29TH ANNUAL REPORT

2020 - 2021

Muthoot
Vehicle & Asset Finance Ltd.

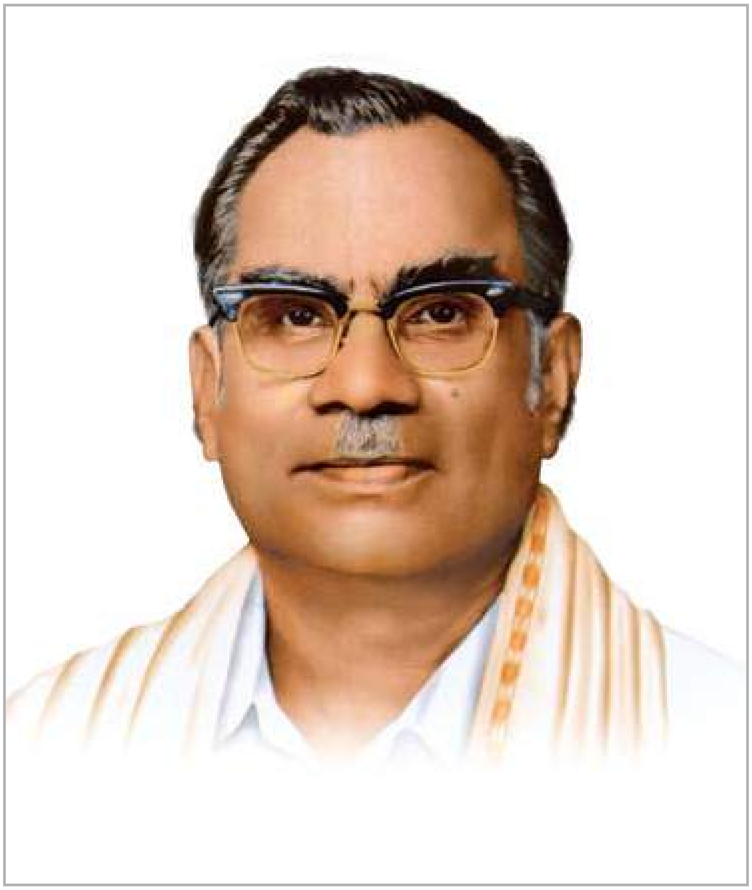
Contents

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, health care, 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')

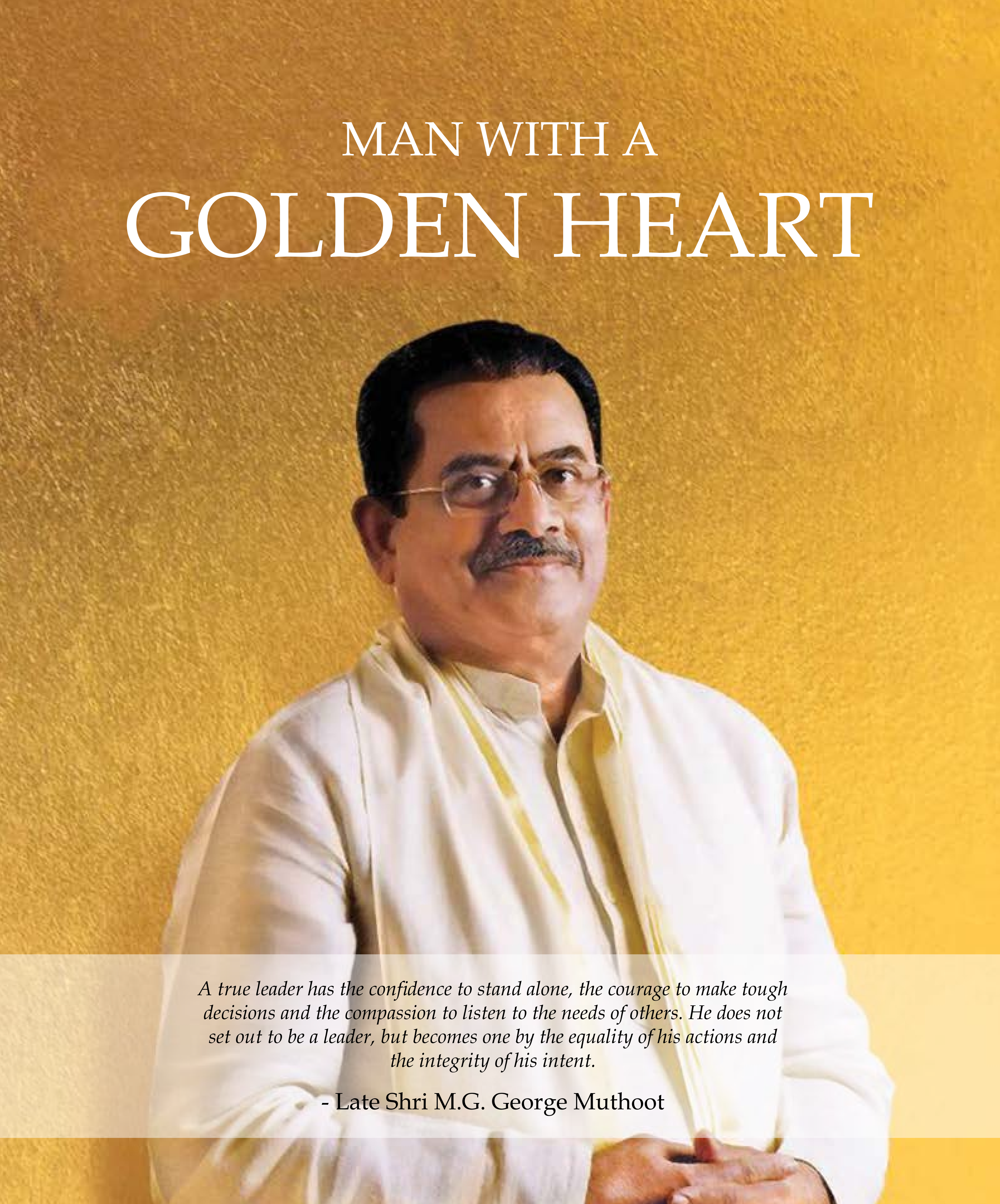
Tribute to the Visionary



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 branch	Address of Branch
1	Alleppey(II)	Door No. XII/ 244, Vanniyamparambil Building, Arattuvazhi, A.S Road, Alleppey - 688 007
2	Aluva (MktRd.)	City Heights, No308 , First Floor, Near Private Bus Stand, Aluva –683 101
3	Angamaly	1st Floor,VIP Towers,T B Junction, Angamaly- 683 572
4	Bangalore	11/2, Cambridge Road Ulsoor, Bangalore- 560 008
5	Calicut	Door No 5/224 B 3&4, P K Santha Corner Building, Eranjipalam, Kozhikode- 673 020
6	Coimbatore	No.7, 2nd Floor, NRN Layout, P N Palayam, Coimbatore- 641 037
7	Ernakulam-City Branch	2nd Floor, Mithun Tower, K P Vallon Road, Kadavanthra, Cochin 682 020
8	Kannur	1st Floor, PeeKey Complex, Near Muneeswaran Kovil, Kannur – 670 001
9	Kattappana	1st Floor, Vadakkethu Building,Near Head Post Office Kattappana, Idukki, Kattappana - 685 508
10	Kollam	Muthoot Buildings, Vadayattukotta, Kollam –696 001
11	Kottarakkara	Muthoot Chambers, IInd Floor,Near Govt. Hospital Junction, Kottarakkara - 691 506
12	Kottayam	Ground Floor, Muthoot Crown Plaza, Near Anupama Theatre, T B Road, Kottayam- 686 001
13	Kozhencherry	First Floor, KRS Complex,Opp. Govt. Hospital, Kozhencherry- 689 641
14	Mavelikkara-Thatarambalm	KG Complex, Door No: 4/269-I & 4/269 J,Maliyeckal Junction, Keerikkad P O, Alappuzha - 690 508
15	Muvattupuzha	2nd Floor, Nirmala Centre, Opp. Latha Theatre, Muvattupuzha-Thodupuzha Road, Muvattupuzha- 686 661
16	New Delhi	Muthoot Towers, Plot No 2, Community Centre, Alakananda, New Delhi- 110 019
17	Pala	Kattakayam Building Opp. Punjab National Bank Kattakayam Road, Pala 686 575
18	Palakkad	2nd Floor,Premier Tower Opp: Sai Service, Coimbatore Road Palakkad- 678 001
19	Pathanamthitta	2nd Floor, Aban Arcade, Kumbazha Road, Pathanamthitta- 689 645
20	Perinthalmanna	1 st Floor, CT Plaza, Perinthalmanna , Ooty Road, Perinthalmanna- 679 322
21	Thiruvalla	3rd Floor, KSBH Revenue Towers, Hospital Junction Thiruvalla - 689 101
22	Thodupuzha	2nd Floor, Mahima Towers 28/458, Temple Bypass Road, Thodupuzha- 685 584
23	Trichur	2nd Floor, Suncity Complex, Koorkencherry P O, Thrissur - 680 007
24	Trivandrum	Muthoot Building, Pattom, Trivandrum- 695 004

USED CAR LOANS

TWO WHEELER LOANS

DEBENTURES

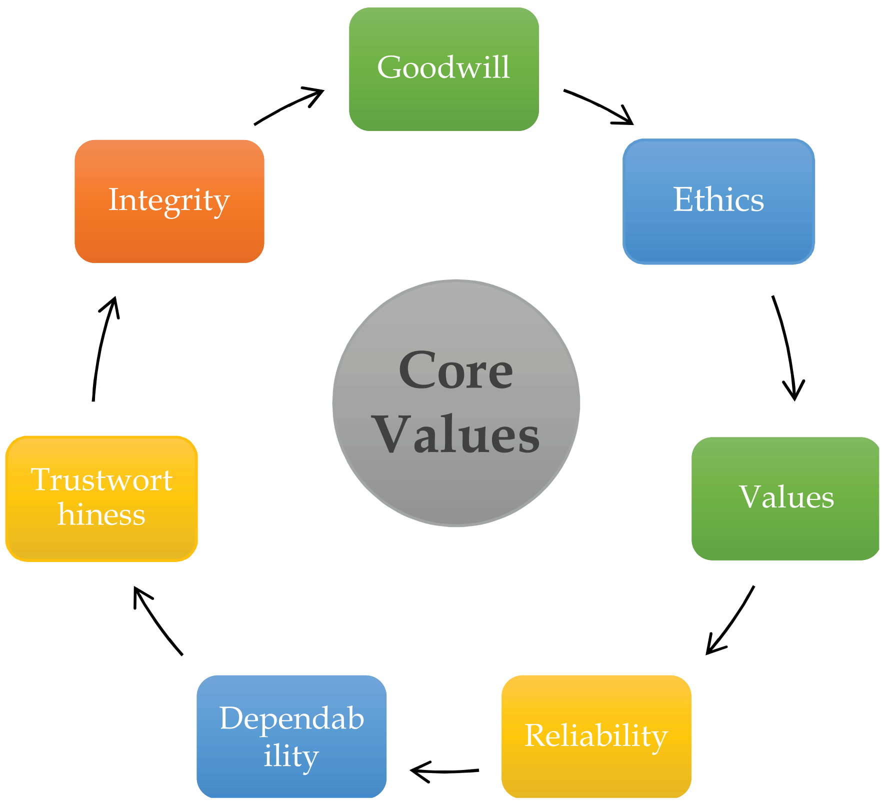
SECURED REDEEMABLE NCD- PRIVATELY PLACED
SECURED REDEEMABLE NCD- PUBLIC ISSUE

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

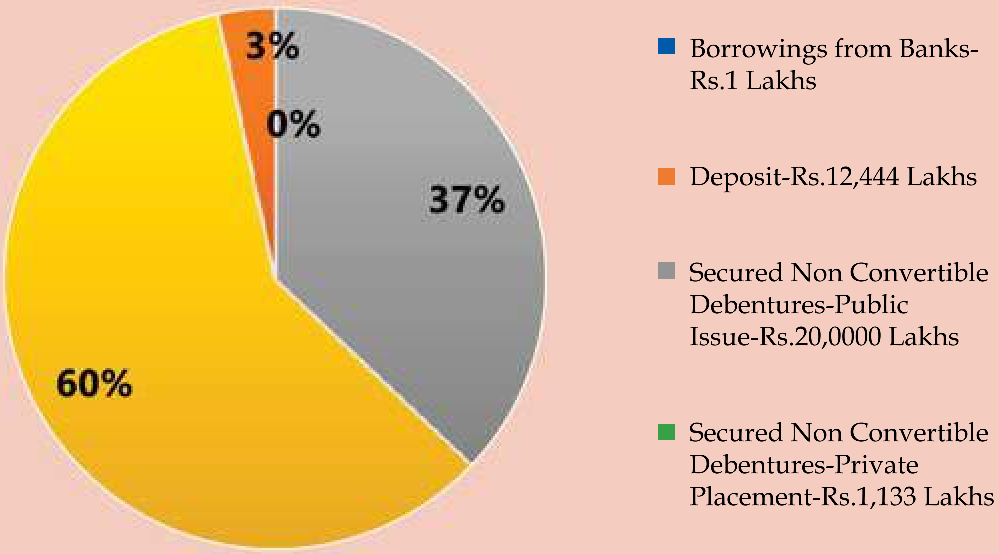
Dependability
We do not judge ourselves by the profits we make but by the trust and confidence that people have shown in us

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



Bank Limits

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

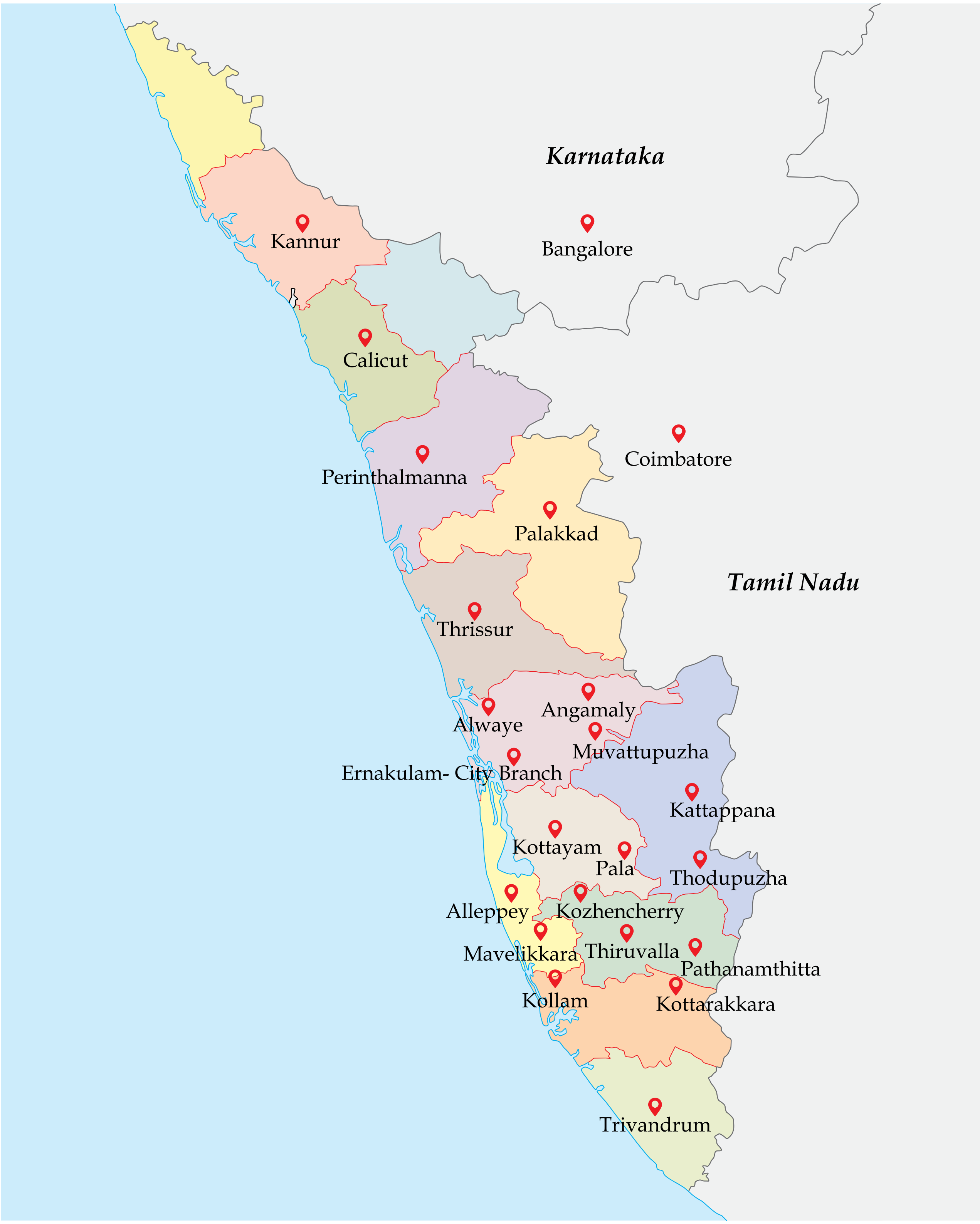
Non Convertible Debentures- Public Issue

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

Public Deposits

Rating Agency	Rating	Indicates
CRISIL	FA+/Stable	Degree of safety regarding timely payment of interest and principal is satisfactory. Changes in circumstances can affect such issues more than those in the higher rated categories

GRAPHICAL REPRESENTATION



Note: The graphical representation excluding the branch at New Delhi

KEY HIGHLIGHTS

AUM ₹32,041.27 Lakhs	*Gross NPA %* 11.01 %
Disbursement ₹4,353.23 Lakhs	*Average IRR* 15.29 %
Balance Sheet Size ₹44,330.14 Lakhs	*Cost of Borrowings* 9.60 %
Net Owned Fund ₹8,876.43 Lakhs	*Cost of Deposit* 8.78 %
Interest Income ₹6,060.90 Lakhs	*Return on Avg. Assets* (1.60) %
Other Income ₹563.03 Lakhs	*Return on Avg. Equity* (9.10) %
Profit After Tax ₹(869.63) Lakhs	*Capital Adequacy* 26.82 %

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.
2005-06	• B/s size crossed Rs.100 cr.
2007-08	• B/s size crossed Rs.200 cr. • PBT crossed Rs.10 cr.
2008-09	• Name of the Company was changed from Muthoot Leasing and Finance Ltd. To MuthootVehicle & Asset Finance Ltd.
2009-10	• Obtained Certificate of Authorisation from DPSS RBI to operate payment system for "Issuance & Operation of Prepaid Instruments in India"
2013-14	• Public Deposit crossed Rs.100 cr. • RBI approved inclusion of mobile wallet facility as one of the PPI offered by the company
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
2020-21	• Commenced gold loan business

BOARD OF DIRECTORS

Mr. George Alexander Muthoot

He is the Managing 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 the head of Marketing in rank of ED (Function Director) of Muthoot Finance Limited. He oversees legal, compliance and Corporate Governance, Internal Audit, Risk Management, Marketing and Sales of The Muthoot Group.

Mr. George Thomas Muthoot

He is a Non-executive Director of our Company. He a businessman by profession. He has over three decades of operational and management experience in the financial services industry. He has received the 'Sustainable Leadership Award' in 2014 by the CSR Congress in the individual category. He oversees the business of Muthoot Vehicle & Asset Finance Limited for the last 15 years.

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 16 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 South Malabar 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

GM & CEO

Mr. Harimon G

CHIEF FINANCIAL OFFICER

Ms. Geena Thomas

COMPANY SECRETARY

Ms. Kavitha Nair

COMMITTEE

Audit Committee

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

Nomination & Remuneration Committee

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

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. George Thomas Muthoot

CSR Committee

1. Thevalakkara Thomas Mathew
2. George Alexander Muthoot
3. George Thomas Muthoot

Stakeholder's Relationship Committee

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

Finance Committee

1. George Alexander Muthoot
2. George Muthoot Jacob
3. George Thomas Muthoot

REPORT OF THE BOARD OF DIRECTORS

Dear Members,

Your Board of Directors are pleased to share with you the Business Performance along with the Audited Financial Statements for the financial year ended 31st March 2021.

I. PERFORMANCE HIGHLIGHTS

a) Financial Results

The financial highlights of your company for the financial year 2020-21 are summarized below:

(Amt. in lakhs)

Particulars	For the year ended	
	31.03.2021	31.03.2020
Total Income	6,761.32	6918.94
Total expenses	7,816.35	6494.60
Profit Before tax	(1,055.03)	424.34
Tax Expense	(185.40)	109.31
Profit after Tax	(869.63)	315.03
Basic Earnings per share(EPS)	(3.48)	1.26

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, 2021, the total Asset Under Management (AUM) of your Company decreased by 21%. The AUM of the Company as on March 31, 2021 stood at Rs. 32041.27 lakhs whereas for the same for the FY 2019 - 2020 was Rs. 40618.01 lakhs.

c) Profitability

The total income of the Company decreased to Rs. 6,761.32 lakhs during the FY 2020-21 as against Rs. 6918.94 lakhs during the FY 2019-20. The total expenditure for the FY 2020-21was at Rs. 7,816.35 lakhs.

d) Asset quality

As on March 31, 2021, the Gross NPA and Net NPA in the books of your Company stood at Rs. 3528.26 lakhs and Rs. 2321.25 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 loss of Rs. 869.63 lakhs, the net worth of your Company decreased to Rs. 9,113.78 lakhs as against Rs. 10005.86 lakhs in the previous year. The Company's Capital Adequacy Ratio (CRAR) as on March 31, 2021 stood at 26.82% 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 25.57% and Tier II CRAR stood at 1.25%. The CRAR as on March 31, 2020, stood at 24.26%.

2. DIVERSION IN THE NATURE OF BUSINESS, IF ANY

The Company has started new gold loan vertical from the month of February 2021.

3. SHARE CAPITAL

The issued, subscribed and paid-up Share Capital of the Company stood at Rs 25,00,00,000 as at 31st March 2021 comprising of 2,50,00,000 ordinary (equity) shares of Rs10 each fully paid up. There were no change in Share Capital during the year under review.

4. DIVIDEND

In view of the losses incurred by the Company, the Directors of the Company do not recommend any dividend for the financial year ended March 31st 2021.

5. 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 2020-21.

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

During the financial year 2020-21, unclaimed deposit of Rs 73,186 along with interest were transferred to IEPF as per applicable IEPF Rules.

6. 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.

7. RESERVES

During the year, the Company has not transferred any amount 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, 2021. Your Board decided to retain Rs. 4314.12 lakhs as surplus in the Profit and Loss Account.

8. 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 "FA+ (Stable)" by CRISIL.The outstanding amount of public deposits as on March 31, 2021, received by the Company including interest accrued on that date is Rs. 13008.30 lakhs. As on March 31, 2021, there are 78 accounts of public deposits amounting to Rs. 103.29 lakhs which have not claimed for renewal.

After close follow-up; the figures are currently down to 46 public deposits and Rs 45.27 lakhs respectively as on August 11, 2021.

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 31.03.2021, the outstanding amount of credit facilities from banks were Rs. 1.01 Lakhs as against Rs. 10760.23 Lakhs in the previous year.

c) Loan from Directors & Relatives

The company has not obtained any loans from their Directors/Relatives during the FY 2020-21. As on 31.03.2021, the outstanding amount from directors & relatives were Nil.

d) Secured redeemable NCD (Privately Placed)

The Company has issued three series of secured redeemable NCDs through private placement in the previous financial year. Details of NCDs are given below:

Series	Date of Allotment	Outstanding as on 31.03.2021
Series A	23-08-2018	6,89,00,000
Series B	29-12-2018	3,58,00,000
Series C	13-03-2019	86,00,000
Total		11,33,00,000

e) 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 oversubscription upto Rs.100 Crores aggregating upto the Limit of Rs. 200 Crores. The Allotment was done on March 17, 2020 to 4851 applicants (for an amount of Rs. 200 Cores) and the same listed with BSE on March 19, 2020.

9. DIRECTORS

Your Company has a well-structured Board consisting of six directors, in which two of them are executive directors. Out of the four non-executive directors, two are independent directors. The Board of Directors of your company as on 31 March 2021 are as follows:

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

All the Directors of the Company have rich experience and specialized knowledge in various areas of relevance to the Company. The Company has immensely benefited by the range of experience and skills that the directors bring to the Board.

10. ROTATION OF DIRECTORS

Mr. George Thomas Muthoot (DIN: 00018281) retires at the ensuing Annual General Meeting and he does not seek for re-appointment.

The Board of Directors recommends the appointment of Mr Ragesh G R as the Non- Executive Director in place of Mr. George Thomas Muthoot.

Recommendation for appointment is mentioned in Notice of the 29th AGM.

11. CHANGE IN DIRECTORS AND KEY MANAGERIAL PERSONNEL

Inductions

Mr. Harimon G was appointed as the Chief Executive Officer and General Manager of the Company effective December 18, 2020 in place of Mr. K George Oommen who resigned from the post of Chief Executive Officer and General Manager of the Company with effect from December 18, 2020.

Ms. Kavitha K Nair was appointed as the Company Secretary of the Company effective November 12, 2020. in place of Ms Arya Devu P V who resigned from the post of Company Secretary of the Company with effect from November 12, 2020.

Mr George Alexander Muthoot, Managing Director, Mr Harimon G , Chief Executive Officer & General Manager, Ms Geena Thomas, Chief Financial Officer and Ms Kavitha K Nair, Company Secretary are the Key Managerial Personnel of the Company as on March 31, 2021.

Woman Director

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

12. DECLARATION FROM INDEPENDENT DIRECTOR(S)

Pursuant to the provisions of Section 149 of the Companies Act, 2013 (“the Act”), the independent directors have submitted declarations that each of them meet the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder. There has been no change in the circumstances affecting their status as Independent Directors of the Company.

During the year under review, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company other than the sitting fees, commission, if any and reimbursement of expenses incurred for the purpose of attending the meetings of the Board or Committees of the Company.

13.MEETINGS OF THE BOARD

During the FY 2020 - 2021, your Board of Directors met five times, 22.06.2020, 10.08.2020, 12.11.2020, 18.12.2020 and 05.02.2021.

14. COMMITTEES OF THE BOARD

a) Audit Committee

The Audit Committee was constituted as per Companies Act 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 Companies Act 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 Mr George Muthoot Jacob (Whole time Director).

c) Stakeholders Relationship Committee

The Stakeholders Relationship Committee was constituted as per Companies Act and 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 31.12.2018. The Committee comprises of Mr. George Alexander Muthoot (Managing Director), Mr. George Muthoot Jacob (Whole Time Director) and Mr. George Thomas Muthoot (Non-Executive Director).

e) Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee was constituted on January 22, 2018 and last reconstituted on 06.08.2019. The Committee comprises of Mr. Thevalakkara Thomas Mathew (Independent Director), Mr George Alexander Muthoot (Managing Director) and Mr George Thomas Muthoot (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(Managing Director), Mr George Muthoot Jacob (Whole-time Director) and Mr Kurian Chirathalattu George (Independent Director).

15. 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 details of Corporate Social Responsibility is provided in the annual report on Corporate Social Responsibility annexed to this report as **Annexure I.**

16. MANAGEMENT DISCUSSION AND ANALYSIS

ECONOMIC OVERVIEW

The global economic growth has faced an arduous journey in 2020, with the COVID-19 pandemic leading to significant loss of both lives and livelihood. Almost all global economies announced a lockdown starting in early 2020 while health infrastructure and systems were being ramped up. The world entered into a lockdown. This resulted in a contraction in global GDP by 3.3% in 2020 (Source: IMF). Lockdowns meant economic activity took a backseat. Contact intensive services such as travel, tourism and education suffered the most. Consumers had to spend more time at home than outside. As a result, demand for household goods and digitally delivered services soared.

After the severe dent in the first half owing to lockdowns and restrictions, economic momentum picked up in the latter half of the year, owing to the removal of restrictions and unleashing of pent-up demand. The monetary and fiscal stimulus given by the governments and central banks have also prevented much deeper global recession. However, the underlying economic situation seems to have changed dramatically with availability of vaccines and gradual opening of lockdown restrictions. Economic growth is more likely to pick up in the second half of the year, which is also when we expect large advanced economies to have vaccinated a substantial share of their population. Among low-income economies, where vaccination has lagged, the effects of the pandemic have reversed poverty reduction gains and aggravated insecurity and other long-standing challenges.

By the end of 2021 or early 2022, we expect the global economy to revert to its pre-pandemic level of output."While there are welcome signs of global recovery, the pandemic continues to inflict poverty and inequality on people in developing countries around the world," said **World Bank Group President David Malpass.** "Globally coordinated efforts are essential to accelerate vaccine distribution and debt relief, particularly for low-income countries. As the health crisis eases, policymakers will need to address the pandemic's lasting effects and take steps to spur green, resilient, and inclusive growth while safeguarding macroeconomic stability."

INDIAN ECONOMY

India's Economic Scenario for the financial year 2020-2021 was most tumultuous year in the history of last 75 years of independent India, as the COVID-19 pandemic wreaked havoc locally, as well as globally. The Indian economy saw its worst contraction in decades as a result of the corona virus-induced lockdown, with the Gross Domestic Product shrinking by a record 23.90% in Q1 and by 7.50% in Q2. With this, the country's economy slipped into a technical recessionary phase for the first time ever – when its GDP growth is negative or declining for two consecutive quarters or more.

"In India, the pandemic hit the economy at a time when growth was already decelerating," the World Bank said in its Global Economic Prospects report. "The output is estimated to contract by 9.6 per cent in Fiscal Year 2020-21, reflecting a sharp drop in household spending and private investment. In India, growth is expected to recover to 5.4 per cent in 2021, as the rebound from a low base is offset by muted private investment growth given financial sector weaknesses." The Asian Development Bank has said that India's economy will contract by 9% in the 2020-21 financial year. Fitch Ratings sharply lowered its growth forecast for India, saying that the country's Gross Domestic Product for the financial year 2020-21 is expected to contract by 10.5%, instead of its earlier estimate of a 5% contraction. Since the pandemic shut businesses in March, unemployment in the country has also surged sharply. A report by the Centre for Monitoring Indian Economy said nearly 50 lakh salaried persons lost their jobs in July as a result of a partial lockdown.

The bright spot in the year was that the agriculture sector did not see any disruption. The disruption to the Indian and global economy resulted in India's industrial production falling by 8.7% during FY 2021.The lockdowns and restrictions have impacted contact intensive services the most and the services sector as well. With global economy reviving, demand for India's software services and merchandise goods is likely to do well. The Government is ramping up health infrastructure and working towards vaccinating maximum percentage of population in the shortest possible time.

With reduction in spread of infection, more and more restrictions were lifted from the middle of last financial year. However, COVID-19 infections increased towards the end of FY 2020. With the country experiencing a second wave of infection since February 2021, state governments imposed local lockdowns instead of a national lockdown to contain the spread of the virus. The same has led to a decline in economic momentum seen towards the end of last financial year. Vaccinating a large population soon is the only way to shorten the current second wave. With the Government now allowing all above 18 years to get themselves vaccinated, it will help in fighting this pandemic. Overall, notwithstanding the second wave of COVID-19, Indian economy, through its resilience, is poised for a recovery in FY 2022.

OUTLOOK FOR THE INDUSTRY

NBFCs play an important role in the Indian financial intermediation space by complementing bank credit, undertaking niche financing and promoting financial inclusion. Over the years, they have emerged as the primary financier to a vast section of the population including small and medium scale enterprises as well as the economically unserved and underserved individuals. Through their extensive geographical reach, understanding of varied financial needs of people and very low turnaround time, they have been able to serve specific requirements of borrowers in the most effective and timely manner.

As the COVID-19 pandemic disrupted economic activities significantly, Non-Banking Financial Companies (NBFCs) were hit hard. Among sectors NBFCs lend to, industrial sector, particularly micro and small and large industries, were the hardest hit by the pandemic as they posted decline in credit growth. NBFC's growth was a modest 4% in FY 2021 compared to previous years due to demand slowdown and risk aversion, primarily in vehicle and small business segments. The exceptions were gold loans and rural credit. Stress due to the pandemic has moderated due to government schemes which have led to lower softer delinquencies and moderate addition to Gross Non-Performing Assets (GNPAs). It is also seen that the self-employed informal segment has availed moratorium facility the most. NBFCs linked to auto and small businesses, especially, will remain vulnerable to the corona virus shock. Disruption and resultant NPA will be higher in segments which are vulnerable. Microfinance, small and micro MSME customer are segments where this disruption is high and likely to persist in the medium term. While the initial impact on asset classes like Gold and two-wheelers is high, they are expected to recover as the business and economic sentiment improves.

The fallout of a large infrastructure lender and consequent spillover effects led to a liquidity crisis in the non-banking finance sector starting September 2018 and caused curtailment of incremental funds. This was further amplified due to governance lapses seen in a few large non-bank lenders. Liquidity which remained constrained till May 2019 gradually eased out by February 2020. However, the liquidity situation turned volatile starting March 2020 when a mid-sized private bank was placed under a moratorium by the RBI and an unprecedented lockdown in the wake of COVID-19 pandemic. Consequently, several medium and smaller sized non-bank lenders started facing difficulty in accessing credit from the system. With the outbreak of COVID-19, funds were accessible only to a select few non-bank lenders with strong parentage. For smaller non-bank lenders which primarily operate in a small region, availability of funds is more important than the cost. Many large NBFCs raised capital before COVID-19 and during the pandemic, resulting in strengthened capital buffers to absorb the above stress along with carrying COVID-related provision.

It is expected that the credit cost will normalise for non-banks in FY 22 as the provision hit was taken in FY 21 itself. Product digitization to enrich customer experience is now a key customer acquisition strategy. Increasing customer awareness is among the key enabler for product digitization with non-bank lenders taking a lead. The early phases of product digitization journey focused on cross selling unsecured loans to existing customers primarily through e-commerce partnerships and use of multi-lingual apps to attract customers. Subsequently, rapid digitization aided by agile and light core technology systems allowed new customer acquisition for unsecured loans.

Few large non-banks would increasingly focus on customer retention by building strong ecosystems of diverse product suites to address customer needs. Competition from banks is likely to intensify especially for secured asset classes such as mortgage and loan against property, but the NBFCs can continue its focus on segments where they have inherent strengths such as used vehicle financing, two-wheelers, tractors, unsecured lending, gold and affordable housing, as their pricing power is high and such products witness limited competition from banks. While vehicle finance and business loans, which account for the bulk of the AUM, is expected to take longer to register a reasonable revival; it would be relatively better for other segments. Covid 2.0 may push up the overdues in the near-term. Moody's affiliate rating agency said that it expects non-performing assets (NPAs) of NBFCs to increase to **5.6-6.3%** of loans at the end of March 2022 from 4.6% at the end of fiscal year 2020.

OPPORTUNITIES AND THREATS AND FUTURE OUTLOOK

The Non- Banking Financial Companies (NBFC) performs the function of delivering credit to the local borrowers, unorganized sectors and corporate sector, performing like a banking sector but is different from banks. What sets NBFCs apart from traditional banks is their ground-level understanding of their customers' profile and their credit needs. These insights add to their ability to innovate and customize products as per their clients' needs.

One of the biggest opportunities for NBFC is its new to credit investment customers. Such customers are those people who belong from the rural area and have never borrowed credits or loans from any financial institution in the past. Therefore, NBFCs are a boon for the rural sector. Usually, banks often rely on banking and credit history while assessing the loan applications of their customers. Therefore, these new to credit customers do not qualify for a bank loan. To serve this segment, NBFCs have to build the entire machinery in a different way. They need to implement unique models to assess the creditworthiness of applicants and lend them with comparatively less paperwork. Since these customers find it hard to attain a bank loan, they are ready to pay some additional amount of interest on their loan. NBFCs charge a higher rate of interest, within RBI's prescribed regulations. Moreover, given the rise of non-performing assets (NPAs) in the banking industry, banks have become even more cautious to evaluate the credit worthiness of their borrowers. Since these customers do not have any credit history, NBFCs may have to deploy additional resources for on-ground visits, reference checks and so on. Non- performing assets have been a challenge not only 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 have to continuously work on checks and balances to make sure that the EMIs are on time, customer records remain up to date, and any red alerts are notified immediately.

NBFC plays a very important role in providing financial assistance to those in need and it supplements the role of traditional banks by meeting the financial requirements of the unorganized and organized sectors. There are many challenges & opportunities for the future of NBFC in India and therefore, it is necessary for them to work properly so as to create financial stability and protect the interest of the borrowers and depositors.

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 /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 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.

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 counterparty. Guidelines are in place covering the acceptability and valuation of each type of collateral.

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.

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.

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.

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.

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.

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.

17. FINANCIAL SUMMARY AND PERFORMANCE OF THE COMPANY

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, presently not focusing on this vertical to ensure that the company's resources are concentrated on our retail lending portfolio which the management believes is more productive and stable.

The financial performance of your company during the year ended March 31, 2021 remained healthy. But, while analyzing the company's performance for the current and previous fiscal years reveals that the company was unable to achieve an impressive growth during the year under review. Your company's overall disbursements during the financial year 2020-21 were Rs. 4,353.23 lakhs registering a negative growth of 64.26%over the previous year. Profit Before Tax (PBT) decreased by 348.63% to Rs (1,055.03) lakhs as compared to Rs. 424.34 lakhs for the previous year. Profit After Tax (PAT) also decreased by 376.05 %to Rs.(869.63) lakhs as compared to Rs. 315.03 Lakhs in the previous year.

18. HUMAN RESOURCES

Non-Banking Finance Companies are essential to the Indian Financial System because of the significant roles they play in nation building and financial inclusion. Non-Banking Finance Companies as any other Companies have always considered their employees as the backbone of their Companies and they are aimed at providing employee satisfaction enabling them to deliver better results year over year. Some are also committed in providing their employees with ample opportunities to learn and advance in their career in their quest for having a satisfied work force.

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 and there is employees' adjustment 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. 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 official levels. Some of the major reasons are transfer and posting policy, lack of career progression. 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.

Your company's workforce defines your company, and is the most vital asset in its possession. During the year under review, your Company inducted a well experienced banker Mr.Harimon G as its General Manager & CEO. To better understand and cater to the local requirements, your company consciously aimed at recruiting local people with experience in the industry and empowered them to take decisions that help to build the trust among its customers. As on 31st March 2021, your company had in its rolls 167 employees and maintained very harmonious and cordial relationship with them.

19. NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS

SUBSIDIARIES, JOINT VENTURE OR ASSOCIATE COMPANIES DURING THE YEAR

As on March 31, 2021, the Company does not have any subsidiaries, joint venture or associate companies in existence. Presently, the Company does not have any material subsidiary.

20. 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.

21. CREDIT RATING

The Credit Rating enjoyed by the company as on 31st March, 2021, is as given below:

Sl No	Instruments	Rating as at March 31,2021
1	Bank Loans- Long Term	CRISIL A (Stable)
2	Bank Loans- Short Term	CRISIL A (Stable)
3	Non-Convertible Debentures- Long Term	CRISIL A (Stable)
4	Public Deposits	CRISIL FA+ (Stable)

22. 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 automated system for statutory compliances .The new core system, has been developed by M/s. Emsyme and will be rolled out by September 2021 and all other supporting modules will be completed on a phased manner.

c) Foreign Exchange earnings and outgo

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

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

Pursuant to Section 186(11)(a) of the Companies Act,2013 (the 'Act') read with Rule 11(2) of the Companies (Meetings of Board and its Powers) Rules, 2014, the loan made, guarantee given or security provided in the ordinary course of business by a Non- Banking Financial Company (NBFC) registered with Reserve Bank of India are exempt from the applicability of provisions of Section 186 of the Act. As such the particulars of loans and guarantee have not been disclosed in this Report.

24. 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

2020 – 2021 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 2020–2021. 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 note no. 39 of the notes on accounts, forming part of Financial Statements.

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

25. AUDITS

a) Statutory Audit under Section 139

M/s. JVR & Associates., Chartered Accountants, (Firm Reg No.011121s) were appointed as the Statutory Auditors of the Company to hold office for a term of 5 years from the conclusion of 25th Annual General Meeting (AGM) held on 29th August, 2017 until the conclusion of the 30th AGM of the Company to be held in the year 2022. However, as per the RBI Directions, the auditors can serve only for three years.Therefore, the tenure of their audit is about to come to an end in the year 2021.

The Auditor's report is unmodified i.e. it does not contain any qualification, reservation or adverse remark or disclaimer.

b) Secretarial Audit under Section 204

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s CaesarJohnPinto, Practicing Company Secretary (Certificate of Practice Number:16059) to undertake the Secretarial Audit of the Company.

The Company has annexed to this Board's Report as **Annexure III**, a Secretarial Audit Report given by the Secretarial Auditor.

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

During the year under review, the Statutory Auditors, Secretarial Auditors and Internal Auditors have not reported any instance of frauds committed in the Company by the Officers or Employees to the Audit Committee under Section 143 (12) of the Companies Act, 2013.

26. 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 three staffs including a Chief 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 3 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.

27.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.

28. 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.

29. RISK MANAGEMENT

Your company has a well-defined risk management framework in place. The risk management framework works at various levels across the enterprise. These levels form the strategic defence cover of the Company's risk management. The Company has a robust organizational structure for managing and reporting on risks.

Your Company has constituted a Risk Management Committee of the Board which is authorized to monitor and review risk management plan and risk certificate. The Committee is also empowered inter alia, to review and recommend to the Board the modifications to the Risk Management Policy.

Your Company has developed and implemented a Risk Management Policy which is approved by the Board. The Risk Management Policy, inter alia includes identification and mitigation of risks which in the opinion of the Board may threaten the existence of the Company. Risk management process has been established across the Company and is designed to identify, assess and frame a response to threats that affect the achievement of its objectives. Further, it is embedded across all major functions and resolves around the goals and objectives of the organization.

Your Company has appointed Mr T. V Hariharan as the Chief Risk Officer to undertake responsibilities incidental and ancillary to all risk related matters.

30. 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 the 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.

31. 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 thereunder 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 2020 - 2021, the Company has not received any complaint of sexual harassment and hence, there were no complaints pending for redressal as on March 31, 2021.

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

32. 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://mvafl.com/upload/pdf_files/28d42ade8f728b07bece75b0fabece1a.pdf

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

33. 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 IV.**

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

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.

35. 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 weblink https://mvafl.com/upload/pdf_files/1c983bf78a96549a767d6801ad06f19f.pdf.

36. 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.

37. REGULATORY GUIDELINES

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

38. 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 for the financial year ended 31st March, 2021, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) they had in consultation with the Statutory Auditors, selected 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 as at 31st March 2021 and of the profit of the Company for the year ended on that date;

(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 that such internal financial controls are adequate and were operating effectively during the financial year ended 31st March, 2021;

(f) they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively throughout the financial year ended 31st March, 2021.

39. OTHERS

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) Significant or material orders passed by the Regulators or Courts or Tribunals which impact the going concern status and the Company's operation in future.

d) 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.

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

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

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

40. 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.

41. 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

Place: Kochi	George Alexander Muthoot	George Muthoot Jacob
Date: 11.08.2021	Managing Director	Whole-Time Director
	(DIN: 00016787)	(DIN: 00018955)

Annexure I

ANNUAL REPORT ON CSR ACTIVITIES

1 Brief outline of CSR Policy of the Company

(i) The Corporate Social Responsibility (CSR) Policy is intended for providing a framework within which Muthoot Vehicle & Asset Finance Limited ("MVAFL" or "the Company") follows its commitment to CSR. We endorse the Muthoot Group purpose of improving the quality of life of the communities we serve through long term value creation.

(ii) The Company believes in positively impacting the environment and supporting the communities we operate in, focusing on sustainability of our programs and empowerment of our communities.

(iii) To strive for economic development that positively impacts the society at large with minimal resource footprint. The Company desires to embrace responsibility for its actions and encourage a positive impact through its activities on hunger, poverty, malnutrition, environment, environment, communities, stakeholders and the society.

(iv) The Board will have an oversight on the adherence to this Policy. The Corporate Social Responsibility Committee ("CSR Committee") of the Board, comprising a minimum of three Directors and at least one of whom will be an Independent Director of the Company, shall assist the Board in the overall governance of the Policy and the CSR Programmes pursuant thereto. The CSR Committee shall work under the superintendence and control of the Board.

(v) The Company's CSR policy is committed towards CSR activities as envisaged in Schedule VII of the Companies Act, 2013. The Details of CSR policy of the Company are available on the website of the Company at https://mvafl.com/upload/pdf_files/182180e0e0e6babbe3c271d7009ad0c8.pdf

2 **Composition of CSR Committee**

Name of Directors	Designation in the Committee	Number of meetings of CSR Committee held during the FY	Number of meetings of CSR Committee attended during the FY
T Thomas Mathew	Chairman	0	0
George Alexander Muthoot	Member	0	0
George Thomas Muthoot	Member	0	0

3 **Weblink where composition of CSR Policy is disclosed**

a) CSR Policy:
https://mvafl.com/upload/pdf_files/182180e0e0e6babbe3c271d7009ad0c8.pdf

4 **Details of Impact Assessment, if any carried out** N.A.

5 **Details of the amount available for set off in pursuance of sub-rule (3) of Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any**

Financial Year	Amount Available for set-off from the preceeding financial years (in INR)	Amount required to be set off for the financial year, if any (in INR)
Nil	Nil	Nil

6 Average net profit of the Company as per Section 135 (5) (Rs. in crores): **1,110.70**

7 (a) Two percent of the average net profit of the Company as per Section 135 (5) (Rs. in crores): **22.21**
(b) Surplus arising out of the CSR projects or programmes of the previous financial year (Rs. in crores): **N.A.**
(c) Amount required to be set off for the financial year, if any (Rs. in crores): **N.A.**
(d) Total CSR obligation for the financial year (7d=7a+7b+7c) (Rs. in crores): **22.21**

8 (a)

Total amount spent for the financial year (Rs. in crores)	Amount Unspent (Rs. in crores)				
	Total amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
N.A.					

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

-1	-2	-3	-4	-5		-6	-7	-8	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/No)	Location of the project		Amount spent in the current financial Year (Rs. in crores)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration Number
N.A.									

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

-1	-2	-3	-4	-5		-6	-7	-8	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent in the current financial Year (Rs. in crores)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration Number
1	Education Help	Item No 2 - Promoting education	Yes	Kerala	All Kerala	10.91	No	Muthoot M George Foundation	CSR00008030
2	Medical Assistance	Item No 1 - Promoting healthcare	Yes	Kerala	All Kerala	10.55	No	Muthoot M George Foundation	CSR00008030
3	Marriage Assistance	Item No 3- Promoting general equality & empowering women	Yes	Kerala	All Kerala	0.52	No	Muthoot M George Foundation	CSR00008030
4	COVID-19 PPE Kit sup	Item No 1 - Promoting healthcare including preventive healthcare	Yes	Kerala	All Kerala	0.23	No	Muthoot M George Foundation	CSR00008030
						22.21			

(d)	Amount spent in Administrative Overheads (Rs. in crores):	0
(e)	Amount spent on Impact Assessment, if applicable (Rs. in crores):	0
(f)	Total amount spent for the financial year (8f=8b+8c+8d+8e) (Rs. in crores):	22.21
(g)	Excess amount for set off, if any (Rs. in crores):	Nil

9	(a)	Details of Unspent CSR Amount for the preceeding three financial years:	NA
	(b)	Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):	NA

10 In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset wise details):

(a)	Date of creation or acquisition of the capital asset(s)	NA
(b)	Amount of CSR spent for creation or acquisition of capital asset (Rs. in crores):	NA
(c)	Details of the entity or public authority or beneficiary under whose name such capital assets is registered, their address etc.	NA
(d)	Details of the capital assets created or acquired (including complete address and location of the capital asset	NA

11 Specify the reasons if the company has failed to spend two percent of the average net profit as per Section 135 (5) NA
Amount remaining unspent pertains to 'ongoing CSR projects' that Company is undertaking as part of its CSR activities. NA
These projects will be completed and amounts will be expended within 3 years. The unspent amount pertaining to these projects have been transferred to an unspent CSR Account. NA

Sd/-
George Alexander Muthoot
Managing Director
DIN: 00016787

Sd/-
T Thomas Mathew
Chairman of CSR
DIN: 08545597

Annexure II

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. Detailsof material contracts or arrangement or transactions at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangement/ transactions	Duration of the contracts / arrangements /transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
		NIL			

For and on Behalf of the Board of Directors

Sd/
George Alexander Muthoot
Managing Director
(DIN: 00016787)

Sd/
George Muthoot Jacob
Whole-Time Director
(DIN: 00018955)

Place: Kochi
Date: August 11, 2021

Annexure III

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2021

[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, Opp Saritha 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 and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31.03.2021 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 31.03.2021 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) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 as amended;

(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;

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

(vii) Payment and Settlement Systems Act, 2007 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 with 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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, 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 the Reserve Bank of India has imposed a penalty of Rs. 34,55,000/- (Rupees Thirty Four Lakh Fifty Five Thousand only) vide their order dated August 12, 2020 for non maintenance of adequate escrow account balance in tune with the value of outstanding PPIs and payments due to merchants and breach of funds transfer limit of Rs.1 lakh per month per beneficiary due to the creation of multiple wallets by the same users which is in violation of the instructions contained in the Master Direction on PPIs dated October 11, 2017. The Company has paid the penalty to the Reserve Bank of India.

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

Nikhil George Pinto, Partner
M. No. F11074, CP. No. 16059, Kochi
August 11, 2021, UDIN: F011074C000762871

ANNEXURE TO THE SECRETARIAL AUDIT REPORT OF EVEN DATE

To
The Members
Muthoot Vehicle & Asset Finance Limited
Muthoot Chambers, Opp Saritha 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 2021 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

Nikhil George Pinto, Partner
M. No. F11074
CP. No. 16059
Kochi
August 11, 2021
UDIN: F011074C000762871

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 2020-21 ; the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2020-21 ;

Sl. No.	Name of Director and KMP	Designation	% increase in remuneration during year 2020-21	Ratio of Remuneration of each Director to median remuneration of employees of the company
1	George Alexander Muthoot	Managing Director	(37%)	0.83:1
2	George Thomas Muthoot	Director	(31%)	0.79:1
3	Anna Alexander	Director	(33%)	0.7:1
4	George Muthoot Jacob	Whole Time Director	(57%)	2.28:1
5	Kurian C George	Independent Director	14%	1.05:1
6	T Thomas Mathew	Independent Director	10%	1.01:1
7	K George Oommen*	Chief Executive Officer & GM	(24%)	NA
8	Geena Thomas	Chief Financial Officer	(1%)	NA
9	Arya Devu P V #	Company Secretary	(31%)	NA
10	Harimon G **	Chief Executive Officer & GM	Not comparable	NA
11	Kavitha K Nair##	Company Secretary	Not comparable	NA

*Ceased to be a Chief Executive Officer & General Manager with effect from December 18, 2020.

** Appointed as the Chief Executive Officer & General Manager with effect from December 18, 2020.

Ceased to be a Company Secretary with effect from November 12, 2020.

Appointed as the Company Secretary with effect from November 12, 2020.

b) the percentage increase in the median remuneration of employees in the financial year 2020-21: **11.07%**

c) The number of permanent employees on the rolls of the Company as on March 31, 2021: **167**

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 decreased to 15.22. Average percentile of managerial remuneration decreased to 22.27**

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

Sd/-
George Alexander Muthoot
Managing Director

Sd/-
George Muthoot Jacob
Whole Time Director

Place: Kochi
Date: August 11, 2021

INDEPENDENT AUDITOR'S REPORT

The Members of

Muthoot Vehicle & Asset Finance Limited

Kochi

Opinion

We have audited the accompanying financial statements of Muthoot Vehicle & Asset Finance limited, which comprise the Balance Sheet as at March 31st, 2021 and the Statement of Profit and Loss(including Other Comprehensive Income), Statement of Changes in Equity and Cash Flow Statement for the year then ended, and notes to the financial statements including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by The Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India of the state of affairs of the company as at 31st, March 2021, its loss, total comprehensive income, changes in equity, and its cash flows for the year ended on that date.

Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

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

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

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

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

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub-section (11) of section 143 of The Companies Act 2013, we give in the Annexure B, a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143(3) of the Act, we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

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

d. In our opinionthe aforesaid financial statements comply with Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e. On the basis of written representations received from the directors as on March 31st, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31st, 2021 from being appointed as a director in terms of Section 164(2)of the Act.

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

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

i) The company has disclosed the impact of Pending litigations on its financial position in its financial statements.

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

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

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

ANISH ABRAHAM
Partner
M.No.217939
UDIN: 21217939AAAAAU2280

Place: Kochi-16

Date: 04.06.2021

ANNEXURE (A) REFERRED TO IN PARAGRAPH 2 (g) OF INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF MUTHOOT VEHICLE &ASSET FINANCE LIMITED ON THE FINANCIAL STATEMENTS OF THE COMPANY FOR THE YEAR ENDED 31st MARCH, 2021.

We have audited the internal financial controls over financial reporting of Muthoot Vehicle & Asset Finance Limited as of March 31st, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

In terms of Companies (Auditor's Report) Order 2016, is-

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

ANISH ABRAHAM
Partner
M.No.217939
UDIN: 21217939AAAAAU2280

Place: Kochi-16

Date: 04.06.2021

ANNEXURE (B)REFERRED TO IN PARAGRAPH 1 OF THE INDEPENDENT AUDITORS REPORT OF EVEN DATE TO THE MEMBERS OF MUTHOOT VEHICLE & ASSET FINANCE LIMITED ON THE FINANCIAL STATEMENTS OF THE COMPANY FOR THE PERIOD ENDED 31st MARCH, 2021.

sued by Central Government of India, in terms of section 143(11) of The Companies Act, 2013, we further report, on the matters specified in paragraph 3 and 4 of the said Order, that:

1) (i) The company has maintained records showing full particulars, including quantitative details and location of fixed assets.

(ii) Fixed assets have been physically verified by the management at reasonable intervals.

(iii) The title deeds of immovable properties shown in the financial statements are held in the name of the company.

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

3) (i) 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.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.

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

(iii) There is no amount overdue for more than 90 days with respect to these Loans.

4) 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.

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

6) In our opinion and according to the information and explanations given to us,the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the companies Act ,2013 for the company.

7) (i) The company is regular in depositing undisputed statutory dues including Provident Fund, employee's State Insurance, Income Tax, Goods and Service Tax, Cess and other material statutory dues, as applicable, with the appropriate authorities.

(ii) According to the information and explanations given to us, the following disputed statutory dues are outstanding as on the date of balance sheet:

Name of the Statute	Nature of Dues	Amount (Rs)	Period to which the amount relates	Forum where dispute is pending	Demand Set off against the refund 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

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

9) The term loans has been utilized for the purposes for which they were obtained.

10) 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 has been noticed or reported during the course of our audit.

11) In our opinion and according to the information and explanations given to us,managerial remuneration has been paid in accordance with the requisite approvals under Section 197 read with Schedule V of the Companies Act,2013.

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

13) The company has not made any preferential allotment and private placement of shares or fully /partly convertible debentures during the year.

14) The company has not entered into any non-cash transactions with directors or persons connected with him, during the year.

15) 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

16) Matter specified in clause (xii) of paragraph 3 of the Companies (Auditor's Report) Order, 2016 is not applicable to the company.

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

ANISH ABRAHAM
Partner
M.No.217939
UDIN: 21217939AAAAAU2280

Place: Kochi-16

Date: 04.06.2021

MUTHOOT VEHICLE & ASSET FINANCE LIMITED

Muthoot Chambers, Opp. Saritha Theatre, Banerji Road, Cochin

BALANCE SHEET AS AT 31'st MARCH, 2021

Amount in Rs

Particulars	Note No	As at 31 March 2021	As at 31 March 2020
ASSETS			
Financial Assets			
Cash and Cash Equivalents	4	52,02,92,664	135,28,31,816
Bank balances other than cash and cash equivalents	5	42,74,27,364	78,46,66,729
Loans	6	303,25,52,498	399,69,16,827
Investments	7	27,39,81,828	15,28,20,200
Other financial assets	8	87,57,721	1,14,82,351
Non - Financial Assets			
Current Tax Assets (Net)	9	1,31,43,615	90,14,506
Deferred Tax Assets (Net)	20	2,47,62,649	61,84,914
Investment Property	10	10,83,282	10,83,282
Property, Plant and Equipment	11	3,19,14,436	3,40,65,798
Intangible Assets	11	15,03,960	20,15,881
Other Non-financial Assets	12	9,75,93,527	8,91,15,563
Total Assets		**443,30,13,545**	**644,01,97,867**
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	47,37,712	94,48,427
Other Payables			
Total outstanding dues of micro enterprises and small enterprises			
Total outstanding dues of creditors other than micro enterprises and small enterprises	14	-	20,572
Debt Securities	15	2,09,29,24,772	2,19,52,49,251
Borrowings (other than debt securities)	16	1,00,667	1,22,60,22,672
Deposits	17	1,23,40,25,967	1,90,26,17,879
Other Financial Liabilities	18	17,10,62,108	9,07,86,236
Non Financial Liabilities			
Provisions	19	51,71,555	73,73,623
Other Non-financial Liabilities	21	1,36,12,579	80,93,174
Equity			
Equity Share Capital	22	25,00,00,000	25,00,00,000
Other Equity	23	66,13,78,186	75,05,86,032
Total Liabilities and Equity		**443,30,13,545**	**644,01,97,867**

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 JVR & ASSOCIATES
Chartered Accountants

Sd/-
Anish Abraham
Partner

Sd/-
George Alexander Muthoot
Managing Director

Sd/-
George M Jacob
Whole Time Director

Sd/-
Harimon G
CEO

Sd/-
Geena Thomas
Chief Financial Officer

Sd/-
Kavitha Nair
Company Secretary

Place : Cochin
Date : 04.06.2021

MUTHOOT VEHICLE & ASSET FINANCE LIMITED

Muthoot Chambers, Opp. Saritha Theatre, Banerji Road, Cochin

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31'st MARCH, 2021

Particulars	Note No	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Revenue from operations			
Interest Income	24	60,60,89,712	63,22,27,657
Dividend Income	25	1,37,15,254	5,90,955
Net Gain on Fair Value Changes	26	24,563	-
Sale of Services	27	-	1,64,90,096
Total Revenue from Operations		**61,98,29,529**	**64,93,08,709**
Other Income	28	5,63,02,839	4,25,85,535
Total Income		**67,61,32,368**	**69,18,94,243**
Expenses			
Finance Cost	29	39,19,85,803	34,22,18,553
Fees and Commission Expense	30	-	1,21,51,404
Impairment on Financial Instruments	31	24,84,26,632	8,39,63,792
Employee Benefit Expense	32	8,05,01,996	11,66,86,180
Depreciation, amortization and impairment	33	35,30,515	57,06,298
Other Expenses	34	5,71,90,072	8,87,34,175
Total Expense		**78,16,35,019**	**64,94,60,402**
Profit Before Tax		**(10,55,02,651)**	**4,24,33,841**
Tax Expense	20		
Current Tax			1,79,60,942
Deferred Tax		(1,78,22,655)	(77,98,432)
Taxes Relating to Prior Years		(7,17,230)	7,68,492
Total Tax Expense		**(1,85,39,885)**	**1,09,31,002**
Profit after Tax		**(8,69,62,766)**	**3,15,02,839**
Other Comprehensive Income (OCI)			
Items that will not be reclassified to profit or loss:			
Remeasurement gains/(losses) on defined benefit plans		(30,00,162)	1,16,435
Tax impact on above		7,55,081	(29,304)
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)		**(22,45,081)**	**87,131**
Total comprehensive income for the year		**(8,92,07,847)**	**3,15,89,970**
Earnings per Equity share:			
(Face value of Rs. 10/- each)			
Basic (Rs.)	35	(3.48)	1.26
Diluted (Rs.)		(3.48)	1.26

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 JVR & ASSOCIATES
Chartered Accountants

Sd/-
George Alexander Muthoot
Managing Director

Sd/-
George M Jacob
Whole Time Director

Sd/-
Anish Abraham
Partner

Sd/-
Harimon G
CEO

Sd/-
Geena Thomas
Chief Financial Officer

Sd/-
Kavitha Nair
Company Secretary

Place : Cochin
Date : 04.06.2021

MUTHOOT VEHICLE & ASSET FINANCE LIMITED

Muthoot Chambers, Opp. Saritha Theatre, Banerji Road, Cochin

CASH FLOW STATEMENT FOR THE YEAR ENDED 31'st MARCH, 2021

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
A Cash flow from Operating activities		
Profit before tax	(10,55,02,651)	4,24,33,841
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation, amortisation and impairment	35,30,515	57,06,298
Impairment on financial instruments	24,84,26,632	8,39,63,792
Finance cost	39,19,85,803	34,22,18,553
Loss on sale of Property, plant and equipment	85,807	81,299
Provision for Gratuity	6,08,653	3,67,800
Provision for Leave Encashment	92,000	(2,05,000)
Profit on sale of investments	-	(1,05,000)
Profit on sale of Property, plant and equipment	(2,260)	-
Dividend from mutual fund	(1,37,15,254)	(5,90,955)
Net Gain on Fair Value Changes	(24,563)	
Interest income from investment	(1,20,60,886)	(1,14,91,287)
Operating Profit Before Working Capital Changes	**51,34,23,797**	**46,23,79,340**
(Increase)/Decrease in Current Tax Asset	97,31,736	-
(Increase)/Decrease in Loans	71,59,37,697	24,27,01,430
(Increase)/Decrease in Other financial asset	27,24,630	(8,83,803)
(Increase)/Decrease in Other non-financial asset	(1,20,86,779)	57,58,188
Increase/(Decrease) in Other financial liabilities	8,02,75,872	(3,72,00,452)
Increase/(Decrease) in Other non financial liabilities	55,19,405	2,68,296
Increase/(Decrease) in Trade payables	(47,10,715)	41,18,145
Increase/(Decrease) in Provisions	(22,94,068)	(29,18,657)
Cash Generated From Operations	**1,30,85,21,574**	**67,42,22,488**
Financial expenses paid	(39,19,85,803)	(34,22,18,553)
Income Tax Paid	(1,31,43,615)	(3,15,89,520)
Net cash from operating activities	**90,33,92,156**	**30,04,14,414**
B Cash flow from Investing activities		
Purchase of Property, plant and equipment and intangible assets	(10,17,741)	(50,40,496)
Proceeds from sale of Property, plant and equipments	46,389	19,296
(Increase)/Decrease in Bank balances other than cash and cash equivalents	35,72,39,365	(68,47,98,111)
(Purchase) / Sale of investments	(12,11,37,065)	(1,85,60,900)
Dividend from mutual fund	1,37,15,254	5,90,955
Interest income from investments	1,20,60,886	1,14,91,287
Net cash from Investing activities	**26,09,07,088**	**(69,62,97,969)**
C Cash flow from Financing activities		
Increase/(Decrease) in Deposits	(66,85,91,912)	81,77,23,801
Increase / (decrease) in debt securities	(10,23,24,479)	1,98,85,49,251
Increase / (decrease) in borrowings (other than debt securities)	(1,22,59,22,005)	(1,09,18,24,798)
Dividend paid (including dividend distribution tax	-	(3,30,83,294)
Net cash from financing activities	**(1,99,68,38,395)**	**1,68,13,64,960**
D Net increase/(decrease) in cash and cash equivalents (A+B+C)	**(83,25,39,151)**	**1,28,54,81,405**
Cash and cash equivalents at Beginning of the Year	1,35,28,31,815	6,73,50,411
Cash and cash equivalents at end of the Year	**52,02,92,664**	**1,35,28,31,815**

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 JVR & ASSOCIATES
Chartered Accountants

Sd/-
George Alexander Muthoot
Managing Director

Sd/-
George M Jacob
Whole Time Director

Sd/-
Anish Abraham
Partner

Sd/-
Harimon G
CEO

Sd/-
Geena Thomas
Chief Financial Officer

Sd/-
Kavitha Nair
Company Secretary

Place : Cochin
Date : 04.06.2021

MUTHOOT VEHICLE & ASSET FINANCE LIMITED
Muthoot Chambers, Opp. Saritha Theatre, Banerji Road, Cochin

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 2021	As at 31 March 2020
Balance at the beginning of the year	25,00,00,000	25,00,00,000
Changes in equity share capital during the year	-	-
Balance at the end of the year	**25,00,00,000**	**25,00,00,000**

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 March 31st 2020	**22,38,57,900**	**86,39,940**	**51,83,74,894**	**(2,86,700)**	**75,05,86,033**
Dividend			-		-
Tax on dividend			-		-
Transfer to reserve Fund in terms of 45 IC of RBI Act	-		-		-
Profit for the year after income tax			(8,69,62,766)		(8,69,62,766)
Other Comprehensive Income (OCI) for the year before income tax				(30,00,162)	(30,00,162)
Income Tax on OCI				7,55,081	7,55,081
Balance As at 31 March 2021	**22,38,57,900**	**86,39,940**	**43,14,12,127**	**(25,31,782)**	**66,13,78,186**

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 JVR & ASSOCIATES
Chartered Accountants

Sd/-
George Alexander Muthoot
Managing Director

Sd/-
George M Jacob
Whole Time Director

Sd/-
Anish Abraham
Partner

Sd/-
Harimon G
CEO

Sd/-
Geena Thomas
Chief Financial Officer

Sd/-
Kavitha Nair
Company Secretary

Place : Cochin
Date : 04.06.2021

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 & 6th floor, Mithun Towers, K.P.Vallon Road, Kadavanthra, Kochi – 682 020.

The Company obtained a certificate of registration dated 30th November, 1998 (bearing no. 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: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation

Revenue from contract with customer for rendering services is recognised at a point in time when performance obligation is satisfied.

(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 interestrate(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) Stage 3- 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 indefault.

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 drawdowns 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.

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 modules, 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

3.20.2 Exposure at Default (EAD):

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

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, 2021 and March 31, 2020.

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 atleast 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, 2021 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 previous year 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 expense in the Previous year.

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 existingloans	12,984.01
General corporate purposes	2.45

As at March 31, 2021, the company has temporarily parked unutilized proceeds of the public issuewith 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
Fixed Deposit Placed With Yes Bank @ 6.15% for 182 Days	3,000.00
Fixed Deposit Placed With Yes Bank @ 6.20% for 273 Days	4,000.00
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 gross amount required to be spent by the company as per Section 135 of the Companies Act, 2013 is Rs.22,21,000/- (March 31, 2021) and the company has spent Rs.22,21,000/- (March 31, 2021).

3.25 Frauds during the year

During the year, frauds committed by customers of the company amounted to Rs.3.32 lakhs (frauds outstanding as on March 31, 2020: Rs.733.86 lakhs) which has been recovered/written off/provided for.

Note 4. Cash and Cash equivalents

Particulars	As at 31 March 2021	As at 31 March 2020
Cash On Hand	77,97,993	6,17,890
Balance With Banks		
-in Current Account	4,49,07,640	10,22,13,926
-in fixed deposit (maturing within a period of three months)	46,75,87,032	1,25,00,00,000
	52,02,92,664	**1,35,28,31,816**

Note 5. Bank balance other than Cash and Cash equivalents

Particulars	As at 31 March 2021	As at 31 March 2020
Fixed Deposit With Banks (Maturing above 3 Months)	42,21,90,944	77,99,68,554
Unclaimed Dividend	2,400	600
Earmarked Balance in Escrow Account	52,34,020	46,97,575
	42,74,27,364	**78,46,66,729**

Note 6. Loans

Particulars	As at 31 March 2021	As at 31 March 2020
At amortised Cost		
(A) Loans		
I Loan against Hypothecation	3,09,18,51,064	3,89,85,55,540
II Business Development Loan	8,80,97,875	13,76,10,849
III Gold Loan	6,18,823	
III Personal Loan	2,57,756	26,50,000
IV Loan against Deposit	36,53,232	41,69,209
V Trade Advance	1,96,48,551	1,88,15,775
Total (A Gross)	**3,20,41,27,302**	**4,06,18,01,373**
Less: Impairment Loss Allowance	17,15,74,804	6,48,84,546
Total (A Net)	**3,03,25,52,498**	**3,99,69,16,827**
(B)		
I Loan to Related Parties	1,66,80,468	2,67,48,777
II Loan to Others	3,18,74,46,834	4,03,50,52,596
Total (B Gross)	**3,20,41,27,302**	**4,06,18,01,373**
Less: Impairment Loss Allowance	17,15,74,804	6,48,84,546
Total (B Net)	**3,03,25,52,498**	**3,99,69,16,827**
(C)		
I - Secured		
By tangible Assets	3,18,05,67,763	4,03,61,66,389
By Intangible Assets	-	-
II Covered By Bank/ Govt Guarantee	-	-
III Covered By Deposits	36,53,232	41,69,209
IV -Un-Secured	1,99,06,307	2,14,65,776
Total (C Gross)	**3,20,41,27,302**	**4,06,18,01,373**
Less: Impairment Loss Allowance	17,15,74,804	6,48,84,546
Total (C Net)	**3,03,25,52,498**	**3,99,69,16,827**
(D)		
I Loans in India		
- Public Sector	-	-
-Others	3,20,41,27,302	4,06,18,01,373
II Loans Outside India	**-**	**-**
Total (D Gross)	**3,20,41,27,302**	**4,06,18,01,373**
Less: Impairment Loss Allowance	17,15,74,804	6,48,84,546
Total (D Net)	**3,03,25,52,498**	**3,99,69,16,827**

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. Details of the Company's internal grading system are explained in *Note 34.*

Particulars	As at March 31, 2021				As at March 31, 2020			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Internal rating grade								
Performing								
High grade	2,10,85,79,176			2,10,85,79,176	2,62,37,18,320			2,62,37,18,320
Standard grade	26,78,33,089			26,78,33,089	53,13,45,407			53,13,45,407
Sub-standard grade		22,51,24,691		22,51,24,691		29,39,14,231		29,39,14,231
Past due but not impaired		24,97,64,861		24,97,64,861		41,66,60,930		41,66,60,930
Non- performing				-				-
Individually impaired			35,28,25,485	35,28,25,485			19,61,62,486	19,61,62,486
Total	**2,37,64,12,265**	**47,48,89,552**	**35,28,25,485**	**3,20,41,27,302**	**3,15,50,63,727**	**71,05,75,161**	**19,61,62,486**	**4,06,18,01,374**

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

Particulars	Gross carrying Amount							
	31-Mar-21				31-Mar-20			
Stages	Stage I	Stage II	Stage III	Total	Stage I	Stage II	Stage III	Total
Balance at the beginning of the year	**3,15,50,63,727**	**71,05,75,161**	**19,61,62,486**	**4,06,18,01,373**	**3,79,07,46,044**	**49,93,98,555**	**6,47,07,483**	**4,35,48,52,081**
New assets originated or purchased	43,97,63,620	-	-	**43,97,63,620**	1,22,25,93,393	-	-	**1,22,25,93,393**
Assets repaid (excluding write offs)	(95,82,65,954)	(16,09,14,269)	(2,74,06,309)	**(1,14,65,86,531)**	(1,24,84,19,395)	(16,24,16,899)	(79,48,359)	**(1,41,87,84,654)**
Transfers to Stage I	19,04,53,632	(18,80,00,319)	(24,53,313)	-	2,19,71,863	(2,09,93,818)	(9,78,046)	-
Transfers to Stage II	(29,78,22,037)	30,01,85,991	(23,63,954)	-	(50,54,39,323)	50,70,03,463	(15,64,140)	-
Transfers to Stage III	(15,27,80,722)	(18,69,57,012)	33,97,37,734	-	(12,63,88,856)	(11,24,16,140)	23,88,04,995	-
Amounts written off	-	-	(15,08,51,160)	**(15,08,51,160)**	-	-	(9,68,59,447)	**(9,68,59,447)**
Balance at the end of the year	**2,37,64,12,265**	**47,48,89,552**	**35,28,25,485**	**3,20,41,27,302**	**3,15,50,63,727**	**71,05,75,161**	**19,61,62,486**	**4,06,18,01,373**

Reconciliation of ECL Balance is given below:

Particulars	Expected Credit Loss (ECL)							
	31-Mar-21				31-Mar-20			
Stages	Stage I	Stage II	Stage III	Total	Stage I	Stage II	Stage III	Total
Balance at the beginning of the year	**1,42,00,942**	**1,04,37,216**	**4,02,46,388**	**6,48,84,546**	**1,72,17,142**	**22,37,306**	**1,18,15,586**	**3,12,70,033**
New assets originated or purchased	19,79,376			**19,79,376**	55,52,881			**55,52,881**
Assets repaid (excluding write offs)	(42,72,191)	(23,63,574)	(56,22,915)	**(1,22,58,680)**	(56,70,180)	(7,27,628)	(14,51,370)	**(78,49,178)**
Transfers to Stage I	32,64,768	(27,61,425)	(5,03,343)	-	2,72,643	(94,052)	(1,78,591)	-
Transfers to Stage II	(13,40,497)	18,25,506	(4,85,009)	-	(22,95,648)	25,81,260	(2,85,612)	-
Transfers to Stage III	(6,87,666)	(27,46,101)	34,33,767	-	(5,74,044)	(5,03,624)	10,77,668	-
Impact on year end ECL of exposures transferred between stages during the year	1,85,37,202	1,48,01,204	23,44,82,316	**26,78,20,723**	(3,01,852)	69,43,955	12,61,28,154	**13,27,70,257**
Amounts written off			(15,08,51,160)	**(15,08,51,160)**			(9,68,59,447)	**(9,68,59,447)**
Balance at the end of the year	**3,16,81,934**	**1,91,92,827**	**12,07,00,043**	**17,15,74,804**	**1,42,00,942**	**1,04,37,217**	**4,02,46,388**	**6,48,84,546**

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 2021

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	52,02,92,664	-	-	-	-	-		52,02,92,664
(b)Bank balances other than cash and cash equivalents	52,36,420	38,15,84,107	4,06,06,837	-	-	-		42,74,27,364
(c)Loans	40,16,03,523	26,86,81,271	50,37,90,682	1,90,22,71,845	12,75,05,562	2,74,419	(17,15,74,804)	3,03,25,52,498
(d)Investments	12,76,26,028	-	1,97,95,000	3,01,54,000	9,92,500	9,54,14,300		27,39,81,828
(e)Other Financial assets	31,64,694	-	-	17,86,668	-	38,06,360		87,57,722
Total	1,05,79,23,329	65,02,65,378	56,41,92,519	1,93,42,12,513	12,84,98,062	9,94,95,079	(17,15,74,804)	4,26,30,12,075
Financial Liabilities								
Each item classified under Financial Liabilities								
(a)Payables	47,37,712	-	-	-	-	-		47,37,712
(b)Debt Securities	-	6,89,00,000	53,37,72,846	62,04,72,537	63,25,70,982	23,72,08,407		2,09,29,24,772
(c)Borrowings(other than debt securities)	1,00,667	-	-	-	-	-		1,00,667
(d)Deposits	5,47,16,804	5,59,56,443	27,17,91,712	39,22,71,225	45,92,89,783	-		1,23,40,25,967
(e)Other Financial Liabilities	3,44,36,647	1,22,72,066	12,43,53,395	-	-	-		17,10,62,108
Total	9,39,91,829	13,71,28,509	92,99,17,953	1,01,27,43,762	1,09,18,60,765	23,72,08,407		3,50,28,51,226

Maturity pattern of assets and liabilities as on March 31 2020

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	1,35,28,31,816	-	-	-	-	-		1,35,28,31,816
(b)Bank balances other than cash and cash equivalents	1,22,20,160	70,58,30,340	77,81,015	5,88,35,213	-	-		78,46,66,729
(a)Loans	46,75,83,416	29,49,90,924	58,61,39,103	2,41,71,87,373	29,52,96,138	6,04,418	(6,48,84,546)	3,99,69,16,827
(b)Investments	2,70,000	-	-	3,60,59,500	2,10,76,400	9,54,14,300		15,28,20,200
(c)Other Financial assets	52,48,041	-	-	20,00,551	-	42,33,759		1,14,82,351
Total	1,83,81,53,434	1,00,08,21,264	59,39,20,118	2,51,40,82,638	31,63,72,538	10,02,52,477	(6,48,84,546)	6,29,87,17,924
Financial Liabilities								
Each item classified under Financial Liabilities								
(a)Payables	94,68,999	-	-	-	-	-		94,68,999
(b)Debt Securities	-	1,13,00,000	8,21,00,000	60,33,90,682	1,25,95,61,293	23,88,97,276		2,19,52,49,251
(c)Borrowings(other than debt securities)	67,79,18,922	23,07,05,625	18,14,11,250	13,59,86,875	-	-		1,22,60,22,672
(d)Deposits	3,49,40,138	57,17,30,746	19,85,62,233	55,83,17,963	53,90,66,799	-		1,90,26,17,879
(e)Other Financial Liabilities	2,88,30,738	1,44,00,044	4,75,55,454	-	-	-		9,07,86,236
Total	75,11,58,797	82,81,36,415	50,96,28,937	1,29,76,95,520	1,79,86,28,092	23,88,97,276		5,42,41,45,037

Note 7. Investments

	As at 31 March 2021								
					At fair Value				
Particulars	No of Units	Face value per unit	Face Value	Amortised Cost	Through OCI	Through P&L	Designated at fair value through profit or loss	Sub Total	Total
1.Investment In Government Securities (Quoted)									
7.45% APSDL Bonds				-	-	-	-	-	-
8.26% GOI Bonds	1,00,000	100.00	1,00,00,000	1,00,20,000	-	-	-	-	1,00,20,000
8.26% GOI Bonds	1,00,000	100.00	1,00,00,000	99,05,000	-	-	-	-	99,05,000
8.26% GOI Bonds	1,00,000	100.00	1,00,00,000	99,30,000	-	-	-	-	99,30,000
8.26% GOI Bonds	1,00,000	100.00	1,00,00,000	97,80,000	-	-	-	-	97,80,000
8.58% GSDL Bonds	1,00,200	100.00	1,00,20,000	1,00,70,100	-	-	-	-	1,00,70,100
7.95% TNSDL Bonds	40,000	100.00	40,00,000	40,00,000	-	-	-	-	40,00,000
8.59% TNSDL Bonds	60,000	100.00	60,00,000	61,94,400	-	-	-	-	61,94,400
8.66% TNSDL Bonds	1,00,000	100.00	1,00,00,000	1,00,00,000	-	-	-	-	1,00,00,000
8.75% TNSDL Bonds	1,00,000	100.00	1,00,00,000	97,95,000	-	-	-	-	97,95,000
7.20% KSDL Bonds	60,000	100.00	60,00,000	59,94,000	-	-	-	-	59,94,000
7.59% KSDL Bonds	1,00,000	100.00	1,00,00,000	1,00,25,000	-	-	-	-	1,00,25,000
7.20% WSDL Bonds	35,000	100.00	35,00,000	35,07,000	-	-	-	-	35,07,000
7.19% KSDL Bonds	17,000	100.00	17,00,000	17,03,400	-	-	-	-	17,03,400
7.55% MPSDL Bonds	1,00,000	100.00	1,00,00,000	99,85,000	-	-	-	-	99,85,000
7.77% WSDL Bonds	81,000	100.00	81,00,000	80,91,900	-	-	-	-	80,91,900
8.10%KSDL Bonds	40,000	100.00	40,00,000	39,96,000	-	-	-	-	39,96,000
8.25% BSDL Bonds	10,000	100.00	10,00,000	9,92,500	-	-	-	-	9,92,500
7.18% MSDL Bonds	1,20,000	100.00	1,20,00,000	1,14,48,000	-	-	-	-	1,14,48,000
6.17% GOI Bonds	1,21,000	100.00	1,21,00,000	1,20,87,900	-	-	-	-	1,20,87,900
7.17% MDSL Bonds	50,000	100.00	50,00,000	50,25,000	-	-	-	-	50,25,000
Total	**15,34,200**	**15,34,200**	**15,34,20,000**	**15,25,50,200**	**-**	**-**	**-**	**-**	**15,25,50,200**
2. Investments In Other Approved Securities (Unquoted)									
National Saving Certificate	-	-	-	10,000	-	-	-	-	10,000
Treasury Deposit	-	-	-	10,000	-	-	-	-	10,000
Treasury Deposit	-	-	-	50,000	-	-	-	-	50,000
Treasury Deposit	-	-	-	2,00,000	-	-	-	-	2,00,000
Total	**-**	**-**	**-**	**2,70,000**	**-**	**-**	**-**	**-**	**2,70,000**
3. Investments in Mutual Fund									
DSP Mutual Fund	1,10,94,338	10.15	11,26,37,490				11,26,37,490		11,26,37,490
Nippon Mutual Fund	1,694	5,018.09	84,99,575				85,24,138		85,24,138
Total	**1,10,96,032**	**5,028**	**12,11,37,065**	**-**	**-**	**-**	**12,11,61,628**	**-**	**12,11,61,628**
Total Investments	**1,26,30,232**	**15,39,228**	**27,45,57,065**	**15,28,20,200**	**-**	**-**	**12,11,61,628**	**-**	**27,39,81,828**
1. Investments									
In India	1,26,30,232	-	27,45,57,065	15,28,20,200	-	-	-	-	27,39,81,828
Outside India	-	-	-	-	-	-	-	-	-
Total Investments	**1,26,30,232**		**27,45,57,065**	**15,28,20,200**	**-**	**-**	**-**	**-**	**27,39,81,828**

	As at 31 March 2020								
					At fair Value				
Particulars	No of Units	Face value per unit	Face Value	Amortised Cost	Through OCI	Through P&L	Designated at fair value through profit or loss	Sub Total	Total
1.Investment In Government Securities (Quoted)									
7.45% APSDL Bonds	-	-	-	-	-	-	-	-	**-**
8.26% GOI Bonds	1,00,000	100.00	1,00,00,000	1,00,20,000	-	-	-	-	**1,00,20,000**
8.26% GOI Bonds	1,00,000	100.00	1,00,00,000	99,05,000	-	-	-	-	**99,05,000**
8.26% GOI Bonds	1,00,000	100.00	1,00,00,000	99,30,000	-	-	-	-	**99,30,000**
8.26% GOI Bonds	1,00,000	100.00	1,00,00,000	97,80,000	-	-	-	-	**97,80,000**
8.58% GSDL Bonds	1,00,200	100.00	1,00,20,000	1,00,70,100	-	-	-	-	**1,00,70,100**
7.95% TNSDL Bonds	40,000	100.00	40,00,000	40,00,000	-	-	-	-	**40,00,000**
8.59% TNSDL Bonds	60,000	100.00	60,00,000	61,94,400	-	-	-	-	**61,94,400**
8.66% TNSDL Bonds	1,00,000	100.00	1,00,00,000	1,00,00,000	-	-	-	-	**1,00,00,000**
8.75% TNSDL Bonds	1,00,000	100.00	1,00,00,000	97,95,000	-	-	-	-	**97,95,000**
7.20% KSDL Bonds	60,000	100.00	60,00,000	59,94,000	-	-	-	-	**59,94,000**
7.59% KSDL Bonds	1,00,000	100.00	1,00,00,000	1,00,25,000	-	-	-	-	**1,00,25,000**
7.20% WSDL Bonds	35,000	100.00	35,00,000	35,07,000	-	-	-	-	**35,07,000**
7.19% KSDL Bonds	17,000	100.00	17,00,000	17,03,400	-	-	-	-	**17,03,400**
7.55% MPSDL Bonds	1,00,000	100.00	1,00,00,000	99,85,000	-	-	-	-	**99,85,000**
7.77% WSDL Bonds	81,000	100.00	81,00,000	80,91,900	-	-	-	-	**80,91,900**
8.10%KSDL Bonds	40,000	100.00	40,00,000	39,96,000	-	-	-	-	**39,96,000**
8.25% BSDL Bonds	10,000	100.00	10,00,000	9,92,500	-	-	-	-	**9,92,500**
7.18% MSDL Bonds	1,20,000	100.00	1,20,00,000	1,14,48,000	-	-	-	-	**1,14,48,000**
6.17% GOI Bonds	1,21,000	100.00	1,21,00,000	1,20,87,900	-	-	-	-	**1,20,87,900**
7.17% MDSL Bonds	50,000	100.00	50,00,000	50,25,000	-	-	-	-	**50,25,000**
Total	**15,34,200**		**15,34,20,000**	**15,25,50,200**	**-**	**-**	**-**	**-**	**15,25,50,200**
2. Investments In Other Approved Securities (Unquoted)									
National Saving Certificate	-	-	-	10,000	-	-	-	-	10,000
Treasury Deposit	-	-	-	10,000	-	-	-	-	10,000
Treasury Deposit	-	-	-	50,000	-	-	-	-	50,000
Treasury Deposit	-	-	-	2,00,000	-	-	-	-	2,00,000
Total	**-**	**-**	**-**	**2,70,000**	**-**	**-**	**-**	**-**	**2,70,000**
Total Investments	**15,34,200.00**	**-**	**15,34,20,000**	**15,28,20,200**	**-**	**-**	**-**	**-**	**15,28,20,200**
1. Investments									
In India	15,34,200.00	-	15,34,20,000.00	15,28,20,200	-	-	-	-	15,28,20,200
Outside India	-	-	-	-	-	-	-	-	-
Total Investments	**15,34,200.00**		**15,34,20,000.00**	**15,28,20,200**	**-**	**-**	**-**	**-**	**15,28,20,200**

Note 8. Other Financial Assets

Particulars	As at 31 March 2021	As at 31 March 2020
Security deposits	55,93,028	62,34,310
Other financial assets	31,64,693	52,48,041
	87,57,721	**1,14,82,351**

Note 9. Current Tax Assets (Net)

Particulars	As at 31 March 2021	As at 31 March 2020
Advance tax and tax deducted at source (net of provisions)	1,31,43,615	90,14,506
Closing Balance	**1,31,43,615**	**90,14,506**

Note 10. Investment Property

Particulars	Building
Gross block- at cost	
As at April 01, 2019	21,59,382
Additions	-
Disposals	-
As at March 31, 2020	**21,59,382**
Additions	-
Disposals	-
As at March 31, 2021	**21,59,382**
Accumulated depreciation	
As at April 01, 2019	10,76,100
Disposals	-
Charge for the period	-
As at March 31, 2020	**10,76,100**
Disposals	-
Charge for the year	-
As at March 31, 2021	**10,76,100**
Net book value:	
As at April 01, 2019	**10,83,282**
As at March 31, 2020	**10,83,282**
As at March 31, 2021	**10,83,282**

Note 11. Property, Plant and Equuipment/ Intangible Assets

(A) Property, Plant and Equipment

Particulars	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount	
	As at 01/04/2020	Additions	Disposals	As at 31/03/2021	As at 01/04/2020	For the Year	Disposals	As at 31/03/2021	As at 31/03/2021	As at 31/03/2020
Land	9,00,744			9,00,744	-	-		-	9,00,744	9,00,744
Building	2,83,62,357			2,83,62,357	39,98,567	4,32,794		44,31,361	2,39,30,996	2,43,63,790
Furniture and Fixtures	1,16,75,687			1,16,75,687	91,69,767	3,99,770		95,69,537	21,06,150	25,05,920
Electrical Fittings	86,72,886	2,77,833	3,09,974	86,40,745	56,83,679	4,39,791	1,82,379	59,41,091	26,99,654	29,89,207
Office Equipments	13,01,299	19,955		13,21,254	11,25,455	50,662		11,76,118	1,45,136	1,75,844
Vehicles	38,57,081			38,57,081	38,57,081	-		38,57,081	-	-
Computer	1,40,19,184	2,34,983	46,810	1,42,07,357	1,18,70,773	10,69,434	44,469	1,28,95,738	13,11,619	21,48,411
Temporary Partitions	2,05,55,965	2,37,398		2,07,93,363	1,95,74,083	3,99,143		1,99,73,226	8,20,137	9,81,882
Total	**8,93,45,203**	**7,70,169**	**3,56,784**	**8,97,58,588**	**5,52,79,405**	**27,91,594**	**2,26,848**	**5,78,44,152**	**3,19,14,436**	**3,40,65,798**

(B) Intangible Asset

Particulars	Gross Carrying Amount				Accumulated Amortisation				Net Carrying Amount	
	As at 31/03/2020	Additions	Disposals	As at 31/03/2021	As at 31/03/2020	For the Year	Disposals	As at 31/03/2021	As at 31/03/2021	As at 31/03/2020
Software	75,74,421	2,27,000		78,01,421	55,58,540	7,38,921	-	62,97,461	15,03,960	20,15,881
Total	**75,74,421**	**2,27,000**	**-**	**75,74,421**	**55,58,540**	**7,38,921**	**-**	**62,97,461**	**15,03,960**	**20,15,881**

Note 12. Other Non - Financial Assets

Particulars	As at 31 March 2021	As at 31 March 2020
Asset acquired in satisfaction of debt	5,95,37,029	5,59,02,499
Repossessed Assets	2,24,44,486	2,09,22,050
Income Tax Refund Due	1,04,93,708	50,54,538
Advance Tax Paid	-	4,65,157
Other Advances	44,11,987	64,64,099
Exgratia Receivable	-	
Contribution To Gratuity Fund	7,06,317	3,07,220
Total	**9,75,93,527**	**8,91,15,563**

Note 13. Trade Payables

Particulars	As at 31 March 2021	As at 31 March 2020
Total outstanding dues of creditors other than micro enterprises and small enterprises		
Trade Payables for expenses	47,37,712	94,48,427
Total outstanding dues of micro enterprises and small enterprises	-	-
Closing Balance	**47,37,712**	**94,48,427**

Note 14. Other Payables

Particulars	As at 31 March 2021	As at 31 March 2020
Total outstanding dues of creditors other than micro enterprises and small enterprises		
Expense for Capital Goods Payable	-	20,572
Total outstanding dues of micro enterprises and small enterprises	-	-
Closing Balance	**-**	**20,572**

Note 15. Debt Securities

Particulars	As at 31 March 2021			
	At Amortised Cost	At fair value through P&L	Designated at fair value through profit or loss	Total
Secured Redeemable NCD Privately Placed *(Secured by paripassu floating charge on book debts and Current Receivables)*	11,33,00,000	-	-	**11,33,00,000**
Secured Non Convertible Debentures Listed* *(Secured by paripassu floating charge on book debts and Current Receivables)*	1,97,96,24,772	-	-	**1,97,96,24,772**
Total	**2,09,29,24,772**	**-**	**-**	**2,09,29,24,772**
Debt Securities				
In India	**2,09,29,24,772**			**2,09,29,24,772**
Outside India	**-**			**-**
Total	**2,09,29,24,772**			**2,09,29,24,772**

*Includes EIR impact of transaction cost

Particulars	As at 31 March 2020			
	At Amortised Cost	At fair value through P&L	Designated at fair value through profit or loss	Total
Secured Redeemable NCD Privately Placed *(Secured by paripassu floating charge on book debts and Current Receivables)*	20,67,00,000	-	-	20,67,00,000
Secured Non Convertible Debuntures Listed* *(Secured by paripassu floating charge on book debts and Current Receivables)*	1,98,85,49,251	-	-	1,98,85,49,251
Total	**2,19,52,49,251**	**-**	**-**	**2,19,52,49,251**
Debt Securities				
In India	**2,19,52,49,251**			**2,19,52,49,251**
Outside India	**-**			**-**
Total	**2,19,52,49,251**			**2,19,52,49,251**

*Includes EIR impact of transaction cost

Note 15.2. Secured Redeemable Non-Convertible Debentures

a) Private Placement

The Company had privately placed Secured Redeemable Non- Convertible Debentures for a maturity period of 36 months with a principal amount outstanding **11.33 Crores** (March 31,2020: **20.67 Crores**)

Series	Date of Allotment	31-03-2021	31-03-2020	Redemption period from the date of allotment	Interest Rate %
A	23-08-2018	-	1,13,00,000	24 Months	8.25-8.75
B	29-12-2018	-	7,75,00,000	24 Months	9.25
C	13-03-2019	-	46,00,000	24 Months	9.5
A	23-08-2018	6,89,00,000	6,89,00,000	36 Months	8.85-9.50
B	29-12-2018	3,58,00,000	3,58,00,000	36 Months	9.10-9.75
C	13-03-2019	86,00,000	86,00,000	36 Months	9.50-9.75
TOTAL		**11,33,00,000**	**20,67,00,000**		

b) Public Issue

The principal amount of outstanding Secured Redeemable Non-Convertible Listed Debentures raised through Public Issue stood at **197.96 Crores**.

Series	Date of Allotment	31-03-2021	31-03-2020	Redemption period from the date of allotment	Interest Rate %
Secured NCD's	17-03-2020	14,93,28,000	14,93,28,000.00	24 Months	9.25%
	17-03-2020	16,42,08,000	16,42,08,000.00	24 Months	9.25%
	17-03-2020	17,93,55,000	17,93,55,000.00	24 Months	9.50%
	17-03-2020	25,77,40,000	25,77,40,000.00	38 Months	9.50%
	17-03-2020	25,61,04,000	25,61,04,000.00	38 Months	9.50%
	17-03-2020	11,28,82,000	11,28,82,000.00	38 Months	9.75%
	17-03-2020	29,48,23,000	29,48,23,000.00	60 Months	9.75%
	17-03-2020	8,31,44,000	8,31,44,000.00	60 Months	9.75%
	17-03-2020	26,21,34,000	26,21,34,000.00	60 Months	10.00%
	17-03-2020	24,02,82,000	24,02,82,000.00	90 Months	9.67%
EIR Impact		(2,03,75,228)	(1,14,50,749)		
TOTAL		**1,97,96,24,772**	**1,98,85,49,251**		

Note 16. Borrowings (Other Than Debt Securities)

Particulars	As at 31 March 2021			
	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)*	1,00,667	-	-	1,00,667
Total	**1,00,667**	**-**	**-**	**1,00,667**
Borrowings				
In India	**1,00,667**	**-**	**-**	**1,00,667**
Outside India	**-**	**-**	**-**	**-**
Total	**1,00,667**	**-**	**-**	**1,00,667**

Particulars	As at 31 March 2020			
	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) during FY 2019-20 in 3 quarterly and 12 monthly instalments, Rs. 4 Crore and 8.33 Crore during FY 2020-21 in 4 quarterly and 12 monthly instalments, Rs. 3 Crore and 7.64 Crore during FY 2021-22 in 3 quarterly and 11 monthly instalments Rate of Interest: 9.90 % p.a. and 10.00% pa)*	22,88,09,970	-	-	**22,88,09,970**
Loan From Related Parties				
Loan From Directors (Unsecured)	5,00,00,000	-	-	**5,00,00,000**
Loan From Relatives (Unsecured)	10,00,00,000	-	-	**10,00,00,000**
Loans Repayable on Demand				
From Banks				
Cash Credit/Short Term Loan *(Secured by paripassu floating charge on current assets, book debts, Loans & advances)*	84,72,12,702	-	-	**84,72,12,702**
Total	**1,22,60,22,672**	**-**	**-**	**1,22,60,22,672**
Borrowings				
In India	**1,22,60,22,672**	**-**	**-**	**1,22,60,22,672**
Outside India	**-**	**-**	**-**	**-**
Total	**1,22,60,22,672**	**-**	**-**	**1,22,60,22,672**

Note 17. Deposits

Particulars	As at 31 March 2021			
	At Amortised cost	At fair value through profit or Loss	Designated at fair Value through profit or loss	Total
Public Deposit*	1,22,40,65,967	-	-	**1,22,40,65,967**
From Others**	99,60,000	-	-	**99,60,000**
Total	**1,23,40,25,967**	**-**	**-**	**1,23,40,25,967**

*Excludes unpaid (unclaimed) matured deposit of Rs.1,03,29,424 shown as a part of Other financial liabilities in Note 18.

Particulars	As at 31 March 2020			
	At Amortised cost	At fair value through profit or Loss	Designated at fair Value through profit or loss	Total
Public Deposit*	1,39,49,21,879	-	-	**1,39,49,21,879**
From Others**	50,76,96,000	-	-	**50,76,96,000**
Total	**1,90,26,17,879**	**-**	**-**	**1,90,26,17,879**

*Excludes unpaid (unclaimed) matured deposit of Rs.69,00,200 shown as a part of Other financial liabilities in Note 18.

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

Maturity of Deposits

Particulars	As at 31 March 2021					
	2021-22	2022-23	2023-24	2024-25	2025-26	Total
From Public	38,03,64,959	25,53,61,666	12,90,49,559	44,36,36,881	1,56,52,902	**1,22,40,65,967**
From others	21,00,000	65,00,000	13,60,000	-	-	**99,60,000**
TOTAL						**1,23,40,25,967**

Particulars	As at 31 March 2020					
	2020-21	2021-22	2022-23	2023-24	2024-25	Total
From Public	30,61,37,117	32,86,68,028	22,10,49,935	9,09,14,918	44,81,51,881	**1,39,49,21,879**
From others	49,90,96,000	21,00,000	65,00,000	-	-	**50,76,96,000**
TOTAL						**1,90,26,17,879**

Note 18. Other Financial Liabilities

Particulars	As at 31 March 2021	As at 31 March 2020
Interest Accrued and Due		
On Bank Borrowings	-	12,85,914
On Debentures	4,93,248	
Interest Accrued but not Due		
On Deposits	6,65,83,325	6,13,71,153
On Debentures	8,53,18,416	1,34,24,194
Unpaid Dividend	2,400	600
Matured But Not claimed Deposits		
From Public	1,03,29,424	69,00,200
Interest Due on Matured but not paid Deposit	13,04,678	2,57,117
Others		
Prepaid Instruments	53,39,362	53,39,362
Prefunding for Mobile wallet	3,72,121	3,72,121
Other Financial Liabilities*	13,19,134	18,35,575
Total	**17,10,62,108**	**9,07,86,236**

*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 2021	As at 31 March 2020
Provision for Festival Bonus	27,93,555	20,04,329
Provision for Leave Encashment	23,78,000	22,86,000
Provision for Dividend Tax	-	30,83,294
Total	**51,71,555**	**73,73,623**

Note 20. Income Tax

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Current tax	-	1,79,60,942
Deferred tax	(1,78,22,655)	(77,98,432)
Income Tax of Prior Period	(7,17,230)	7,68,492
Income tax expense reported in statement of profit and loss	**(1,85,39,885)**	**1,09,31,002**
Income tax recognised in other comprehensive income	7,55,081	(29,304)
Income tax charged to OCI	**7,55,081**	**(29,304)**

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, 2021 and year ended March 31, 2020 is, as follows:

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Accounting profit before tax	(10,55,02,651)	4,24,33,841
Statutory income tax rate of 26%	(2,65,52,907)	1,07,85,735
Expenses disallowed in Income Tax Act, 1961	2,64,56,595	87,12,028
Effect of derecognition of previously recognised deferred tax assets	-	
Additional deduction under Income tax act	96,312	(15,36,822)
Others		
Income tax expense reported in the statement of profit or loss	**(0)**	**1,79,60,942**

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 2021	As at 31 March 2020
Fixed asset: Timing difference on account of Depreciation and Amortisation	3,03,143	7,91,699
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	3,97,88,057	2,14,82,748
On amortisation of expenses under Effective Interest Rate method for financial liabilities not permitted under Income Tax Act, 1961	(1,49,80,585.63)	(1,59,82,908)
On other provisions	(3,47,965)	(1,06,625)
Deferred Tax Assets/(Liabilities) (Net)	**2,47,62,649**	**61,84,914**

Reconciliation of deferred tax assets/(liabilities)

Particulars	As at 31 March 2021	As at 31 March 2020
Opening balance	61,84,914	(15,84,214)
Tax income/(expense) during the period recognised in profit or loss	1,78,22,655	77,98,432
Tax income/(expense) during the period recognised in OCI	7,55,081	(29,304)
Closing balance	**2,47,62,649**	**61,84,914**

Note 21. Other Non- Financial Liabilities

Particulars	As at 31 March 2021	As at 31 March 2020
Statutory Dues Payable	32,67,433	47,74,227
Interest Received From Loans In Advance	80,27,990	6,67,129
TDS Advance Payable	14,70,216	9,84,330
Advance received - Asset acquired in Satisfaction of debt	-	-
Other Advances	8,46,940	16,67,488
Total	**1,36,12,579**	**80,93,174**

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 2021	As at 31 March 2020
Authorised		
2,50,00,000 Equity Shares of Rs.10 each	25,00,00,000	25,00,00,000
Issued, subscribed and fully paid up		
2,50,00,000 Equity Shares of Rs.10 each	25,00,00,000	25,00,00,000
Total Equity	**25,00,00,000**	**25,00,00,000**

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 2021	As at 31 March 2020
No of Shares O/s at the Beginning of the Year	2,50,00,000	2,50,00,000
Amount of Share Capital	25,00,00,000	25,00,00,000
No of Shares Issued During the Year	-	-
Amount of Shares Issued During the Year	-	-
No of Shares O/s at the end of the Year	2,50,00,000	2,50,00,000
Amount of Share Capital	25,00,00,000	25,00,00,000

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 2021	
	No of Shares	% of holding
Sara George	61,54,640	24.62
George Thomas Muthoot	50,00,000	20.00
George Jacob Muthoot	50,00,000	20.00
George Alexander Muthoot	50,38,900	20.16

Name	As at 31 March 2020	
	No of Shares	% of holding
M.G.George Muthoot	50,02,140	20.01
George Thomas Muthoot	50,00,000	20.00
George Jacob Muthoot	50,00,000	20.00
George Alexander Muthoot	50,38,900	20.16

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 :		
2020-21	Nil	Nil
2019-20	Nil	Nil
2018-19	Nil	Nil
2017-18	Nil	Nil
2016-17	Nil	Nil

Note 23. Other Equity

Particulars	As at 31 March 2021	As at 31 March 2020
Statutory Reserve		
Balance at the beginning of the year	22,38,57,900	21,75,57,332
Add: Transfer from Retained earnings	-	63,00,568
Balance at the end of the Year	**22,38,57,900**	**22,38,57,900**
General Reserve		
Balance at the beginning of the year	86,39,940	86,39,940
Add: Transfer from DRR	-	-
Balance at the end of the Year	**86,39,940**	**86,39,940**
Retained Earnings		
Balance at the beginning of the year	51,83,74,893	52,93,39,210
Add: Profit for the Year	(8,69,62,766)	3,15,02,839
Less: Final Dividend Paid	-	3,00,00,000
Less: Dividend Distribution Tax	-	61,66,588
Less: Transfer to Statutory Reserve - 20%	-	63,00,568
Balance at the end of the Year	**43,14,12,127**	**51,83,74,893**
Other Comprehensive Income		
Remeasurement of defined benefit Plan		
Balance at the begining of the year	(2,86,700)	(3,73,831)
Add: Addition during the Year	(30,00,162)	1,16,435
Less: Income Tax on OCI	7,55,081	(29,304)
Balance at the end of the Year	**(25,31,782)**	**(2,86,700)**
Total	**66,13,78,185**	**75,05,86,032**

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, 2021			For the Year ended March 31, 2020		
	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	-	54,16,46,157	-	-	61,27,68,329	-
Interest Income From Investments	-	1,20,60,886	-	-	1,14,91,287	
Interest on Deposits with banks	-	5,23,82,668	-	-	79,68,041	
Total	**-**	**60,60,89,712**	**-**	**-**	**63,22,27,657**	**-**

Note 25. Dividend Income

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Dividend Income	1,37,15,254	5,90,955
Total	**1,37,15,254**	**5,90,955**

Note 26. Net Gain on Fair Value Changes

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Net Gain on Fair Value Changes	24,563	-
Total	**24,563**	**-**

Note 27. Sale of Services

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Income from PPI Business	-	1,64,90,096
Total	**-**	**1,64,90,096**

Note 28. Other Income

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Other Charges from loans	3,25,99,319	2,45,67,521
Bad Debts recovered	2,22,07,406	1,63,20,613
Profit on sale of Investment	-	1,05,000
Profit on sale of Fixed Assets	2,260	-
Rental Income	10,67,500	10,92,000
Income from other source	3,56,636	4,24,769
Miscellaneous Income	69,719	75,633
Total	**5,63,02,839**	**4,25,85,535**

Note 29. Finance Cost

Particulars	For the Year ended March 31, 2021		For the Year ended March 31, 2020	
	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	-	11,88,06,974	-	10,78,88,390
Interest on ICD	-	1,25,79,782		4,18,52,650
Interest on borrowings				
- from Directors and Relatives	-	6,41,120	-	5,19,45,856
- From Banks	-	4,15,50,419	-	11,32,24,047
Interest on debt securities	-	21,84,07,509	-	2,73,07,610
Total	**-**	**39,19,85,803**	**-**	**34,22,18,553**

Note 30. Fees and Commission Expense

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Fees and Commission related to PPI Business		
Transaction Fee	-	2,22,080
Transaction Fee Gi Tech	-	7,69,609
Commission Paid Distributor (Bc)	-	73,48,592
Commission Paid To Mfin (Dmt)	-	29,05,570
P2A Approved Fee (IMPS)	-	4,42,520
P2A Approved NPCI Switching Fee	-	2,42,608
Fees and Commission Others		
Commission & Incentives Outsiders	-	2,20,425
Total	**-**	**1,21,51,404**

Note 31. Impairment on Financial Instruments

Particulars	For the Year ended March 31, 2021		For the Year ended March 31, 2020	
	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
Bad Debt Written off		14,17,36,374	-	5,03,49,278
ECL Allowance		10,66,90,258	-	3,36,14,514
Total	**-**	**24,84,26,632**	**-**	**8,39,63,792**

Note 32. Employee Benefit Expense

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Salaries and Allowance		
Salaries and Allowance (Other than PPI business)	7,22,50,859	8,92,77,290
Salaries and Allowance - PPI business	-	45,53,851
Staff Incentive		
Staff Incentive (Other than PPI business)	17,14,891	1,32,65,167
Staff Incentive - PPI business	-	38,930
Contributions to Provident and Other Funds	64,32,609	90,43,147
Staff welfare expenses	1,03,638	5,07,795
Total	**8,05,01,996**	**11,66,86,180**

Note 33. Depreciation, amortization and impairment

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Depreciation of Tangible Assets	27,91,594	46,81,245
Amortization of Intangible Assets	7,38,921	10,25,053
Total	**35,30,515**	**57,06,298**

Note 34. Other Expenses

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Rent, Taxes and Energy Costs	51,95,769	61,53,738
Repairs and Maintenance	13,37,835	15,52,459
Communication Expenses	15,18,851	22,46,170
Printing and Stationery	5,43,803	14,21,156
Advertisement and Publicity	2,43,899	5,50,237
Director's fees, allowances and expenses	10,00,000	27,50,000
Auditor's fees and expenses	6,42,800	2,83,300
Legal & Professional charges	62,79,876	1,29,69,148
Outsourcing Expenses	2,43,14,573	4,08,22,834
Insurance	7,80,179	9,86,037
Rates and taxes	52,12,307	82,05,180
Penalty	34,55,000	
Travelling and Conveyance Expense	12,83,335	34,27,610
Bank charges (Other than PPI Business)	16,21,182	23,03,889
Bank Charge (PPI Business)	-	3,86,311
Expenditure Related to PPI Business	-	7,30,891
Other expenditure	37,60,662	39,45,215
Total	**5,71,90,072**	**8,87,34,175**

34.1 Auditor's fees and expenses:

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Payment to the Auditor:		
(i) As Auditor's	4,75,000	2,38,800
(ii) For Taxation Matters	1,15,500	-
(ii) For Other services	52,300	44,500
Total	**6,42,800**	**2,83,300**

34.2 Expenditure on Corporate Social Responsibility

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
a) Gross amount required to be spent by the Company during the year	22,21,000	27,90,895
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	22,21,000	27,91,000
- Yet to be paid in cash	-	-
Total	**22,21,000**	**27,91,000**

Note 35. Earnings per share

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Net profit attributable to ordinary equity holders	(8,69,62,766)	3,15,02,839
Weighted average number of ordinary shares for basic earnings per share	2,50,00,000	2,50,00,000
Effect of dilution:	-	-
Weighted average number of ordinary shares adjusted for effect of dilution	2,50,00,000	2,50,00,000
Earning per share (Basic) (Rs.)	**(3.48)**	**1.26**
Earning per share (Diluted) (Rs.)	**(3.48)**	**1.26**

Note 36. 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:

Particulars	For the period ended 31st March , 2021	For the period ended 31st March , 2020
Contributions to Provident and Other Funds	52,44,217	71,70,871

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, 2021	As at March 31, 2020
Present value of obligations	76,26,090	74,48,163
Fair value of planned assets	1,13,86,660	77,55,383
Defined Benefit obligation/(asset)	(37,60,570)	(3,07,220)
Asset Ceiling	30,54,253	-
Net liability/(assets) recognised in the Balance Sheet	**(7,06,317)**	**(3,07,220)**

Post employment defined benefit plan

Net benefit expense recognised in statement of profit and loss	As at March 31, 2021	As at March 31, 2020
Current service cost	7,34,570	7,39,857
Interest cost on benefit obligation	3,42,616	4,41,273
Past Service cost	-	7,28,708
Expected return on plan assets	(4,68,533)	(4,59,168)
Actuarial Loss/(Gain)	-	-
Net benefit expense	**6,08,653**	**14,50,670**

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

Particulars	As at March 31, 2021	As at March 31, 2020
Defined benefit obligation at the beginning of the year	74,48,163	68,94,887
Current service cost	7,34,570	7,39,857
Past Service Cost	-	7,28,708
Interest cost on benefit obligations	3,42,616	4,41,273
Re-measurements due to:		
a. Actuarial changes arising from changes in demographic assumptions		
b. Actuarial changes arising from changes in financial assumptions	1,00,837	2,70,285
c, Actuarial changes arising from changes in experience over the past years	(1,44,065)	(3,97,906)
Benefits paid	(8,56,031)	(12,28,941)
Benefit obligation at the end of the year	**76,26,090**	**74,48,163**

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

Particulars	As at March 31, 2021	As at March 31, 2020
Fair value of plan assets at the beginning of the year	77,55,383	76,86,342
Interest income on plan assets	4,68,533	4,59,168
Employer contributions	40,07,912	8,50,000
Benefits paid	(8,56,031)	(12,28,941)
Re-measurements:		
a. Return on Plan Assets	10,863	(11,186)
Fair value of plan assets as at the end of the year	**1,13,86,660**	**77,55,383**

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

Particulars	As at March 31, 2021	As at March 31, 2020
Salary Growth Rate	5.00%	5.00%
Discount Rate	4.00%	4.60%
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)	4.60%	6.40%
Weighted average duration of remaining working life	1 year	1 year

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

Assumptions

Assumptions	Sensitivity Level	As at March 31, 2021
Discount Rate	Increase by 1%	1,66,567.00
Discount Rate	Decrease by 1%	1,74,313.00
Further Salary Increase	Increase by 1%	1,70,949.00
Further Salary Increase	Decrease by 1%	1,66,567.00
Employee turnover	Increase by 1%	25,899.00
Employee turnover	Decrease by 1%	26,602.00
Mortality Rate	Increase in expected lifetime by 1 year	46.00
Mortality Rate	Increase in expected lifetime by 3 years	167.00

The weighted average duration of the defined benefit obligation as at the date of valuation is 1 year(March 31,2020: 1 year). Gratuity liability is **funded** as on March 31, 2021.

As the Company was not covered under The Payment of Gratuity Act, 1972 during the previous years, comparative figures are not shown

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 37. Maturity analysis of Assets and Liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. 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.

Particulars	March 31 2021				March 31 2020			
	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	52,02,92,664			52,02,92,664	1,35,28,31,816	-	-	1,35,28,31,816
(b)Bank balances other than cash and cash equivalents	42,74,27,364			42,74,27,364	72,58,31,516	5,88,35,213	-	78,46,66,729
Loans	1,17,40,75,476	1,90,22,71,845	12,77,79,981	3,20,41,27,302	1,34,87,13,443	2,41,71,87,373	29,59,00,557	4,06,18,01,373
- Adjustment for ECL				(17,15,74,804)				(6,48,84,546)
Investments	14,74,21,028	3,01,54,000	9,64,06,800	27,39,81,828	2,70,000	3,60,59,500	11,64,90,700	15,28,20,200
Other Financial assets	31,64,693		55,93,028	87,57,721	52,48,041	-	62,34,310	1,14,82,351
Non - Financial Assets								
Current Tax Assets (Net)	1,31,43,615			1,31,43,615	90,14,506			90,14,506
Deferred Tax Assets (Net)	2,47,62,649			2,47,62,649	61,84,914			61,84,914
Investment Property			10,83,282	10,83,282	-	-	10,83,282	10,83,282
Property, plant and equipment			3,19,14,436	3,19,14,436	-	-	3,40,65,798	3,40,65,798
Intangible assets			15,03,960	15,03,960	-	-	20,15,881	20,15,881
Other non-financial assets	3,80,56,498	5,95,37,029		9,75,93,527	8,91,15,563	-	-	8,91,15,563
Total Assets	**2,34,83,43,988**	**1,99,19,62,874**	**26,42,81,487**	**4,43,30,13,544**	**3,53,72,09,799**	**2,51,20,82,086**	**45,57,90,528**	**6,44,01,97,868**
Financial Liability								
Payables	47,37,712			47,37,712	94,68,999	-	-	94,68,999
Debt Securities	60,26,72,846	62,04,72,537	86,97,79,389	2,09,29,24,772	9,34,00,000	60,33,90,682	1,49,84,58,569	2,19,52,49,251
Borrowings(other than debt securities)	1,00,667			1,00,667	1,09,00,35,797	13,59,86,875	-	1,22,60,22,672
Deposits	38,24,64,959	39,22,71,225	45,92,89,783	1,23,40,25,967	80,52,33,117	55,83,17,963	53,90,66,799	1,90,26,17,879
Other Financial Liabilities	17,10,62,108			17,10,62,108	9,07,86,236	-	-	9,07,86,236
Non Financial Liabilities								
Current tax liabilities (net)	-			-	-	-	-	-
Provisions	51,71,555			51,71,555	73,73,623	-	-	73,73,623
Deferred tax Liability (Net)	-			-	-	-	-	-
Other non-financial liabilities	1,36,12,579			1,36,12,579	80,93,174	-	-	80,93,174
Total	**1,17,98,22,426**	**1,01,27,43,762**	**1,32,90,69,172**	**3,52,16,35,360**	**2,10,43,90,946**	**1,29,76,95,520**	**2,03,75,25,368**	**5,43,96,11,834**

Note 38. Change in liabilities arising from financing activities

Particulars	As at March 31, 2020	Cash Flows	Changes in fair value	Other	As at March 31, 2021
Deposits	1,90,26,17,879	(66,85,91,912)	-	-	1,23,40,25,967
Debt securities	2,19,52,49,251	(8,19,49,251)	-	(2,03,75,228)	2,09,29,24,772
Borrowings other than debt securities	1,22,60,22,672	(1,22,59,22,005)	-	-	1,00,667
Total liabilities from financing activities	**5,32,38,89,802**	**(1,22,59,22,005)**	**-**	**-**	**3,32,70,51,406**

Particulars	As at March 31, 2019	Cash Flows	Changes in fair value	Other	As at March 31, 2020
Deposits	1,08,48,94,078	81,77,23,801	-	-	1,90,26,17,879
Debt securities	20,67,00,000	2,00,00,00,000	-	(1,14,50,749)	2,19,52,49,251
Borrowings other than debt securities	2,31,78,47,470	(1,09,27,30,423)	-	9,05,625	1,22,60,22,672
Total liabilities from financing activities	**3,60,94,41,548**	**1,72,49,93,378**	**-**	**(1,05,45,124)**	**5,32,38,89,802**

Note 38.1 : Change in Loan Asset during the period

Particulars	As at March 31, 2020	Cash Flows	Changes in fair value	Other	As at March 31, 2021
Loan	3,99,69,16,827	(96,61,21,634)		17,57,304	3,03,25,52,498

Note 38.1 : Change in Loan Asset during the period

Particulars	AS at March 31, 2019	Cash Flows	Changes in fair value	Other	As at March 31, 2020
Loan	4,35,48,52,081	(36,52,48,485)		73,13,232	3,99,69,16,827

Note 39. Contingent liabilities, commitments and leasing arrangements

(A) Contingent Liabilities

Particulars	31 March 2021	31 March 2020
(a) Claims against the company not acknowledged as debt		
-Income Tax Demands	16,28,182	16,28,182
-Disputed claims against the company under Litigation not acknowledged as debts	60,04,270	64,90,000

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.10,67,500 (March 31, 2020 Rs.10,92,000) 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. 32,27,863/- are recognised as Rent in the statement of Profit or Loss

Note 40. Related Party Disclosures

Name of the Related Parties

(A) Key Managerial Personnel	**Designation**	
George Alexander Muthoot	Director	
George Thomas Muthoot	Director	
Anna Alexander	Director	
George M Jacob	Director	
Kurian C George	Director	
T Thomas Mathew	Director	
(B) Relatives of Key Management Personnel		
M G George Muthoot	Relatives of Directors	(Ceased to be a relative on March 05, 2021 due to death)
George Jacob Muthoot	Relatives of Directors	
George Muthoot Alexander	Relatives of Directors	
Elizebath Jacob	Relatives of Directors	
Susan Thomas	Relatives of Directors	
Anna Thomas	Relatives of Directors	
Malini Kochakan Chacko	Relatives of Directors	
Tania Thomas	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	

Related Party Transactions during the year:

Particulars	Key Management Personnel		Relatives of Key Management Personnel		Entities over which Key Management Personnel and their relatives are able to exercise significant influence /Associates	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Assets						
Loans Given	-	-	-	-	-	-
Loans Recovered	-	-	-	7,47,023	77,69,618	70,50,897
Liabilities						
Deposits Accepted	3,00,000	-	-	-	-	-
Deposits Repaid	-	-	-	-	-	-
Loan Accepted	-	67,00,00,000	-	15,25,00,000	-	-
Loan repaid	5,00,00,000	62,00,00,000	10,00,00,000	5,25,00,000	-	-
NCD Public Issue made	-	-	-	-	-	-
NCD Public Issue Redeemed	-	-	-	-	-	-
NCD Private Placement Issued	-	-	-	-	-	-
NCD Private Placement Redeemed	-	-	-	-	7,75,00,000	-
Income						
Rental Income	-	-	-	-	10,67,500	10,92,000
Interest Received from Loans	-	-	-	3,11,217	19,78,403	26,99,855
Commission Received	-	-	-	-	41,667	35,748
Loan Settlement Amount Received	-	-	-	-	32,50,230	-
Expenses						
Interest Paid on Loans	96,038	4,04,98,942	5,45,082	1,14,46,914	-	-
Interest Paid on Deposits	4,63,269	8,40,723	5,07,446	7,46,925	11,61,369	13,88,548
Interest Paid on NCD - PP	-	8,56,377	-	-	53,42,191	90,14,949
Interest Paid on NCD - PI	-	97,603	2,42,553	1,05,617	1,11,70,799	6,87,329
Sitting Fees	10,00,000	15,50,000	-	-	-	-
Directors Remuneration	5,20,000	12,00,000	-	-	-	-
Commission Paid	-	-	-	-	22,91,797	43,97,100
Reimbursement of Expenses	-	-	-	-	63,346	1,11,010
CSR Expenditure	-	-	-	-	22,21,000	27,91,000

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, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Assets						
Loan Given	-	-	-	22,98,691	1,66,80,468	2,44,50,086
Interest Receivable on loans	-	-	-	9,967	1,04,852	1,51,716
Rent Receivable	-	-	-	-	1,12,157	98,280
Commission Receivable	-	-	-	-	-	9,380
Liabilities						
Loan from Directors	-	5,00,00,000	-	10,00,00,000	-	-
Deposits	39,88,000	37,24,000	39,81,000	59,72,000	1,50,00,000	1,50,00,000
Interest Payable on Deposit	3,91,356	3,24,944	5,00,991	5,89,385	1,06,027	1,44,658
NCD Private Placement	-	60,00,000	-	-	-	7,75,00,000
Interest Payable on NCD - PP	-	3,23,877	-	-	-	18,46,199
NCD Public Issue	2,47,50,550	2,48,56,941	2,72,81,423	2,68,45,445	12,14,78,835	16,90,24,263
Commission	-	-	-	-	1,81,224	53,857
Reimbursement of Expenses	-	-	-	-	5,742	5,380
Amounts payable (net) to related parties	**2,91,29,906**	**8,52,29,762**	**3,17,63,414**	**13,10,98,172**	**11,98,74,351**	**23,88,64,895**

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, 2021	As at March 31, 2020
Short-term employee benefits *Salary*	5,20,000	12,00,000
Total	**5,20,000**	**12,00,000**

Note 41. 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

Particulars	31 March 2021	31 March 2020
Tier I capital	8,851.11	9,923.85
Tier II capital	432.20	246.38
Total	**9,283.31**	**10,170.23**
Risk weighted assets (RWA)	34,576.23	41,928.25
Tier I CRAR	25.57%	23.67%
Tier II CRAR	1.25%	0.59%
Total	**26.82%**	**24.26%**

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 42. 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.

Particulars	Level	Carrying Value		Fair Value	
		As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
Financial assets					
Cash and Cash Equivalents	1	52,02,92,664	1,35,28,31,816	52,02,92,664	1,35,28,31,816
Bank balances other than cash and cash equivalents	1	42,74,27,364	78,46,66,729	42,74,27,364	78,46,66,729
Loans	3	3,03,25,52,498	3,99,69,16,827	3,03,25,52,498	3,99,69,16,827
Investments	3	27,39,81,828	15,28,20,200	27,39,81,828	15,28,20,200
Other financial assets	3	87,57,721	1,14,82,351	87,57,721	1,14,82,351
Total		**4,26,30,12,075**	**6,29,87,17,923**	**4,26,30,12,075**	**6,29,87,17,923**
Financial Liabilities					
Trade Payables	3	47,37,712	94,48,427	47,37,712	94,48,427
Other Payables	3	-	20,572	-	20,572
Debt securities	2	2,09,29,24,772	2,19,52,49,251	2,09,29,24,772	2,19,52,49,251
Borrowings (other than debt securities)	2	1,00,667	1,22,60,22,672	1,00,667	1,22,60,22,672
Deposits	2	1,23,40,25,967	1,90,26,17,879	1,23,40,25,967	1,90,26,17,879
Other financial liabilities	3	17,10,62,108	9,07,86,236	17,10,62,108	9,07,86,236
Total		**3,50,28,51,226**	**5,42,41,45,037**	**3,50,28,51,226**	**5,42,41,45,037**

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 43. 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, 2021 and March 31, 2020.

Pools	As at March 31,2021		
	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	10.00%	N/A	N/A

Pools	As at March 31,2020						
	Stage 1	Stage 2	Stage 3				
Impairment Classification			**I**	**II**	**III**	**IV**	**V**
New Vehicle Loans	6.43%	5.65%	33.33%	44.84%	50.64%	69.00%	100.00%
Pre-owned Vehicle Loans	6.43%	5.65%	33.33%	44.84%	50.64%	69.00%	100.00%
Moratorium Accounts	NA	62.50%	NA	NA	NA	NA	NA
Business Development Loan	6.43%	5.65%	33.33%	44.84%	50.64%	69.00%	100.00%
Personal Loan	6.43%	5.65%	33.33%	44.84%	50.64%	69.00%	100.00%

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 31,2021		
	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	25.00%	N/A	N/A

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 31,2020						
	Stage 1	Stage 2	Stage 3				
Impairment Classification			**I**	**II**	**III**	**IV**	**V**
New Vehicle Loans	7%	8%	30%	55%	65%	85%	100%
Pre-owned Vehicle Loans	7%	8%	30%	55%	65%	85%	100%
Moratorium Accounts	NA	8%	NA	NA	NA	NA	NA
Business Development Loan	7%	8%	30%	55%	65%	85%	100%
Personal Loan	7%	8%	30%	55%	65%	85%	100%

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.

Analysis of risk concentration

Industry analysis

As at March 31, 2021	Financial Services	Government	Total
Financial assets			
Cash and cash equivalent	52,02,92,664	-	**52,02,92,664**
Bank Balance other than Cash and cash equivalent	42,74,27,364	-	**42,74,27,364**
Loans	3,03,25,52,498	-	**3,03,25,52,498**
Investments	12,11,61,628	15,28,20,200	**27,39,81,828**
Other Financial assets	87,57,721	-	**87,57,721**
Total	**4,11,01,91,875**	**15,28,20,200**	**4,26,30,12,075**
Other commitments	-	-	-
	4,11,01,91,875	**15,28,20,200**	**4,26,30,12,075**

As at March 31, 2020	Financial Services	Government	Total
Financial assets			
Cash and cash equivalent	1,35,28,31,816	-	**1,35,28,31,816**
Bank Balance other than Cash and cash equivalent	78,46,66,729	-	**78,46,66,729**
Loans	3,99,69,16,827	-	**3,99,69,16,827**
Investments	-	15,28,20,200	**15,28,20,200**
Other Financial Asset	1,14,82,351	-	**1,14,82,351**
Total	**6,14,58,97,724**	**15,28,20,200**	**6,29,87,17,923**
Other commitments	-	-	-
	6,14,58,97,724	**15,28,20,200**	**6,29,87,17,923**

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 :-

Particulars	As at March 31, 2021			As at March 31, 2020		
	Stage I	Stage II	Stage III	Stage I	Stage II	Stage III
South region	2,37,64,12,265	47,48,89,552	35,28,25,485	3,15,50,63,727	71,05,75,161	19,61,62,486

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.

		Fair value of collateral and credit enhancements held											
As at March 31, 2021	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	52,02,92,664	52,02,92,664									52,02,92,664	-	
Bank Balance other than above	42,74,27,364	42,74,27,364									42,74,27,364	-	
Loans											-	-	
(i) Loan against Hypothecation	3,09,18,51,064								3,09,18,51,064		3,09,18,51,064	-	14,96,95,419
(ii) Business Development Loan	8,80,97,875				8,80,97,875						8,80,97,875	-	2,12,75,580
(iii) Personal Loan	2,57,756										-	2,57,756	5,790
(iv) Loans against Deposits	36,53,232		92,89,900								92,89,900	-	91,331
(v) Trade Advance	1,96,48,551							1,96,48,551			1,96,48,551	-	4,91,214
(vi) Gold Loan	6,18,823						6,18,823				6,18,823	-	15,471
Other Financial assets	87,57,721										-	87,57,721	
Investments	27,39,81,828		27,39,81,828								27,39,81,828	-	
Total financial assets at amortised cost	**4,43,45,86,879**	**94,77,20,028**	**28,32,71,728**	**-**	**8,80,97,875**	**-**	**6,18,823**				**4,43,12,08,070**	**90,15,477**	**17,15,74,804**
Other commitments	-												

		Fair value of collateral and credit enhancements held											
As at March 31, 2020	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	1,35,28,31,816	1,35,28,31,816									1,35,28,31,816	-	
Bank Balance other than above	78,46,66,729	78,46,66,729									78,46,66,729	-	
Loans											-	-	
(i) Loan against Hypothecation	3,89,85,55,540								3,89,85,55,540		3,89,85,55,540	-	5,95,25,186
(ii) Business Development Loan	13,76,10,849				13,76,10,849						13,76,10,849	-	52,43,977
(iii) Personal Loan	26,50,000										-	26,50,000	11,928
(iv) Loans against Deposits	41,69,209		1,12,21,000								1,12,21,000	-	18,766
(v) Trade Advance	1,88,15,775							1,88,15,775			1,88,15,775		84,690
Other Financial assets	1,14,82,351										-	1,14,82,351	
Investments	15,28,20,200		15,28,20,200								15,28,20,200	-	
Total financial assets at amortised cost	**6,36,36,02,469**	**2,13,74,98,546**	**16,40,41,200**	**-**	**13,76,10,849**	**-**	**-**	**1,88,15,775**	**3,89,85,55,540**	**-**	**6,35,65,21,910**	**1,41,32,352**	**6,48,84,546**
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 March 2021	31 March 2020
On Borrowings		
1% increase	-41,55,042	-81,52,610
1% decrease	41,55,042	81,52,610

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 44. RBI Disclosures

Asset Classification

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	237,64,12,265	3,16,81,934	234,47,30,332	1,01,96,852	2,14,85,082
	Stage 2	47,48,89,552	1,91,92,827	45,56,96,724	18,95,158	1,72,97,669
Subtotal		**285,13,01,817**	**5,08,74,761**	**280,04,27,056**	**1,20,92,010**	**3,87,82,751**
Non-Performing Assets (NPA)						
Substandard	Stage 3	30,33,14,914	9,64,88,646	20,68,26,268	3,02,36,253	6,62,52,393
Doubtful - up to 1 year	Stage 3	3,99,38,507	1,69,60,666	2,29,77,841	80,00,993	89,59,673
1 to 3 years	Stage 3	61,14,293	42,04,598	19,09,695	18,34,368	23,70,230
More than 3 years	Stage 3	27,57,847	23,46,210	4,11,637	13,78,924	9,67,287
Subtotal for doubtful		4,88,10,647	2,35,11,474	2,52,99,173	1,12,14,285	1,22,97,190
Loss	Stage 3	6,99,923	6,99,923	0	6,88,465	11,458
Subtotal for NPA		35,28,25,485	12,07,00,043	23,21,25,442	4,21,39,002	7,85,61,041
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	**237,64,12,265**	**3,16,81,934**	**234,47,30,332**	**1,01,96,852**	**2,14,85,082**
	Stage 2	**47,48,89,552**	**1,91,92,827**	**45,56,96,724**	**18,95,158**	**1,72,97,669**
Total	**Stage 3**	**35,28,25,485**	**12,07,00,043**	**23,21,25,442**	**4,21,39,002**	**7,85,61,041**
	Total	**320,41,27,302**	**17,15,74,804**	**303,25,52,498**	**5,42,31,012**	**11,73,43,792**

Appendix 4

(Amount in lakhs)

Note 45.1. Disclosure of Restructured Accounts

Sl. No.	Type of Restructuring / Asset Classification	Details	Under CDR Mechanism					Under SME Debt Restructuring Mechanism					Others					Total				
			Standard	Sub-standard	Doubtful	Loss	Total	Standard	Sub-standard	Doubtful	Loss	Total	Standard	Sub-standard	Doubtful	Loss	Total	Standard	Sub-standard	Doubtful	Loss	Total
1	Restructured Accounts as on April 1 of the FY (opening figures)*	No. of borrowers											3	5	2		10	**3**	**5**	**2**		**10**
		Amount outstanding											232.10	40.79	38.19		311.08	**232.10**	**40.79**	**38.19**		**311.08**
		Provision thereon											1.04	4.08	11.07		16.19	**1.04**	**4.08**	**11.07**		**16.19**
2	Fresh restructuring during the year	No. of borrowers											-	-	2	-	2	**-**	**-**	**2.00**		**2**
		Amount outstanding											-	-	101.15	-	101.15	**-**	**-**	**101.15**		**101.15**
		Provision thereon											-	-	20.23	-	20.23	**-**	**-**	**20.23**		**20.23**
3	Up gradations to restructured standard category during the FY	No. of borrowers																				
		Amount outstanding																				
		Provision thereon																				
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											-	-	1		1			**1**		**1**
		Amount outstanding											-	-	20.19		20.19			**20.19**		**20.19**
		Provision thereon											-	-	10.10		10.10			**10.10**		**10.10**
6	Write-offs of restructured accounts during the FY	No. of borrowers																				
		Amount outstanding																				
		Provision thereon																				
7	Restructured Accounts as on March 31 of the FY (closing figures*)	No. of borrowers											3	1	5		9	**3**	**1**	**5**		**9**
		Amount outstanding											166.86	5.01	159.54		331.41	**166.86**	**5.01**	**159.54**		**331.41**
		Provision thereon											1.75	2.50	49.43		53.67	**1.75**	**2.50**	**49.43**		**53.67**

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

Note 45.2. RBI Disclosures Pursuant to Circular No: DOR.No.BP.BC/3/21.04.048/2020-21

COVID-19-Restructured Accounts

Amount In Lakhs

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	10	68.61	-	-	5.15
Corporate Persons*	-	-	-	-	-
Of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	**10**	**68.61**	**-**	**-**	**5.15**

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

Note 46.1: 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

Amount In Crores

Sl. No.	Particulars	As at March 31, 2021		As at December 31, 2020*	
		Total Unweighted Value	Total Weighted Value	Total Unweighted Value	Total Weighted Value
	<u>**High Quality Liquid Assets**</u>				
1	Total High Quality Liquid Assets (HQLA)	**100.04**	**100.04**	**90.56**	**90.56**
	<u>**Cash Outflows**</u>	-	-	-	-
2	Deposits (for deposit taking companies)	1.78	2.05	1.89	2.17
3	Unsecured wholesale funding	-	-	-	-
4	Secured wholesale funding	0.15	0.18	-	-
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	4.48	5.15	2.76	3.17
7	Other contingent funding obligations				
8	**Total Cash Outflows**	**6.41**	**7.37**	**4.65**	**5.35**
	<u>**Cash Inflows**</u>				
9	Secured lending				
10	Inflows from fully performing exposures	15.67	11.75	14.86	11.15
11	Other cash inflows	0.08	0.06	0.02	0.01
12	**Total Cash Inflows**	**15.75**	**11.81**	**14.88**	**11.16**
13	**Total HQLA**	**100.04**	**100.04**	**90.56**	**90.56**
14	**Total Net Cash Outflows**		**1.84**	**-**	**1.34**
15	**Liquidity Coverage Ratio (%)**		**5428.32%**		**6775.14%**

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
3) The average LCR for March 2021 is computed as simple averages of monthly observations over the previous quarter (i.e.. January 2021, February 2021 and March 2021).
4) *LCR was implemented w.e.f December 01, 2020 and consequently, disclosure as at December 31, 2020 is based on relevant data as on December 31, 2020.
5) 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 (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 46.2: 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):

Amount In Crores

Date	Number of Significant Counterparties	Amount	% of Total Deposits	% of Total Liabilities
31-03-2021	3	21.00	16.88%	5.96%
31-03-2020	9	191.44	100.26%	35.19%

(ii)Top 20 large deposits:

Amount In Crores

Date	Amount	% of Total Deposit
31-03-2021	18.38	14.77%
31-03-2020	68.12	35.68%

(iii)Top 10 borrowings :

Amount In Crores

Date	Amount	% of Total Borrowings
31-03-2021	24.62	11.65%
31-03-2020	154.94	45.13%

(iv) Funding Concentration based on significant instrument/product

Amount In Crores

Name of the instrument/product	As at March 31, 2021		As at March 31, 2020	
	Amount	% of Total Liabilities	Amount	% of Total Liabilities
Secured Non-Convertible Debentures	209.29	59.43%	219.52	40.36%
Borrowings from Banks/FIs	0.01	0.00%	107.69	19.80%
Deposits	124.44	35.33%	190.95	35.10%
Other Loans-Loans from Directors and relatives	0.00	-	15.00	2.76%
Total	**333.74**	**94.77%**	**533.17**	**98.02%**

Note:

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

(v)Stock Ratios:

Stock Ratios	As at March 31, 2021	As at March 31, 2020
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	35.35%	39.53%
Other Short-term Liabilities to Total Liabilities	33.50%	38.75%
Other Short-term Liabilities to Total Assets	26.61%	32.73%

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 47

Disclosure as required by RBI Circular DNBR (PD) CC No. 040/03.01.001/2014-15 dated June 03, 2015

47.1 Capital

(Amount in Rs. Crore)

S. No.	Particulars	31.03.2021	31.03.2020
i)	CRAR (%)	26.82	24.26
ii)	CRAR - Tier I Capital (%)	25.57	23.67
iii)	CRAR - Tier II Capital (%)	1.25	0.59
iv)	Amount of subordinated debt raised as Tier-II capital	-	-
v)	Amount raised by issue of Perpetual Debt Instruments	-	-

47.2 Investments

(Amount in Rs. Crore)

S. No.	Particulars	31.03.2021	31.03.2020
1	**Value of Investments**		
(i)	Gross Value of Investments	27.51	15.39
	(a) In India	27.51	15.39
	(b) Outside India	-	-
(ii)	Provisions for Depreciation	-	-
	(a) In India	-	-
	(b) Outside India	-	-
(iii)	Net Value of Investments	27.51	15.39
	(a) In India	27.51	15.39
	(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	-	-

47.3 Derivatives

47.3.1 Forward Rate Agreement / Interest Rate Swap

(Amount in Rs. Crore)

S. No.	Particulars	31.03.2021	31.03.2020
(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.*

47.3.2 Exchange Traded Interest Rate (IR) Derivatives

(Amount in Rs. Crore)

S. No.	Particulars	Amount
(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 2021 (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

47.3.3 Disclosures on Risk Exposure in Derivatives

Quantitative Disclosures **(Amount in Rs. 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

47.4 Disclosures relating to Securitisation

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*

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

(Amount in Rs. Crore)

Sl. No.	Particulars	31.03.2021	31.03.2020
(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

47.4.3 Details of Assignment transactions undertaken by NBFCs **(Amount in Rs. Crore)**

Sl. No.	Particulars	31.03.2021	31.03.2020
(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

47.4.4 Details of non-performing financial assets purchased / sold

A. Details of non-performing financial assets purchased: **(Amount in Rs. Crore)**

Sl. No.		Particulars	31.03.2021	31.03.2020
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 : **(Amount in Rs. Crore)**

Sl. No.	Particulars	31.03.2021	31.03.2020
1	No. of accounts sold	Nil	Nil
2	Aggregate outstanding	Nil	Nil
3	Aggregate consideration received	Nil	Nil

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

Particulars	Up 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	1.21	2.19	2.07	5.60	27.18	39.22	45.93	-	**123.40**
Debenture	-	-	-	6.89	53.38	62.04	63.26	23.72	**209.29**
Advances	20.15	10.93	9.08	26.87	50.38	190.23	12.75	0.02	**320.41**
Investments	12.14	-	0.62	-	1.98	3.02	0.10	9.65	**27.51**
Fixed Deposit With Banks	2.03	1.25	43.48	39.29	2.93	0.00	-	-	**88.98**
Borrowings	0.01	0.00	0.00	0.00	0.00	0.00	-	-	**0.01**
Foreign Currency assets	-	-	-	-	-	-	-	-	**-**
Foreign Currency liabilities	-	-	-	-	-	-	-	-	**-**

47.6 Exposures

47.6.1 Exposure to Real Estate Sector **(Amount in Rs. Crore)**

Sl. No.	Category	31.03.2021	31.03.2020
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	8.11	13.12
(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	3.56	3.44
(iii)	Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
	a. Residential	-	-
	b. Commercial Real Estate	-	-
	Total Exposure to Real Estate Sector	11.67	16.56

47.6.2 Exposure to Capital Market **(Amount in Rs. Crore)**

Sl. No.	Particulars	31.03.2021	31.03.2020
(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	Nil	Nil
(iii)	advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	Nil	Nil
(iv)	advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	Nil	Nil
(v)	secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	Nil	Nil
(vi)	loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	Nil	Nil
(vii)	bridge loans to companies against expected equity flows / issues;	Nil	Nil
(viii)	all exposures to Venture Capital Funds (both registered and unregistered)	Nil	Nil
	Total Exposure to Capital Market	Nil	Nil

47.6.3 Details of financing of parent company products

Not Applicable

47.6.4 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 2020-21 which exceeds the SGL & GBL

47.6.5 Unsecured Advances

(Amount in Rs. crore)

Loan Type	Amount
Trade Advance	1.96
Personal Loan	0.03

47.7. Miscellaneous

47.7.1 Registration obtained from other financial sector regulators

Company has not obtained any registration from other financial regulators during the FY 2020-21

47.7.2 Disclosure of Penalties imposed by RBI and other regulators

In exercise of powers conferred in terms of Section 30 of the Payments and Settlement Systems Act, 2007,RBI imposed a penalty of Rs.34,55,000/- (Rupees Thirty four lakh fifty fivethousand only) on the Company for the violation of the instructions contained in paragraph 12.3 (iii) and paragraph 15.5 of the Master Direction on Issuance and Operation of Prepaid Payment Instruments.

47.7.3 Related Party Transactions

Refer to Note No. 40 to Financial Statements

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

Sl No	Particulars	As at March 31,2021	As at March 31,2020
1	Bank Loans- Long Term	CRISIL A (Stable)	CRISIL A (Stable), #ICRA BBB+ (Negative)
2	Bank Loans- Short Term	CRISIL A (Stable)	CRISIL A (Stable), #ICRA A2
3	Non Convertible Debentures- Long Term	CRISIL A (Stable)	CRISIL A (Stable)
4	Public Deposits	CRISIL FA+ (Stable)	CRISIL FA+ (Stable) *ICRA MA (Negative)

Rating of ICRA for Bank Limits Stands withdrawn with effect from May 18, 2020.

* Rating of ICRA for Deposits Stands withdrawn with effect from December 02,2020.

47.7.5 Remuneration of Directors 0.05 Crores

Commission to Directors Nil

47.7.6 Management Discussion and Analysis Report

Refer Directors Report

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

Refer Note 3 to the Financial Statements

47.7.8 Revenue Recognition

No revenue recognition has been postponed during the FY 2020-21. Refer Note 3 to the Financial Statements.

47.7.9 Accounting Standard 21 -Consolidated Financial Statements (CFS)

Not Applicable

47.8. Additional Disclosures

47.8.1 Provisions and Contingencies **(Amount in Rs. Crore)**

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	31.03.2021	31.03.2020
Provisions for depreciation on Investment	-	-
Provision towards NPA	8.05	2.84
Provision made towards Income tax	0.00	1.87
Other Provision and Contingencies (Pvsn. For Leave Encashment)	0.06	0.04
Provision for Standard Assets	2.62	0.52

47.8.2 Draw Down from Reserves

Nil

47.8.3 Concentration of Deposits, Advances, Exposures and NPAs

47.8.3.1 Concentration of Deposits **(Amount in Rs. Crore)**

Particulars	31.03.2021	31.03.2020
Total Deposits of twenty largest depositors	18.38	18.92
Percentage of Deposits of twenty largest depositors to Total Deposits of the NBFC	14.77	13.40

47.8.3.2 Concentration of Advances (Amount in Rs. Crore)

Particulars	31.03.2021	31.03.2020
Total Advances to twenty largest borrowers	17.82	24.62
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	5.57	6.07

47.8.3.3 Concentration of Exposures (Amount in Rs. Crore)

Particulars	31.03.2021	31.03.2020
Total Exposure to twenty largest borrowers / customers	3.58	8.62
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the NBFC on borrowers / customers	8.55	7.57

47.8.3.4 Concentration of NPAs (Amount in Rs. Crore)

Particulars	31.03.2021	31.03.2020
Total Exposure to top four NPA accounts	4.17	3.83

47.8.3.5 Sector-wise NPAs

Sector	Percentage of NPAs to Total Advances in that sector
Agriculture & allied activities	0.00
MSME	0.00
Corporate borrowers	0.00
Services	0.00
Unsecured personal loans	0.00
Auto loans	9.96
Other personal loans	0.00

47.8.4 Movement of NPAs (Amount in Rs. Crore)

Sl. No.	Particulars	31.03.2021	31.03.2020
(i)	Net NPAs to Net Advances (%)	7.64	3.90
(ii)	Movement of NPAs (Gross)		
	(a) Opening balance	19.62	6.47
	(b) Additions during the year	29.85	15.18
	(c) Reductions during the year	14.27	2.03
	(d) Closing balance	35.20	19.62
(iii)	Movement of Net NPAs		
	(a) Opening balance	15.59	5.29
	(b) Additions during the year	20.45	12.59
	(c) Reductions during the year	12.91	2.29
	(d) Closing balance	23.13	15.59
(iv)	Movement of provisions for NPAs (excluding provisions on standard assets)		
	(a) Opening balance	4.02	1.18
	(b) Provisions made during the year	8.05	2.84
	(c) Write-off / write-back of excess provisions	0.00	0.00
	(d) Closing balance	12.07	4.02

47.8.5 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

47.8.6 Off-balance Sheet SPVs sponsored

Name of the SPV sponsored	
Domestic	Overseas
Nil	Nil

47.9. Disclosure of Complaints

47.9.1 Customer Complaints

Sl. No.	Particulars	Nos
(a)	No. of complaints pending at the beginning of the year	0
(b)	No. of complaints received during the year	38
(c)	No. of complaints redressed during the year	37
(d)	No. of complaints pending at the end of the year	1

As per our report of even date attached

For and on behalf of the Board of Directors

For JVR & ASSOCIATES
Chartered Accountants

Sd/-
George Alexander Muthoot
Managing Director

Sd/-
George M Jacob
Whole Time Director

Sd/-
Anish Abraham
Partner

Sd/-
Harimon G
CEO

Sd/-
Geena Thomas
Chief Financial Officer

Sd/-
Kavitha Nair
Company Secretary

Place : Cochin
Date : 04-06-2021

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	21,787.36	-
		: Unsecured	-	-
		(other than falling within the meaning of public deposits)	-	-
	(b)	Deferred credits	-	-
	(c)	Term Loans	1.01	-
	(d)	Inter - Corporate loans & borrowings	-	-
	(e)	Commercial paper	-	-
	(f)	Public Deposits*	12,891.96	116.34
	(g)	Other loans(specify nature):	-	-
		Bank Borrowings (Other than Term Loans)	-	-
		Loan from Directors / Relatives	-	-
		Deposit from Directors/Relatives	114.13	-

*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*	12,891.96	116.34

		Assets side	**Amt. Outstanding**
3		**Break up of Loans & Advances including bills receivables (Other than those included in (4) below):**	
	(a)	Secured	709.88
	(b)	Unsecured	194.09
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	224.44
		Loans other than (a) above: Hypothecation	29,421.56
		: Infrastructure Loans	-
		: Traders Loans	-

5		**Break-up of investments**	
		Current Investments	
	1	Quoted	
		(i) Shares: (a) Equity	
		(b) Preference	
		(ii) Debentures and Bonds	
		(iii) Units of Mutual Funds	1211.62
		(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	1,525.50
		(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	164.64	-	164.64
		(c) Other related parties	-	-	-
	2	Other than related parties	29,966.79	194.09	30,160.89
		Total	30,131.43	194.09	30,325.52

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	-	-
		(c) Other related parties		
	2	Other than related parties	2,750.65	2,750.65
		Total	2,750.65	2,750.65

8		**Other Information**	
		Particulars	Amount
	(i)	Gross Non-Performing Assets	
		(a) Related parties	-
		(b) Other than related parties	3,528.25
	(ii)	Net Non-Performing Assets	
		(a) Related parties	-
		(b) Other than related parties	2,321.25
	(iii)	Assets acquired in satisfaction of debt	595.37

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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- 7593864404
Email : mvfl@muthootgroup.com

Statutory Auditors
M/s. JVR & Associates, 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

IDBI Bank Ltd	**Dhanlaxmi Bank Ltd**	**Federal Bank Ltd**
Axis Bank Ltd	**Catholic Syrian 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
K. P. Vallon Road, Kadavanthra, Kochi - 682 020, Tel: 7593864404.
CIN: U65910KL1992PLC006544, E-mail: mvfl@muthootgroup.com