ballard Estate
Mumbai 400 001, India, Tel: (+91 22) 4080 7000
Website: www.idbitrustee.co.in

Registrar and share transfer agent (RTA)
LINK INTIME INDIA PRIVATE LIMITED
C-101, 247 Park, L B S Marg,
Vikhroli West, Mumbai 400 089, India
Tel: (+91 22) 4918 6200
Website: www.linkintime.co.in

Listing (Non-convertible debentures)
BSE Limited

Rating Agencies
CRISIL

Bankers

HDFC Bank **Federal Bank Ltd** **Yes Bank Ltd**

Muthoot
Vehicle & Asset Finance Ltd.

Regd. Office: Muthoot Vehicle & Asset Finance Ltd., 2nd Floor, Muthoot Chambers
Opp. Saritha Theatre Complex, Banerji Road, Cochin - 682 018, Kerala, India, Tel: +91 484 2394712

Corporate Office: Muthoot Vehicle & Asset Finance Ltd., 5th & 6th Floor, Mithun Towers
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