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This Key Information Document is neither a Prospectus nor a Statement in Lieu of Prospectus). This Key Information Document is prepared in conformity with Section 42 read with Rule 14 of Companies (Prospectus and Allotment of Securities) Rules 2014 and Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, read with applicable SEBI circulars as amended/modified/supplemented from time to time.

Ref No.: Ref No.: MHFL/02/25-26

Draft Key Information Document dated: 13th February 2025

**MUTHOOT HOUSING FINANCE COMPANY LIMITED****Registered Office and Corporate Office:**

TC 14/2074-7, Muthoot Centre, Punnem Road, Trivandrum – 695 039 Kerala, India.  
CIN: U65922KL2010PLC025624, PAN: AAGCM5328J; LEI No.: 3358008T2XF7A7QRZS71

**Date and Place of Incorporation:** March 05, 2010, Ernakulam**Contact Person:** [S.Sumesh]; **Tel:** [04714911430];**E-mail:** [sumesh.s@muthoot.com]; Website: <https://muthoothousing.com>;**Chief Financial Officer:** Mr. Yogesh Udhoji, **Tel no.:** [022 62728507], **E-mail:** [yogesh.udhoji@muthoot.com](mailto:yogesh.udhoji@muthoot.com);**Compliance Officer and Company Secretary:** Mr. S. Sumesh; **Tel no.:** [0471 4911538]; **E-mail:** [sumesh.s@muthoot.com](mailto:sumesh.s@muthoot.com);

**PRIVATE PLACEMENT BY MUTHOOT HOUSING FINANCE COMPANY LIMITED (“MHFL.” / “THE ISSUER”) OF 2,500 (TWO THOUSAND FIVE HUNDRED) RATED, LISTED, UNSECURED, SUBORDINATED (TIER II), FULLY PAID UP REDEEMABLE, TAXABLE, NON-CONVERTIBLE DEBENTURES HAVING A FACE VALUE OF RS. 1,00,000/- (RUPEES ONE LAKH ONLY) PER DEBENTURE WITH AN ISSUE SIZE OF RS. 25 CRORES (RUPEES TWENTY-FIVE CRORES ONLY) AND A GREEN SHOE OPTION TO RETAIN OVERSUBSCRIPTION UP TO RS. 25 CRORES (RUPEES TWENTY FIVE CRORES ONLY), AGGREGATING TO AN ISSUE SIZE OF RS. 50 CRORES (“ISSUE”).**

**GENERAL RISK**

Investment in debt and debt related securities involve a degree of risk and investors should not invest any funds in the debt instruments, unless they can afford to take the risks attached to such investments. Eligible Investors are advised to take informed decision before taking an investment decision in this offering. For taking an investment decision, the investor must rely on their examination of the Issuer, the Issue, this Key Information Document read with General Information Document including the risks involved. The Issue have not been recommended or approved by Securities and Exchange Board of India (“SEBI”) nor does SEBI guarantee the accuracy or adequacy of this document.

**CREDIT RATING**

The Bonds proposed to be issued have been assigned a rating of “CRISIL A+/Stable” by Crisil Ratings Limited vide its letter dated December 30, 2024. The above ratings are not a recommendation to buy, sell or hold securities and investors should take their own decision. The ratings may be subject to revision or withdrawal at any time by the assigning rating agency and should be evaluated independently of any other ratings. Please refer to Annexure 2 for rating letters and press releases/rating rationale for the above ratings.

**PROMOTERS**

For details of Promoters, refer “*Details of the Promoters of the Issuer Company*” section in Key Information Document.

**LISTING**

The Bonds to be issued through this Key Information Document read with the General Information Document are proposed to be listed on the debt segment of BSE.

**ELIGIBLE INVESTORS**

The offer is made to Eligible Investors as mentioned in this Key Information Document read with the General Information Document. For details, please refer Summary Term Sheet of this Key Information Document read with the General Information Document for each Tranche/Series of Bonds. The current issue is not being underwritten. Neither the Issuer nor its Directors are a wilful defaulter.

Compliance Clause of EBP: The Bonds will be issued on the Electronic Book Building Mechanism of BSE in compliance with SEBI Debt Regulations and circulars issued by BSE. This Key Information Document will be uploaded on the EBP of BSE Limited in compliance with the applicable EBP Guidelines of BSE Limited.

ARRANGER TO THE ISSUE	DEBENTURE TRUSTEE	REGISTRAR TO THE ISSUE	CREDIT RATING AGENCY	STATUTORY AUDITOR
Not Applicable	<p><b>CATALYST</b> Believe In Yourself... Trust Us!</p> <p><b>Catalyst Trusteeship Limited</b> Address: 901, 9th floor, Tower B, PENINSULA BUSINESS PARK TOWER, Senapati Bapat Marg, Lower Parel, W, Mumbai, Maharashtra 400013 Tel: +91 (022) 4922 0555 Email: dt.mumbai@ctltrustee.com Website: <a href="https://catalysttrustee.com">https://catalysttrustee.com</a></p>	<p><b>Link Intime India Private Limited</b> Address: Link Intime India Pvt. Ltd C 101, Embassy 247, L.B.S.Marg, Vikhroli (West), Mumbai - 400083. Tel: 1800 1020 878 Fax: 022 - 4918 6060 Email: mumbai@linkintime.co.in Website: <a href="https://linkintime.co.in/home.html">https://linkintime.co.in/home.html</a></p>	<p><b>Crisil</b> a company of S&amp;P Global</p> <p><b>Crisil Ratings Limited</b> Crisil House, Central Avenue, Hiranandani Business Park, Powai, Mumbai - 400 076, Tel: 022-40001700 Fax: 022-40001701 E-mail: vaibhav.srivastava@crisil.com Website: <a href="https://www.crisilratings.com/en/home.html">https://www.crisilratings.com/en/home.html</a> Contact Person: Vaibhav Srivastava</p>	For details of the Statutory Auditor, please refer to page no. 14 of this Key Information Document.
<b>Bid Open/ Bid Close on</b>	<b>Issue Open/ Issue Close on</b>	<b>Date of Earliest Closing</b>	<b>Deemed Date of Allotment</b>	<b>Pay-in Date</b>
18 <sup>th</sup> February 2025	18 <sup>th</sup> February 2025	Not Applicable	20 <sup>th</sup> February 2025	20 <sup>th</sup> February 2025
<b>Coupon Rate</b>	<b>Coupon Payment Frequency</b>	<b>Redemption Date</b>		<b>Redemption Amount</b>
11.15% per annum	Monthly and on the Redemption Date	20 <sup>th</sup> August 2030		At par (Rs. 1 Lakh per Bond)

The Issue of Bonds shall be subject to the provisions of the Companies Act, 2013, as amended (the “Companies Act”), the rules notified thereunder, the Memorandum and Articles of Association of the Issuer, SEBI Debt Regulations, SEBI LODR Regulations, the terms and conditions of this KID and as modified/ supplemented by the terms of the respective Key Information Document to be filed with the Stock Exchanges/Registrar of Companies, the Debenture Trust Deed and the Transaction Documents in relation to the Issue. Capitalized terms used here have the meaning ascribed to them in the GID read with this KID.

The Issuer reserves its sole and absolute right to modify (pr -pone/ postpone) the issue schedule for each Tranche/Series of Bonds without giving any reasons or prior notice in accordance with applicable law. The issuer also reserves its sole and absolute right to change the Deemed Date of Allotment/Pay in date of each Tranche/Series of Bonds without giving any reasons or prior notice.

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**PRIVATE PLACEMENT MEMORANDUM CUM APPLICATION LETTER  
(KEY INFORMATION DOCUMENT)**

THIS KEY INFORMATION DOCUMENT READ WITH GENERAL INFORMATION DOCUMENT IS NEITHER A PROSPECTUS NOR A STATEMENT IN LIEU OF A PROSPECTUS AND DOES NOT CONSTITUTE AN OFFER TO THE PUBLIC GENERALLY TO SUBSCRIBE FOR OR OTHERWISE ACQUIRE THE DEBENTURES TO BE ISSUED UNDER THE ISSUE.

THIS KEY INFORMATION DOCUMENT IS PREPARED AND ISSUED IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF NON- CONVERTIBLE SECURITIES) REGULATIONS, 2021, ISSUED VIDE CIRCULAR NUMBER SEBI/LAD-NRO/GN/2021/39 DATED AUGUST 09, 2021, AS AMENDED FROM TIME TO TIME, READ WITH THE CIRCULARS ISSUED THEREUNDER; THE OPERATIONAL CIRCULAR FOR ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES, SECURITISED DEBT INSTRUMENTS, SECURITY RECEIPTS, MUNICIPAL DEBT SECURITIES . . . ISSUED BY SECURITIES AND EXCHANGE BOARD OF INDIA, ISSUED VIDE MASTER CIRCULAR NO. SEBI/HO/DDHS/PoD1/P/CIR/2024/54 DATED MAY 22, 2024, ON "*MASTER CIRCULAR FOR ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES, SECURITISED DEBT INSTRUMENTS, SECURITY RECEIPTS, MUNICIPAL DEBT SECURITIES AND COMMERCIAL PAPER*" TO THE EXTENT APPLICABLE IN RESPECT OF THE PRIVATE PLACEMENT OF DEBT SECURITIES, AS AMENDED FROM TIME TO TIME, THE PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER PURSUANT TO SECTION 42 OF THE COMPANIES ACT, 2013 READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014 AND PURSUANT TO SECTION 71 OF THE COMPANIES ACT, 2013 READ WITH RULE 18 OF THE COMPANIES (SHARE CAPITAL AND DEBENTURES) RULES, 2014 FOR ISSUE OF NON-CONVERTIBLE DEBENTURES ON A PRIVATE PLACEMENT BASIS.

THIS KEY INFORMATION DOCUMENT READ WITH THE GENERAL INFORMATION DOCUMENT IS FOR RATED, LISTED, UNSECURED, SUBORDINATED (TIER II), FULLY PAID UP REDEEMABLE, TAXABLE, NON-CONVERTIBLE DEBENTURES AND COMMERCIAL PAPERS HAVING A FACE VALUE OF RS.1,00,000/- (RUPEES ONE LAKH ONLY) PER DEBENTURE BY MUTHOOT HOUSING FINANCE COMPANY LIMITED ("**MHFL**" OR THE "**ISSUER**" OR THE "**COMPANY**") ON PRIVATE PLACEMENT BASIS (THE "**ISSUE**"). THE ISSUER MAY ISSUE DEBENTURE WITH AN AGGREGATE AMOUNT UPTO WHICH SHALL BE APPROVED BY THE BOARD OF DIRECTOR/ COMMITTEE OF DIRECTORS FOR BONDS FROM TIME TO TIME.

**AUTHORITY TO THE ISSUE**

The present issue of bonds is being made pursuant to:

- a. Board Resolution passed at the meeting of Board of Directors held on May 07, 2024 under Sections 42 and 71 of Companies Act, 2013 to borrow up to Rs 100 Crores (Rupees One Hundred Crores only).
- b. Special Resolution passed in Extra Ordinary General Meeting held on June 03,2024. under Sections 42 and 71 of Companies Act, 2013 read with Companies (Prospectus and Allotment of Securities) Rules, 2014, and the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) as amended, or provisions of any other applicable law, to raise funds of up to Rs. 100 Crores (Rupees One Hundred Crores only).
- c. Debenture Issue Committee Resolution passed at the meeting of the Committee held on January 30,2025 for Issue of Debentures up to Rs 50 Crores (Rupees Fifty Crores only).

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## 1. ISSUER'S ABSOLUTE RESPONSIBILITY:

*The issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Key Information Document contains all information with regard to the Issuer and the Issue which is material in the context of the issue, that the information contained in the Key Information Document is true and correct in all material aspects and is not misleading, that the opinions and intentions expressed herein are honestly stated and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading.*

## 2. DISCLAIMER CLAUSE:

This Key Information Document along with the General Information Document issued by the Issuer is neither a Prospectus nor a Statement in Lieu of Prospectus for each Tranche ("**Disclosure Documents**"). The proposed issue through rated, listed, unsecured, subordinated (tier ii), fully paid up redeemable, taxable, non-convertible debentures to be listed on the BSE Limited ("**BSE**") (hereinafter referred to as "**Debentures**") is being made strictly on a Private Placement basis. It is not and should not be deemed to constitute an offer or an invitation to subscribe to Bonds issued by Muthoot Housing Finance Company Limited (the "**Company**" / the "**Issuer**" / "**MHFL**") by or on behalf of the Company to subscribe for or purchase, any of the Bonds in any jurisdiction or under any circumstances in which such offer or invitation is unauthorized or unlawful. The contents of this Key Information Document are intended to be used by the person to whom it is distributed. It is not intended for distribution to any other person and should not be reproduced. Potential investors are required to make their independent evaluation and judgment before making the investment.

This Key Information Document has not been submitted, cleared or approved by SEBI and has been prepared to facilitate investors to take a well-informed decision for making investment in the proposed issue. It should be clearly understood that the Company is primarily responsible for the correctness, adequacy and disclosure of all relevant information in this document.

No person is authorized in connection with the issuance and sale of the Bonds in one or more tranches, to give any information or to make any representation not contained in this Key Information Document, read with the General Information Document, if given or made, any information or representation not contained herein must not be relied upon as having been authorized by the Company.

The Bonds will be issued solely and sold on a private placement basis. This Key Information Document cannot be acted upon by any person other than to whom it has been specifically addressed. Multiple copies hereof given to the same entity shall be deemed to be given to the same person and shall be treated as such. This Key Information Document has been prepared by the Company solely for use in connection with the issue and sale of the Bonds. Each prospective purchaser, by accepting delivery of this Key Information Document, agrees to the foregoing and to make no copies of this Key Information Document, read with the General Information Document to be issued by the Issuer.

The Company believes that the information contained in this Key Information Document is accurate in all respects as of the date hereof.

This Key Information Document should not be construed as a recommendation by the Company to any person to subscribe purchase the Bonds. Potential investors should make their own independent investigation of the financial condition or otherwise of the Company and the terms of this private placement and the Bonds, including the merits and risks involved.

This Key Information Document is issued by the Company and signed by its authorized signatories.

## DISCLAIMER OF SECURITIES AND EXCHANGE BOARD OF INDIA

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE KEY INFORMATION DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED TO MEAN THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE KEY INFORMATION DOCUMENT. THE ISSUER, HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE KEY INFORMATION DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.**

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## **DISCLAIMER STATEMENT FROM THE ISSUER**

MHFL accepts no responsibility for statements made otherwise than in the Key Information Document or any other material issued by or at the instance MHFL and anyone placing reliance on any other source of information would be doing so at his own risk.

## **DISCLAIMER IN RESPECT OF THE JURISDICTION**

The Issue is being made in India, to the Eligible Investors. This Key Information Document and the General Information Document will not, however constitute an offer to sell or an invitation to subscribe for the Bonds offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Key Information Document and the General Information Document comes is required to inform himself or herself about, and to observe, any such restrictions.

## **DISCLAIMER OF THE STOCK EXCHANGE**

As required, a copy of this Key Information Document will be submitted to Stock Exchange (s) for hosting the same on its website. It is to be distinctly understood that such submission of the Key Information Document with Stock Exchange (s) or in-principle approval given by BSE vide letter ref no DCS/COMP/RM/IP-PPDI/198/24-25 dated January 21, 2025 or hosting the same on its website in terms of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended from time to time, should not in any way be deemed or construed that the Key Information Document has been cleared or approved by Stock Exchange (s); nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Key Information Document; nor does it warrant that this Issuer's securities will be listed or continue to be listed on the exchange (s); nor does it take responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of the Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/ acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

## **DISCLAIMER OF THE RATING AGENCY**

### **Disclaimer of Crisil Ratings Limited**

Crisil Ratings has taken due care and caution in compilation of data for its website. Information has been obtained by Crisil Ratings from sources which it considers reliable. However, Crisil Ratings does not make any representation, warranties of any kind (express or implied) or guarantee the accuracy, adequacy, suitability or completeness of any information, merchantability or its fitness for a particular purpose. Any reliance you place on such information is, therefore, strictly at your own risk and Crisil Ratings is not responsible for any errors or omissions or for the results obtained from your use of such information. The information available on this website is intended solely for your use and purpose for which rating has been sought and as part of disclosures on website required as per applicable law and regulations. None of the information available on the website may be copied, reproduced, presented, quoted, rearranged or further transmitted, disseminated, redistributed, marketed or sold, in whole or in part, for any purpose, or in any manner or form without the prior written consent of Crisil Ratings. None of the contents of this website make any recommendation to buy, sell or hold any security and should not be construed as offering investment advice. Crisil Ratings is also not responsible for any errors in transmission and especially states that it has no financial liability whatsoever to the subscribers/ users/ transmitters/ distributors of the contents of its web site. In no event will Crisil Ratings be liable for any loss or damage including without limitation, indirect or consequential loss or damage, or any loss or damage whatsoever arising from loss of data, loss of business or profits arising out of, or in connection with, your use of this website. Furthermore, Crisil Ratings shall have no responsibility or liability for delays or failures due to circumstances beyond its control.

## **DISCLAIMER OF THE TRUSTEE**

Investors should carefully read and note the contents of the Key Information Document. Each prospective investor should make its own independent assessment of the merit of the investment in Bonds. Prospective investors should consult their own financial,

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legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in the Bonds and should possess the appropriate resources to analyze such investment and suitability of such investment to such investor's particular circumstance. Prospective investors are required to make their own independent evaluation and judgement before making the investment and are believed to be experienced in Investing in debt markets and can bear the economic risk of investing in such instruments. The Debenture Trustee does not guarantee the terms of payment regarding the issue as stated in this Key Information Document and shall not be held liable for any default in the same. The Debenture Trustee ipso facto does not have the obligations of a borrower or a principal debtor or a guarantor as to the monies paid/invested by the subscribers to the Bonds.

### 3. DEFINITIONS AND ABBREVIATIONS

Allotment/ Allot/Allotted	The issue and allotment of the Bonds to the successful Applicants in the Issue
Allottee	A successful Applicant to whom the Bonds are allotted pursuant to the Issue, either in full or in part
Applicant/ Investor	A person who makes an offer to subscribe the Bonds pursuant to the terms of this Placement Memorandum and the Application Form.
Application Form	The form in terms of which the Applicant shall make an offer to subscribe to the Bonds and which will be considered as the application for allotment of Bonds in the Issue
Articles	Articles of Association of the Company as amended from time to time.
AY	Assessment Year
Beneficial Owner(s)	Bondholder(s) holding Bond(s) in dematerialized form (Beneficial Owner of the Bond(s) as defined in clause (a) of sub-section of Section 2 of the Depositories Act, 1996)
Board/ Board of Directors	The Board of Muthoot Housing Finance Company Limited, unless otherwise specified.
Bond(s)	Listed, Secured/Unsecured, Redeemable, Non-Cumulative, Taxable, Non-Convertible, bonds in the nature of non-convertible debentures
Bondholder(s)	Any person or entity holding the Bonds and whose name appears in the list of Beneficial Owners provided by the Depositories
BSE	BSE Limited
Business Day/Working Day	A day on which commercial banks are open for business in the city of Mumbai, Maharashtra and "Business Days" shall be construed accordingly
CDSL	Central Depository Services (India) Limited
C&AG	Comptroller and Auditor General of India
Coupon / Interest Payment Date	As mentioned in the Summary Term Sheet
CVC	Central Vigilance Commission
Debenture Trusteeship Agreement	The agreement executed between the Issuer and the Debenture Trustee for the purpose of the Issue.
Deemed Date of Allotment	The cut-off date declared by the Issuer with effect from which all benefits under the Bonds including interest on the Bonds shall be available to the Bondholder(s). The actual allotment of Bonds (i.e. approval from the Board of Directors or a Committee thereof) may take place on a date other than the Deemed Date of Allotment
Depositories Act	The Depositories Act, 1996, as amended from time to time
Depository	A Depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996, as amended from time to time
Depository Participant	A Depository participant as defined under Depositories Act
DIN	Director Identification Number
DP	Depository Participant
DRR	Bond/ Debenture Redemption Reserve
EBP Guidelines	Guidelines for Electronic Bidding Platform issued by BSE, as amended and modified from time to time.
Eligible Investor	All QIBs, and any non-QIB Investors specifically mapped by the Issuer on the EBP Platform of the relevant stock exchange, are eligible to bid / invest / apply for this Issue. All participants are required to comply with the relevant regulations/ guidelines applicable to them for investing in this Issue.
FIIIs	Foreign Institutional Investors

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Financial Year/ FY	Period of twelve months beginning from April 1 of a calendar year and ending on March 31 of the subsequent calendar year.
FIs	Financial Institutions
FRN	Firm Registration Number
GIR	General Index Registration Number
GoI	Government of India/ Central Government
GW	Giga Watt
I.T. Act	The Income Tax Act, 1961, as amended from time to time
IFSC	Indian Financial System Code
Issuer /Company/MHFL	Muthoot Housing Finance Company Limited incorporated under the Companies Act, 1956 and having its registered office at Priyadarshini, Eastern Express Highway, Sion, Mumbai 400 022.
Market Lot	Means one Bond
MoF	Ministry of Finance
NEFT	National Electronic Funds Transfer
NSDL	National Securities Depository Limited
Non-QIB Investor	Investors other than QIB Investor
Operational Guidelines	Refers to, collectively the SEBI EBP Guidelines and the EBP Guidelines of the relevant stock exchange
PAN	Permanent Account Number
QIB	Qualified Institutional Buyer
R&TA	Registrar and Transfer Agent
RBI	Reserve Bank of India
Record Date	As mentioned in the Summary Term Sheet
Registrar	Registrar to the Issue, in this case being Link Intime India Private Limited
Rs. / INR	Indian National Rupee
RTGS	Real Time Gross Settlement
SEBI	The Securities and Exchange Board of India, constituted under the SEBI Act, 1992
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time
SEBI Debt Regulations	Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 issued vide circular no. SEBI/LAD-NRO/GN/2021/39 dated August 09, 2021 read with SEBI Master Circular (defined hereunder), as amended from time to time
SEBI EBP Guidelines/ SEBI EBP Circular	Refers to Chapter VI of SEBI Master Circular vide ref.no. SEBI/HO/DDHS/PoD1/P/CIR/2024/54 dated May 22, 2024 on " <i>Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper</i> " to the extent applicable in respect of the private placement of debt securities, as amended from time to time.
Tranche/Series	Shall mean any tranche of Debentures, under which Debentures are to be issued pursuant to the General Information Document and this Key Information Document
TDS	Tax Deducted at Source as per the provisions of the Income Tax Act and rules there under modified from time to time.
The Companies Act	Companies Act, 2013, as amended and to the extent notified by the Government of India and Companies Act, 1956 (to the extent applicable)
The Issue/ The Offer/ Private Placement	Private Placement of Listed, Secured/Unsecured, Redeemable, Non-Cumulative, Taxable, Non-Convertible Debentures.
Trustee	Trustee for the Bondholders

#### 4. GENERAL INFORMATION

##### a. Issuer Information:

Particulars	Details
Name of the Issuer	Muthoot Housing Finance Company Limited
CIN No.	U65922KL2010PLC025624

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<b>LEI No.</b>	3358008T2XF7A7QRZS71
<b>Website</b>	https://muthoothousing.com
<b>E-Mail</b>	sumesh.s@muthoot.com
<b>Registered Office</b>	TC 14/2074-7, Muthoot Centre, Punnem Road, Trivandrum – 695 039 Kerala, India.
<b>Corporate Office</b>	12A 01, 13th Floor, Parinee Crescenzo, Plot No. C-38 & C-39, Bandra Kurla Complex - G Block, Bandra (East), Mumbai – 400051
<b>Telephone No.</b>	04714911538
<b>Date of Incorporation</b>	March 5, 2010
<b>Compliance Officer of the Issue</b>	Mr. S. Sumesh Compliance Officer & Company Secretary Muthoot Housing Finance Company Limited limited Email: <a href="mailto:sumesh.s@muthoot.com">sumesh.s@muthoot.com</a>
<b>CFO of the Issue</b>	Mr. Yogesh Ratnakar Udhoji Muthoot Housing Finance Company Limited Email: <a href="mailto:yogesh.udhoji@muthoot.com">yogesh.udhoji@muthoot.com</a>

**b. Consent of directors, auditors, bankers to issue, trustees, solicitors or advocates to the issue, legal advisors to the issue, lead managers to the issue, Registrar to the Issue, and lenders (if required, as per the terms of the agreement) and experts.**

- Board of Directors have authorized issue of NCDs vide its resolution dated **May 07, 2024**
- Consent of Trustees for the NCD issue was given on **February 12, 2025**
- Consent of Registrar to the Issue was given on **January 16, 2025**

Consents of auditors, bankers to issue, solicitors or advocates to the issue, lead a, lead managers to the issue, and lenders and experts is **not applicable since the issue is made on private placement basis for issue of non-convertible debentures governed by section 42 of Companies Act, 2013 and EBP guidelines prescribed by SEBI.**

**5. DETAILS OF THE PROMOTERS OF THE ISSUER COMPANY**

Sr No	Name of the shareholders	Total No of Equity Shares*	No. of shares in demat form	Total shareholding as % of total no of equity shares
1.	Thomas John Muthoot	4297885	4297885	5.26
2.	Thomas George Muthoot	4297890	4297890	5.26
3.	Thomas Muthoot	4297890	4297890	5.26
4.	Muthoot Fincorp	67374005	67374005	82.56

\*As on 30.12.2024

**Declaration by the Issuer:**

The Issuer declares that the Permanent Account Number of Directors will be submitted to the stock exchange where the listing is proposed, at the time of seeking in-principle approval.

**6. DETAILS OF CREDIT RATING BY THE RATING AGENCIES IN RELATION TO THE ISSUE:**

Name of Rating Agency	Credit Ratings	Date of Credit Rating
Crisil Ratings Limited	CRISIL A+/Stable	December 30, 2024

The Issuer confirms that the above ratings are valid as on date and will remain valid till the date of issuance and listing of the bonds.

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**Link for Credit rating press release:**

Crisil Ratings Limited:

<https://www.crisilratings.com/en/home/our-business/ratings/company-factsheet.MTHFCL.html>

**7. NAME(S) OF THE STOCK EXCHANGE(S) WHERE THE NON-CONVERTIBLE SECURITIES ARE PROPOSED TO BE LISTED AND THE DETAILS OF IN-PRINCIPLE APPROVAL FOR LISTING**

The Bonds are proposed to be listed on the BSE. The Issuer has obtained the “in-principal” approval for the listing from BSE vide letter ref. no. DCS/COMP/RM/IP-PPDI/198/24-25 dated January 21, 2025 for the Issue under this Key Information Document. BSE is the designated stock exchange for the Issue. The recovery expense fund will be created with BSE after obtaining in-principle approval.

**8. ISSUE SCHEDULE:**

<b>Particulars</b>	<b>Date</b>
Issue Opening Date	18 <sup>th</sup> February, 2025
Issue Closing Date	18 <sup>th</sup> February, 2025
Pay-In Date	20 <sup>th</sup> February, 2025
Deemed Date of Allotment	20 <sup>th</sup> February, 2025

**9. NAME AND DETAILS OF THE TRUSTEE, CREDIT RATING AGENCIES, REGISTRAR, ARRANGERS ETC.:**

<p><b>Trustee to the Issue</b> (This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)</p>  <p><b>CATALYST</b> Believe In Yourself... Trust Us!</p>	<p><b>Catalyst Trusteeship Limited</b> Address: 901, 9th floor, Tower B, PENINSULA BUSINESS PARK TOWER, Senapati Bapat Marg, Lower Parel, W, Mumbai, Maharashtra 400013 Tel: +91 (022) 4922 0555 Email: dt.mumbai@ctltrustee.com Website: <a href="https://catalysttrustee.com">https://catalysttrustee.com</a></p>
<p><b>Registrar to the Issue</b></p>  <p><b>LINK Intime</b></p>	<p><b>Link Intime India Private Limited</b> Address: Link Intime India Pvt. Ltd C 101, Embassy 247, L.B.S.Marg, Vikhroli (West), Mumbai - 400083. Tel: 1800 1020 878 Fax: 022 - 4918 6060 Email: <a href="mailto:mumbai@linkintime.co.in">mumbai@linkintime.co.in</a> Website: <a href="https://linkintime.co.in/home.html">https://linkintime.co.in/home.html</a></p>
<p><b>Credit Rating Agency of the Issue</b></p>  <p><b>Crisil</b> a company of S&amp;P Global</p>	<p><b>Crisil Ratings Limited</b> Crisil House, Central Avenue, Hiranandani Business Park, Powai, Mumbai, Maharashtra, INDIA - 400076 Phone : +91 22 3342 3000 Fax : +91 22 3342 3001 E-mail: <a href="mailto:vaibhav.srivastava@crsil.com">vaibhav.srivastava@crsil.com</a> Website: <a href="https://www.crisilratings.com/en/home.html">https://www.crisilratings.com/en/home.html</a> Contact Person: Vaibhav Srivastava SEBI Registration No. IN/CRA/001/1999 CIN: U67100MH2019PLC326247</p>
<p><b>Arranger to the Issue</b></p>	<p><b>Not Applicable</b></p>

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#### 10. DETAILS OF STATUTORY AUDITORS OF THE COMPANY:

Name of Auditor	Address	Date of Appointment
Chaturvedi and Co, Chartered Accountants (Peer Review Certificate No.: 014789)	81, Mittal Chambers , Nariman Point, Mumbai, Maharashtra, 400021	The AGM held on September 4, 2024 had appointed Chaturvedi and Co, Chartered Accountants for a period of 3 years starting from FY 2024-25.

#### 11. DETAILS OF CHANGE IN AUDITORS FOR PRECEDING THREE FINANCIAL YEARS AND CURRENT FINANCIAL YEAR:

Name of the Auditor	Address	Date of Appointment	Date of Cessation, if applicable	Date of Resignation	Remarks
Chaturvedi and Co, Chartered Accountants (Peer Review Certificate No.: 014789)	81, Mittal Chambers, Nariman Point, Mumbai, Maharashtra, 400021	April 1, 2024	-	-	The AGM held on September 4, 2024 had appointed Chaturvedi and Co, Chartered Accountants for a period of 3 years starting from FY 2024-25.
Varma & Varma	Sreeraghavam, Kerala Varma Towers Kunjan Bava Road, Vytilla, Kochi, Kerala, 682019	April 1, 2022	March 31, 2024	-	NIL
Varma & Varma	Sreeraghavam, Kerala Varma Towers Kunjan Bava Road, Vytilla, Kochi, Kerala, 682019	April 1, 2021	March 31, 2022	-	NIL

#### 12. A BRIEF SUMMARY OF THE BUSINESS/ ACTIVITIES OF THE ISSUER AND ITS LINE OF BUSINESS:

##### Overview of Our Business/activities:

Muthoot Housing Finance Company Limited (MHFL) was incorporated on 5th March 2010 and was granted its Certificate of Registration by the National Housing Bank ("NHB") on February 11, 2011. MHFL commenced its business operations on July 1, 2011, subsequent to receiving the Certificate of Commencement of Business on June 1, 2011. MHFL is a subsidiary of Muthoot Fincorp Limited and forms an integral part of the Muthoot Pappachan Group. MHFL was established with the primary objective of providing home finance solutions within the affordable housing segment, targeting underserved customer segments. The

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Company's typical target demographic consists of low-income customers, predominantly from the Economically Weaker Section ("EWS") and Lower Income Group ("LIG"). MHFL initiated its loan disbursements in September 2011 and, since that time, has demonstrated significant growth, both in terms of its loan portfolio and the expansion of its distribution network.

**Our main objects as contained in our Memorandum of Association are:**

1. To finance by way of loan and/or any other mode with or without interest and with or without security, any person's, co-operative society, association of persons, body of individuals, companies, institutions, firms, builders, tenants and others, for total or partial construction, erection, building, repair, remodeling, purchase of houses, flats, apartments, bungalows, rooms, townships and/or other buildings and real estate of all descriptions, and for equipping the same with all types of amenities or conveniences and installations, and/or to purchase any free hold or lease hold lands, estate or interest in any property, or to finance business, trade or profession, and personal or family needs of such persons/entities against the security of property of any kind, and in particular to carry on the business of Long Term Finance for development of Housing in India.
2. To carry on the business of solicitation and procurement of insurance business for all classes of insurance including life insurance, general insurance etc, acting as corporate agent and to undertake such other activities as are incidental or ancillary there to under the extant laws and regulations.

**Structure of the Group**

The Muthoot Pappachan Group (MPG), established in 1887, is a diversified conglomerate with a significant presence across various sectors, including Financial Services, Hospitality, Automotive, Information Technology Services, Healthcare, Precious Metals, and Alternate Energy. Over the course of its history, MPG has evolved into a prominent entity within the Indian business landscape. The Group currently employs approximately 26,000 individuals and serves a customer base exceeding 5.5 million. MPG's customer-centric philosophy, coupled with its innovative approach to developing new products that address the dynamic needs of its clientele, has fostered long-term customer loyalty while attracting new patrons. MPG's ability to adapt to cutting-edge technologies and implement novel methods of customer service, while steadfastly adhering to its core ethical principles, forms the foundation of its operations.

Muthoot Fincorp Limited (MFL), the flagship entity of the Muthoot Pappachan Group, is a well-established diversified conglomerate with a dominant presence across multiple sectors. MFL operates as a financial services company, specifically catering to the financial needs of the general populace. MFL is registered with the Reserve Bank of India as a systemically important non-deposit-taking non-banking financial company (NBFC).

As of March 31, 2024, MFL has a net worth of Rs. 4,261 crore. The company is primarily focused on providing a wide range of financial services, with particular emphasis on retail products such as gold loans and other loan offerings. MFL delivers these services through an extensive network of over 3,600 branches across India, ensuring comprehensive coverage and accessibility for its customers.

**Details of Branches**

Muthoot Housing Finance Company Limited has a vast network, spread over the length and breadth of the country. Our network can be assessed at the following link:

<https://muthoothousing.com/locate-our-branch/>

**13. BUSINESS CARRIED OUT BY SUBSIDIARIES AND JOINT VENTURES AS FOLLOWS:**

Our Company has no joint ventures and/ or subsidiaries.

**14. INDICATIVE EXPENSES OF THE ISSUE**

Particulars of expenses	Amount	Percentage of total expenses	% of total issue size
Lead Manager Fees	-	-	-
Underwriting Commission	-	-	-
Brokerage, selling commission and upload fees	-	-	-
Fees payable to the registrar to the			

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issue			
Fees payable to the legal advisors			
Advertising and marketing expenses			
Fees payable to the regulators including stock exchange			
Expenses incurred on printing and distribution of issue stationary			
Any other fees, commission or payments under whatsoever nomenclature			
<b>Total</b>			

## 15. MANAGEMENT OF THE COMPANY

Under our Articles of Association, we are required to have not less than 3 (Three) directors and not more than 18 (Eighteen) Director. Our Board presently comprises 6 (Six) Directors out of which (Two) are whole-time Directors including Chairman and Managing Director, 2 (Two) Independent Directors, and 2 (Two) Non-Executive, Non-Independent Directors. The following table sets out the details regarding our Board of Directors.

<b>List of Directors of Muthoot Housing Finance Company Limited as on 23.12.2024</b>				
<b>Sr. No</b>	<b>Name</b>	<b>Date of Birth</b>	<b>Nationality</b>	<b>Residential Address</b>
1	<b>Name:</b> Mr. Thomas Muthoot <b>Designation:</b> Non-Executive Director and Non Independent <b>DIN:</b> 00082099	15.07.66	Indian	Muthoot,7/59A, Near Kaniyampuzha Bridge, Cherukad, Eroor PO, Ernakulam,682306
2	<b>Name:</b> Mr. Thomas John Muthoot <b>Designation:</b> Non - Executive & Non - Independent <b>DIN:</b> 00011618	07.06.62	Indian	Muthoot House, TC 4/1008(1), Kawdiar, Kawdiar po, Trivandrum, Kerala, 695003
3	<b>Name:</b> Mr. Thomas George Muthoot <b>Designation:</b> Non - Executive & Non - Independent <b>DIN:</b> 00011552	07.06.62	Indian	Muthoot Towers, College Road PO, MG Road, Ernakulam, Cochin, Kerala PIN:682035
4	<b>Name:</b> Mrs Suzannah Muthoot <b>Designation:</b> Whole Time Director <b>DIN:</b> 09792874	10.06.94	Indian	Cherukad, Eroor, Ernakulam, Kerala, India, 682306
5	<b>Name:</b> Mr.Santanu Mukherjee <b>Designation:</b> Non - Executive & Independent Director	29.12.56	Indian	Flat No. 303,3rd floor, E-Tower My Home Abhra, Raidurg, Sherlingampally, Hyderabad, Telangana India- 500032

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	<b>DIN:</b> 07716452			
6	<b>Name:</b> Mr.Suresh Mahalingam <b>Designation:</b> Non - Executive & Independent Director <b>DIN:</b> 01781730	17.02.62	Indian	8A-9A, Godrej Waldorf, Opposite Millat Nagar, Andheri West, Mumbai Maharashtra 400053

#### 16. DETAILS OF CHANGE IN THE DIRECTORS SINCE PRECEDING THREE FINANCIAL YEARS AND THE CURRENT FINANCIAL YEAR:

Sr. No	Name, Designation and DIN	Date of Appointment	Date of Cessation, if applicable	Date of Resignation, if applicable	Remarks
1.	<b>Name:</b> Vasudevan Ramaswami <b>Designation:</b> Non - Executive & Independent Directors (DIN-02926769)	01.04.2021	11.02.2023	-	
2.	<b>Name:</b> Vijayaraghavachari Ranganathan <b>Designation:</b> Non - Executive & Independent Directors <b>DIN:</b> 00550121	21.06.2021	20.06.2023	-	-
3.	<b>Name:</b> Kandiyoor Muralidharan <b>Designation:</b> Non - Executive & Independent Director <b>DIN:</b> 01365398	22.06.2020	22.06.2021		-
4.	<b>Name:</b> Suresh Mahalingam <b>Designation:</b> Non - Executive & Independent Director <b>DIN:</b> 01781730	20.06.2023	NA		Appointment
5.	<b>Name:</b> Mrs Suzannah Muthoot <b>Designation:</b> Executive Director <b>DIN:</b> 09792874	23.12.2024	NA	-	Appointment

#### 17. MANAGEMENT'S PERCEPTION OF RISK FACTORS

##### i. Risks Related to Issuer's Business:

##### a. Repayment is subject to the credit risk of the Issuer

Potential Investors should be aware that receipt of the principal amount, (i.e. the redemption amount) and any other amounts that may be due in respect of the Debentures is subject to the credit risk of the Issuer. Potential Investors assume

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the risk that the Issuer will not be able to satisfy their obligations under the Debentures. In the event that bankruptcy proceedings or composition, scheme of arrangement or similar proceedings to avert bankruptcy are instituted by or against the Issuer, the payment of sums due on the Debentures may not be made or may be substantially reduced or delayed.

**b. The secondary market for non-convertible securities may be illiquid**

Non-convertible securities may be very illiquid, and no secondary market may develop in respect thereof. Even if there is a secondary market for the non-convertible securities, it is not likely to provide significant liquidity. Potential Investors may have to hold the Debentures until redemption to realize any value.

**c. Credit Risk & Rating Downgrade Risk**

In the event of deterioration in the financial health of the Issuer, there is a possibility that the relevant Rating Agency may downgrade the rating of the Debentures. In such cases, potential Investors may incur losses on revaluation of their investment or make provisions towards sub-standard/ non-performing investment as per their usual norms.

**d. Changes in interest rates may affect the price of Debentures**

All securities where a fixed rate of interest is offered, such as this Issue, are subject to price risk. The price of such securities will vary inversely with changes in prevailing interest rates, i.e., when interest rates rise, prices of fixed income securities fall and when interest rates drop, the prices increase. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity and the increase or decrease in the level of prevailing interest rates. Increased rates of interest, which frequently accompany inflation and/or a growing economy, are likely to have a negative effect on the pricing of the Debentures.

**e. Tax Considerations and Legal Considerations**

Special tax considerations and legal considerations may apply to certain types of investors. Potential investors are urged to consult with their own financial, legal, tax and other advisors to determine any financial, legal, tax and other implications of this investment.

**f. Accounting Considerations**

Special accounting considerations may apply to certain types of taxpayers. Potential Investors are urged to consult with their own accounting advisors to determine implications of this investment.

**g. Material changes in regulations to which the Issuer is subject could impair the Issuer's ability to meet payment or other obligations**

The Issuer is subject generally to changes in Indian law, as well as to changes in government regulations and policies and accounting principles. Any changes in the regulatory framework could adversely affect the profitability of the Issuer or its future financial performance, by requiring a restructuring of its activities, increasing costs or otherwise.

**h. Risks in relation to the security created in relation to the debt securities. Further, any risks in relation to maintenance of security cover or full recovery of the security in case of enforcement**

In the event that the Company is unable to meet its payment and other obligations towards Investors under the terms of the Debentures, the Debenture Trustee may enforce the security as per the terms of security documents, and other related documents executed in relation to the Debentures. The Debenture Holder(s)' recovery in relation to the Debentures will be subject to (i) the market value of such security, (ii) finding willing buyers for the security at a price sufficient to repay the Debenture Holder(s)' amounts outstanding under the Debentures. There is a risk that the value realized from the enforcement of the security may be insufficient to redeem the Debentures. Further, were any series of Debentures issued pursuant to any Key Information Document for the relevant issuance of Debentures are secured against a charge to the tune of 100% (one hundred percent) of the principal and interest amount in favour of the Debenture Trustee, while it is the duty of the Debenture Trustee to monitor that the security is maintained, however, the possibility of recovery of 100% (one hundred percent) of the amount shall depend on the market scenario prevalent at the time of enforcement of the security. This risk factor will not be applicable in respect of any series of Debentures issued pursuant to this General Information Document and the Key Information Document for the relevant issuance of Debentures that are issued are either unsecured or subordinated.

**i. Creation of security for secured debt securities**

While creating a charge or security, the issuer shall have the option to create charge or security over the properties or assets (movable, immovable, tangible, intangible), shares or any interest thereon, of the issuer or its subsidiaries or its holding companies or its associate companies.

The charge created in respect of the secured debt securities shall be disclosed in the offer document along with an undertaking that the assets on which charge or security has been created to meet the hundred percent security cover is free from any encumbrances and in case the assets are encumbered, the permissions or consent to create first, second or pari passu charge on the assets has been obtained from the existing creditors to whom the assets are charged, prior to creation of the charge:

Provided that sub regulation (2) shall not apply if the charge is created on additional assets other than the assets comprising of hundred percent security cover

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**ii. External Risk Factors:**

**a. The financial performance of the Company is vulnerable to interest rate volatility**

The profitability of the Company is mainly dependent on the net interest margins. The Company borrows both in floating and fixed interest rates. The Company is exposed to interest rate risks since the disbursements are generally made both in floating and fixed interest rates. Volatility in interest rates can materially and adversely affect our financial performance and cash flows. In a rising interest rate environment, if the yield on the interest-earning assets of the Company does not increase simultaneously with or to the same extent as cost of funds, or, in a declining interest rate environment, if the cost of funds does not decline simultaneously or to the same extent as the yield on our interest-earning assets, our net interest income and net interest margin would be adversely impacted. Interest rates are highly sensitive and fluctuations thereof are dependent upon many factors which are beyond our control, including the monetary policies of the RBI, de-regulation of the financial services sector in India, domestic and international economic and political conditions, inflation and other factors. Rise in inflation, and consequent changes in Bank rates, Repo rates and Reverse Repo rates by the RBI has led to an increase in interest rates on loans provided by banks and financial institutions, and market interest rates in India have been volatile in recent periods.

**b. In the event that the Company is unable to effectively manage or control the level of non-performing loans ("NPAs") in the future, or if the provisions for loan losses are insufficient to cover anticipated loan defaults, the financial condition of the Issuer and its operational performance may be materially and adversely impacted**

The existence of non-performing or low-credit quality loans could have a detrimental effect on the Company's operations. There can be no assurance that the Company will be able to improve its collection efforts and recoveries in relation to its NPAs, or that it will be able to adequately control or reduce its NPA levels in the future. Furthermore, as the loan portfolio matures, the Company may experience an increase in defaults on principal and/or interest repayments. Consequently, if the Company fails to control or reduce its NPA levels, the overall quality of its loan portfolio may deteriorate, which could adversely affect its operational results and/or cash flows. Additionally, the Company's current provisions for loan losses may not be sufficient in comparison to the loan portfolios of other financial institutions. There is no assurance that there will be no further deterioration in the Company's provisioning coverage as a percentage of Gross NPAs, nor that the recovery rate of NPAs will align with past recovery experiences. Should there be any further deterioration in the Company's NPA portfolio, it could have a significantly more adverse impact on its results of operations and/or cash flows.

**c. We may not be able to recover, on a timely basis or at all, the full value of collateral or amounts which are sufficient to cover the outstanding amounts due under defaulted loans**

As a security interest for the financing facilities provided by us to our customers, the properties purchased by our customers are hypothecated in our favour. The value of the properties, however, is subject to depreciation, deterioration, and/or reduction in value on account of other extraneous reasons, over the course of time. Consequently, the realizable value of the collateral for the credit facility provided by us, when liquidated, may be lower than the outstanding loan from such customers. Any default in repayment of the outstanding credit obligations by our customers may expose us to losses. Furthermore, in the case of a default, we typically take possession of the mortgaged properties and take necessary legal proceedings permitted under various regulations to either sell the property through auction or recover the dues through other means. The hypothecated properties, being immovable property, have a specific process for possession and auction which are guided by local administrative and legal regulations. There can also be no assurance that we will be able to sell such properties provided as collateral at prices sufficient to cover the amounts under default. In addition, there may be delays associated with such process. A failure or delay to recover the expected value from sale of collateral security could expose us to a potential loss. Any such losses could adversely affect our financial condition, results of operations and/or cash flows. Furthermore, enforcing our legal rights by litigating against defaulting customers is generally a slow and potentially expensive process in India. Accordingly, it may be difficult for us to recover amounts owed by defaulting customers in a timely manner or at all. The recovery of monies from defaulting customers may be further compounded by the fact that we do not generally insist on, or receive post-dated cheques as security towards the timely repayment of dues from customers to whom we have provided loans. Further if we are unable to sell any repossessed property provided as security for such loans, at commercially favourable prices, in a timely manner or at all, we may not recover the costs of maintaining such repossessed property and our operations, cash flows and profitability could be adversely affected.

**d. A part of our collections is in cash and consequently we face the risk of misappropriation or fraud by our employees**

A portion of our collections from our customers is in cash. Cash collections expose us to the risk of fraud, misappropriation or unauthorized transactions by our employees responsible for dealing with such cash collections. While we have taken insurance policies and coverage for cash in safes and in transit, and undertake measures to detect and prevent any unauthorized transaction, fraud or misappropriation by our representatives and officers, this may not be sufficient to prevent or deter such activities in all cases, which may adversely affect our operations, profitability and/or cash flows. Further, we may be subject to regulatory or other proceedings in connection with any unauthorized transaction, fraud or misappropriation by our representatives and employees, which could adversely affect our goodwill.

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e. **Issuer requires certain statutory and regulatory approvals for conducting business and failure to obtain or retain them in a timely manner, or at all, may adversely affect operations**

The Company is a non-deposit taking Housing Finance Company (“HFC”) registered with the NHB. As such, the Company is regulated by NHB vide its Master Direction named as “Non-Banking Financial Company- Housing Finance Company (Reserve Bank) Directions, 2021”. These directions were issued by the Reserve Bank of India on 17th February 2021 vide notification No. RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21. The provisions of these directions apply to all housing finance companies. If the Issuer fails to comply, or a regulator claims we have not complied, with any of these conditions, its certificate of registration may be suspended or cancelled and the Issuer shall not be able to carry on such activities.

f. **Issuer may be required to increase capital ratio or amount of loan loss reserves, which may result in changes to business and accounting practices that would harm business and results of operations.**

The Issuer is subject to the NHB minimum capital to risk weighted assets ratio regulations. Pursuant to Section 29C of the NHB Act, every HFC, is required to create a reserve fund and transfer thereto a sum not less than 20.0% of its net profit every year, as disclosed in the profit and loss account and before any dividend is declared. The Issuer is also required to maintain a minimum capital adequacy ratio of 15.0% in relation to aggregate risk-weighted assets and risk adjusted assigned loans. The NHB may also in the future require compliance with other financial ratios and standards. Compliance with such regulatory requirements in the future may require alteration of its business and accounting practices or take other actions that could materially harm its business and operating results.

iii. **Risks relating to the Issue:**

a. **The Debentures may be Illiquid**

It is not possible to predict if and to what extent a secondary market may develop in the Debentures or at what price the Debentures will trade in the secondary market or whether such market will be liquid or illiquid. As specified in this Key Information Document, an application has been made to list the Debentures on the BSE and an in-principle approval will be obtained. If the Debentures are so listed or quoted or admitted to trading on the BSE, no assurance is given by the BSE that any such listing or quotation or admission to trading will be maintained. The fact that the Debentures may be so listed or quoted or admitted to trading does not necessarily lead to greater liquidity than if they were not so listed or quoted or admitted to trading. The Debentures constitute subordinate debt (towards its Tier II Capital), as defined by RBI from time to time under various circulars/ notifications, for the Company and are not redeemable earlier than its stated maturity, without the prior approval of the RBI. However, subject to the Applicable Law, the Company may, but is not obliged to, at any time purchase the Debentures at any price in the open market or by tender or private agreement. Any Debentures so purchased may be resold or surrendered for cancellation. The more limited the secondary market is, the more difficult it may be for holders of the Debentures to realise value for the Debentures prior to redemption of the Debentures.

b. **The Debentures may not be a suitable investment for all investors**

Potential investors should ensure that they understand the nature of the Debentures and the extent of their exposure to risk, that they have sufficient knowledge, experience and access to professional advisers such as legal, tax, accounting and other advisers to make their own legal, tax, accounting and financial evaluation of the merits and risks of investment in the Debentures and that they consider the suitability of the Debentures as an investment in the light of their own circumstances and financial condition. These risks may include, among others, equity market risks, bond market risks, interest rate risks, market volatility and economic, political and regulatory risks and any combination of these and other risks.

**18. DETAILS OF DEFAULT:**

There is no default and non-payment of statutory dues except as otherwise disclosed in the financial statements, which are being litigated upon.

**19. DETAILS OF NODAL/ COMPLIANCE OFFICER OF THE COMPANY:**

<b>Compliance Officer of the Company</b>	
<b>Name</b>	Sumesh.S
<b>Designation</b>	Compliance Officer & Company Secretary
<b>Address</b>	TC 14/2074-7, Muthoot Centre, Punnen Road, Thiruvananthapuram 695039]
<b>Phone Number</b>	9605955443
<b>E-Mail id</b>	sumesh.s@muthoot.com

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## 20. DEFAULT IN ANNUAL FILING OF THE COMPANY UNDER THE COMPANIES ACT, 2013 OR THE RULES MADE THEREUNDER

NIL

## 21. KEY OPERATIONAL AND FINANCIAL PARAMETERS ON STANDALONE BASIS:

(Rupees in Crores)

Particulars	H1FY25	FY2024	FY2023	FY2022
<b>BALANCE SHEET</b>				
<b>Assets</b>				
Property, Plant and Equipment	7.70	5.83	3.39	2.20
Financial Assets	2,503.03	2,251.06	1,577.10	1397.50
Non-financial Assets excluding property, plant and equipment	27.38	21.12	22.29	29.20
<b>Total Assets</b>	<b>2,538.11</b>	<b>2,278.01</b>	<b>1,602.78</b>	<b>1428.90</b>
<b>Liabilities</b>				
<b>Financial Liabilities</b>				
-Derivative financial instruments	-	0.08	0.89	-
-Trade Payables	5.28	4.22	4.66	2.93
-Debt Securities	-	-	-	4.99
-Borrowings (other than Debt Securities)	2,087.86	1,820.61	1,250.43	1133.23
-Subordinated liabilities	-	-	-	-
-Lease Liabilities	6.97	5.58	3.97	4.02
-Other financial liabilities	66.7	119.52	76.18	42.23
<b>Non-Financial Liabilities</b>				
-Current tax liabilities (net)	-	-	-	0.58
-Provisions	4.01	3.66	2.75	2.50
-Deferred tax liabilities (net)	-	-	-	-
-Other non-financial liabilities	1.64	1.62	1.02	1.20
<b>Equity (Equity Share Capital and Other Equity)</b>	<b>365.65</b>	<b>322.72</b>	<b>262.88</b>	<b>237.22</b>
<b>Total Liabilities and Equity</b>	<b>2538.11</b>	<b>2,278.01</b>	<b>1,602.78</b>	<b>1428.90</b>
<b>PROFIT AND LOSS</b>				
Revenue from operations	182.86	292.73	221.68	190.09
Other Income	0.07	-	-	-
<b>Total Income</b>	<b>182.93</b>	<b>292.73</b>	<b>221.68</b>	<b>190.09</b>
<b>Total Expense</b>	<b>159.60</b>	<b>246.03</b>	<b>186.88</b>	<b>167.16</b>
<b>Profit after tax for the year</b>	<b>17.46</b>	<b>34.73</b>	<b>25.88</b>	<b>17.00</b>
<b>Other Comprehensive income</b>	<b>0.22</b>	<b>-0.23</b>	<b>-0.34</b>	<b>0.12</b>
<b>Total Comprehensive Income</b>	<b>17.68</b>	<b>34.51</b>	<b>25.53</b>	<b>17.12</b>

(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

<b>Earnings per equity share</b>				
-Basic (INR)	2.22	4.63	3.58	2.35
-Diluted (INR)	2.21	4.60	3.57	2.34
<b>Cash Flow</b>				
Net cash from / used in(-) operating activities	-278.54	-476.50	-134.97	-75.87
Net cash from / used in(-) investing activities	-2.35	-6.14	-7.28	-38.05
Net cash from / used in (-)financing activities	284.92	596.14	111.46	140.76
Net increase/decrease(-) in cash and cash equivalents	4.03	113.50	-16.23	26.84
Cash and cash equivalents as per Cash Flow Statement as at end of Year / Half Year	186.69	182.66	69.16	85.39
<b>Additional Information</b>				
Net worth	360.39	323.50	262.87	237.22
Cash and cash equivalents	186.69	182.66	69.16	85.39
Loans	2,249.91	2,009.22	1,451.81	1,250.75
Loans (Principal Amount)	2289.38	2,043.87	1,483.41	1,285.00
Total Debts to Total Assets (%)	82.26	93.71	94.13	96.18
Interest Income	171.25	283.79	214.56	174.02
Interest Expense	92.02	138.40	110.92	97.46
Impairment on Financial Instruments	2.30	1.28	-2.40	7.94
Bad Debts to Loans (%)	0.98	0.79	0.85	3.94
% Stage 3 Loans on Loans(Principal Amount)	0.98	0.79	0.85	3.94
% Net Stage 3 Loans on Loans (Principal Amount)	0.51	0.32	0.27	2.53
Capital Adequacy Ratio (%)	25.34	23.32	31.23	32.67
Tier I Capital Adequacy Ratio (%)	25.20	23.19	30.94	32.07
Tier II Capital Adequacy Ratio (%)	0.14	0.13	0.28	0.06

## 22. DEBT EQUITY RATIO PRIOR TO AND AFTER ISSUE OF DEBT SECURITIES:

<b>Debt: Equity Ratio of the Issuer</b>	
<b>Before the issue*</b>	5.97
<b>After the issue#</b>	5.58

\*Note: As on December 31, 2024 (based on latest available financial information). The impact of other fresh borrowings/redemptions (including debentures) and accretion to Reserves & Surplus after December 31, 2024 has not been considered.

# For the purposes of calculating the Debt Equity Ratio after the issue the only change considered is the amount of proceeds received from the issue i.e. Rs. 50 Crores.

## 23. AUDITED FINANCIALS FOR THREE COMPLETED YEARS IN COLUMNAR FORMAT AND AS FILED WITH EXCHANGES ALONG-WITH THE AUDITOR'S REPORT, FOOTNOTES ETC., CASH FLOW STATEMENT ALONG-WITH LATEST RESULTS FOR STUB PERIOD FILED WITH EXCHANGES:

(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

**Statement of Assets and Liabilities on Standalone Basis:**

**(Rs In Lakhs)**

<b>Particulars</b>	<b>As on 31st March 2024</b>	<b>As on 31st March 2023</b>	<b>As on 31st March 2022</b>
<b>ASSETS</b>			
<b>1. NON CURRENT ASSETS</b>			
(a) Property, Plant and Equipment	582.95	339.42	220.28
(b) Capital Work in Progress	0.00	0.00	0.00
(c) Investment Property	0.00	0.00	0.00
(d) Intangible Assets	11.67	40.91	81.79
(e) Financial Assets	1778.50	446.81	547.23
(i) Investments			
-Investment in Joint Ventures	0.00	0.00	0.00
-Other Investments	2,139.85	2,666.57	4.50
(ii) Trade Receivables			
(iii) Loans	1,77,529.27	1,28,275.44	1,10,894.78
(iv) Others	1203.10	630.66	672.97
(f) Other Non-Current Assets	676.13	1180.07	1831.31
<b>2. CURRENT ASSETS</b>			
(a) Inventories	-	-	-
(b) Financial Assets	297.40	259.32	381.64
(i) Investments	1,702.06	650.10	4,076.39
(ii) Trade Receivables	-	-	5.08
(iii) Cash and Cash Equivalent	18,266.12	6,916.12	8,538.98
(iv) Bank balances other than (ii) above	-	1,590.08	994.91
(v) Loans	23,393.14	20,476.31	18,801.60
(vi) Others	220.41	377.53	333.93
(c) Other Current Assets	-	-	-
<b>TOTAL ASSETS</b>	<b>227800.60</b>	<b>160278.35</b>	<b>142889.87</b>
<b>EQUITY AND LIABILITIES</b>			
<b>A. EQUITY</b>			
(a) Equity Share Capital	7,781.84	7,358.11	7,358.11
(b) Other Equity	24,489.97	17,978.06	15,481.66
<b>B. LIABILITIES</b>			

(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

<b>1. NON-CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	1,52,513.69	1,02,063.85	91,644.93
(ii) Trade Payables	-	-	-
(A) Total outstanding dues of micro enterprises and small enterprises.	-	-	-
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-
(iii) Other Financial Liabilities	352.42	297.08	268.42
(b) Provisions	267.42	212.52	169.78
(c) Deferred Tax Liabilities(Net)	-	-	-
(d) Other non-current liabilities	-	-	-
<b>2. CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	29,547.00	23,930.88	23059.42
(ii) Trade Payables	941.05	868.37	537.99
(A) Total outstanding dues of micro enterprises and small enterprises.	-	-	-
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises.	-	-	-
(iii) Other Financial Liabilities	11646.16	7404.65	4111.56
(b) Other Current Liabilities	162.35	102.44	120.01
(c) Provisions	98.70	62.40	79.74
(d) Current Tax Liabilities (Net)	-	-	58.26
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>227800.60</b>	<b>160278.35</b>	<b>142889.87</b>

**Statement of Profit and Loss on Standalone Basis:**

**(Rs In Lakhs)**

Particulars	As on 31st March 2024	As on 31st March 2023	As on 31st March 2022
I.Revenue from Operations	28,378.67	21,455.81	18426.14
II.Other Income	894.15	711.82	583.02
<b>III.Total Income(I+II) IV</b>	<b>29,272.82</b>	<b>22,167.63</b>	<b>19009.16</b>
IV.Expenses:	24,602.51	18,687.77	16715.62
Cost of Materials Consumed	0.00	0.00	0.00
Purchases of Stock in Trade	0.00	0.00	0.00

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Changes in Inventories of Finished Goods and Stock in Trade	0.00	0.00	0.00
Employee benefits expense	7,572.19	5,431.08	4,411.68
Finance costs	13,839.89	11,091.45	9,745.86
Depreciation and amortization expense / Impairment	537.80	50.05	1025.82
Other Expenses	2,652.63	2,115.19	1,532.26
<b>Total Expenses</b>	<b>24,602.51</b>	<b>18,687.77</b>	<b>16,715.62</b>
V.Profit before exceptional items (III-IV)			
VI.Exceptional Items			
VII.Profit before tax (V-VI)	<b>4,670.31</b>	<b>3,479.86</b>	<b>2,293.54</b>
III.Tax Expense	<b>1,197.70</b>	<b>891.53</b>	<b>593.73</b>
(1) Current tax			
(2) Deferred tax			
(3) Taxation adjustment of earlier years Excess (-) /Short(+)			
IX.Profit/ (loss) for the period (VII-VIII)	<b>3,472.61</b>	<b>2,588.33</b>	<b>1,699.81</b>
X.Other Comprehensive Income	<b>(23.43)</b>	<b>(33.52)</b>	<b>11.80</b>
(i) Items that will not be reclassified to profit or loss			
(ii) Income tax relating to items that will not be reclassified to profit or loss			
Other Comprehensive Income for the year (X)	<b>1.54</b>	<b>(1.53)</b>	0.00
XI.Total Comprehensive Income for the year (IX+X)	<b>3,450.72</b>	<b>2,553.28</b>	<b>1,711.61</b>
XII.Earnings per equity share			
Basic and Diluted Earnings per share (Rs)	<b>4.63</b>	<b>3.58</b>	<b>2.35</b>

**Cash Flow Statement on Standalone Basis:**

(Rs In Lakhs)

Particulars	As on 31st March 2024	As on 31st March 2023	As on 31st March 2022
<b>A Cash Flow From Operating Activities</b>			

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Net Profit before tax	4,670.31	3,479.86	2,293.54
Adjustments for :			
Depreciation/Loss on impairment of Assets	409.41	289.97	231.95
Exceptional Items - (Income)/ Expenses	352.13	391.70	131.01
Provision on Raw Materials of Impaired Assets	423.62	96.45	932.25
Profit(-) / Loss on sale of Assets	1.15	0.14	0.60
Interest Income			
Dividend Income			
Rental Income Derived from Investment Properties			
(Gain) / Loss on Sale of Current Investments	(373.34)	(201.14)	(110.57)
Interest and Finance Charges	13,794.73	11,047.91	9,714.46
Provision for Bad/Doubtful debts, for Obscelence Stores & Provision Written Back	0.00	5.08	0.00
Unrealised Foreign Exchange (Gain) /Loss			
<b>Operating Profit before Working Capital Changes</b>	<b>19,278.02</b>	<b>15,109.97</b>	<b>13,303.81</b>
<b>Adjustments for :</b>			
Trade and Other Receivables	(51,779.50)	(17,224.70)	(11,456.38)
Inventories			
Trade Payables and Other Liabilities	72.68	330.38	211.81
Other Asset	175.15	268.21	1122.75
<b>Cash Generated from Operations</b>	<b>(32,253.65)</b>	<b>(1,516.14)</b>	<b>3,181.99</b>
Direct Taxes Paid	(1,235.81)	(895.68)	(724.78)
Finance Cost Paid	(14,160.90)	(11,084.73)	(10,044.21)
<b>Net Cash from Operating Activities</b>	<b>(47,650.36)</b>	<b>(13,496.55)</b>	<b>(7,587.00)</b>
<b>Cash Flow from Investing Activities-----A</b>			
Additions to Fixed Assets (Net of trade credit)	(462.26)	(237.66)	(130.05)
Sale of Fixed Assets	0.69	0.04	0.39

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Sale/Purchase of Current Investments	(678.62)	965.36	(3675.80)
Investments in Joint Ventures			
Sale of Transferable Development Rights			
Redemption of Security Receipts	526.72	0.00	0.00
Interest Received			
Dividend Received			
Rental Income Derived from Investment Properties			
Margin Money Deposits with Banks			
Government Grants Received			
<b>Net Cash from Investing Activities -----B</b>	<b>(613.47)</b>	<b>727.74</b>	<b>(3,805.46)</b>
<b>C. Cash Flow from Financing Activities</b>			
Net Proceeds /Repayment of Working capital facilities and short term loans			
Proceeds from Term loans/ Non Convertible Debentures	88,280.00	38,000.00	38,500.00
Repayments of Term loans	(30,965.81)	(26,693.57)	(24271.90)
Interest paid			
Proceeds from equity shares issued	2,500.00		
Lease Liability Paid	(200.36)	(160.48)	(151.77)
<b>Net Cash from Financing Activities ----- C</b>	<b>59,613.83</b>	<b>11,145.95</b>	<b>14,076.33</b>
<b>Net Increase/Decrease(-) in Cash and Cash Equivalent (A+B+C)</b>	<b>11,350.00</b>	<b>(1,622.86)</b>	<b>2,683.87</b>
Cash and Cash Equivalents as on 1st April (Opening Balance)	<b>6,916.12</b>	<b>8,538.98</b>	<b>5,855.11</b>
Cash and Cash Equivalents as on 31st March (Closing Balance)	<b>18,266.12</b>	<b>6,916.12</b>	<b>8,538.98</b>
<b>Components of Cash and Cash Equivalents</b>			
Cash on hand	56.60	114.43	160.99
Balance With Scheduled Banks in Current and Cash Credit Accounts	2,674.74	289.64	467.83
in Term Deposits with Less Than 3 Months Maturity	15,534.78	6,512.05	7,910.16

Audited Financials for three completed financial years along with the Auditor's Report, footnotes etc., Cash Flow Statement is annexed as **Annexure 4** to this Key Information Document.

(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

## 24. CHANGE IN ACCOUNTING POLICIES DURING THE LAST THREE YEARS AND THEIR EFFECT ON PROFIT AND THE RESERVES OF THE COMPANY (WHEREVER APPLICABLE):

### Till FY'22

#### 2.5.2. Interest income

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets and financial assets measured at fair value through the statement of profit and loss (FVTPL).

When a financial asset becomes credit-impaired and is, therefore, regarded as Stage 3', the Company calculates interest income by applying the effective interest rate to the amortised cost net of provisions of the financial asset. If the financial assets are no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

### In FY'23 the following changed:

#### 2.5.2. Interest income

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets and financial assets measured at fair value through the statement of profit and loss (FVTPL).

Interest Income accruing on credit impaired assets and overdue interest levied on customers for delay in repayment of contractual cash flows are both recognized on receipt basis.

## 25. DETAILS OF CONTINGENT LIABILITIES BASED ON THE LAST AUDITED FINANCIAL STATEMENTS INCLUDING AMOUNT AND NATURE OF LIABILITY AS ON MARCH 31, 2024:

Sr. No	Particulars	As at 31.03.2024
1	Claims on the Company not acknowledged as debts' Contractors / Suppliers/ Arbitrators etc.	0.00
2	<b>Demands raised by various authorities that may arise in respect of matters in appeal</b>	
	GST	3.43
4	Claims preferred by local authorities	0.00
	<b>GRAND TOTAL</b>	<b>3.43</b>

## 26. THE AMOUNT OF CORPORATE GUARANTEE OR LETTER OF COMFORT ISSUED ALONG WITH DETAILS OF THE COUNTERPARTY (VIZ. NAME AND NATURE OF THE COUNTERPARTY, WHETHER A SUBSIDIARY, JOINT VENTURE ENTITY, GROUP COMPANY ETC.) ON BEHALF OF WHOM IT HAS BEEN ISSUED:

Name of the Bank	FD Number	Receipt	Type of FD	From	To	FD Amount (In Rupees)	ROI	Remarks
IDBI	1001106000011972		Under Lien	14/Sep/2023	14/Sep/2024	3,00,10,354	6.86%	FD kept as lien for NHB loan.
IDBI	1001106000011990		Under Lien	15/Oct/2023	16/Oct/2024	30,01,199	6.80%	FD kept as lien for NHB loan.
IDBI	1001106000012005		Under Lien	15/Oct/2023	16/Oct/2024	1,44,28,845	6.80%	FD kept as lien for NHB loan.

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IDBI	0004106000206150	Under Lien	25/Dec/2023	26/Dec/2024	2,20,79,208	6.86%	FD kept as lien for NHB loan.
				<b>Total</b>	<b>6,95,19,606</b>		

**27. CAPITAL STRUCTURE OF COMPANY AS ON DECEMBER 31, 2024:**

Share Capital	Amount
Authorized Share Capital	1,00,00,00,000
Issued, Subscribed and Paid-up Share Capital	81,60,62,310

**28. CHANGES IN CAPITAL STRUCTURE AS ON LAST QUARTER END, FOR THE LAST THREE FINANCIAL YEARS AND CURRENT FINANCIAL YEAR:**

Date of AGM/ EGM	Particulars
June 03, 2024 – Extra Ordinary General Meeting	Permission was given to the Company for issue of Equity Shares (in tranches) on a preferential issue basis to the extent of 75,75,755 Equity Shares of the Company at Rs.10 each with a premium of Rs.56 per Share ('Rs.50 crs') by way of Preferential Allotment to M/s Muthoot Fincorp Limited (MFL), Holding Company. The application money for 37,87,875 Equity Shares of the Company at Rs 10 each with a premium of Rs.56 per share (Tranche) amounting to Rs.24,99,99,750 has been received by the Company from MFL, Holding Company.
September 30, 2023 – Annual General Meeting	Permission was given to the Company for issue of Equity Shares (in tranches) on a preferential issue basis to the extent of 1,27,11,860 Equity Shares of the Company at Rs.10 each with a premium of Rs.49 per Share ('Rs.75 crs') by way of Preferential Allotment to M/s Muthoot Fincorp Limited (MFL), Holding Company. The application money for 42,37,290 Equity Shares of the Company at Rs 10 each with a premium of Rs.49 per share (Tranche 1) amounting to Rs. 25,00,00,110 has been received by the Company from MFL, Holding Company.

**29. DETAILS OF THE EQUITY SHARE CAPITAL FOR THE PRECEEDING THREE FINANCIAL YEARS AND CURRENT FINANCIAL YEAR:**

Date of Allotment	No. of Equity Shares	Face value (In Rs.)	Issue Price (In Rs.)	Consideration	Nature of Allotment	Cumulative Paid-Up capital			Remarks
						No. of Equity shares	Equity share capital (In Rs.)	Equity shares premium (In Rs.)	

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14-06-2024	37,87,875 fully paid-up shares of Rs. 10 each	10	66	24,99,99,750	Preferential allotment	8,16,06,231	81,60,62,310	56 per share	NIL
04-08-2023	42,37,290 fully paid-up shares of Rs. 10 each	10	59	25,00,00,110	Preferential allotment	7,78,18,356	77,81,83,560	49 per share	NIL

**30. EQUITY SHARES ISSUED FOR CONSIDERATION OTHER THAN CASH:**

Nil

**31. SHAREHOLDING PATTERN AS ON DECEMBER 31, 2024 AS PER FORMAT SPECIFIED UNDER LISTING REGULATIONS:**

Attached as **Annexure 5** to this Key Information Document.

**32. TOP 10 EQUITY SHAREHOLDERS AS ON DECEMBER 31, 2024:**

Serial No	Name of the shareholders	Total No of Equity Shares	No of shares in Demat form	Total Shareholding as % of total no of equity shares
1.	Thomas John Muthoot	42,97,885	42,97,885	5.267
2.	Thomas George Muthoot	42,97,890	42,97,890	5.267
3.	Thomas Muthoot	42,97,890	42,97,890	5.267
4.	Preethi John	3,265	3,265	0.004
5.	Nina George	3,265	3,265	0.004
6.	Remmy Thomas	3,265	3,265	0.004
7.	Muthoot Fincorp Limited	6,73,74,005	6,73,74,005	82.560
8.	MHFL Employee Welfare Trust	13,28,766	13,28,766	1.627
	TOTAL	8,16,06,231	8,16,06,231	100.000

**33. DETAILS OF ANY ACQUISITION OR AMALGAMATION WITH ANY ENTITY IN THE PRECEDING 1 (ONE) YEAR:**

There are no instances of acquisition or amalgamation with any entity by the Company in the last one year.

**34. DETAILS OF ANY REORGANIZATION OR RECONSTRUCTION IN THE PRECEDING 1 (ONE) YEAR:**

There has not been any reorganization or reconstruction in the last one year.

**35. DISCLOSURES WITH REGARD TO INTEREST OF DIRECTORS, LITIGATION ETC.:**

- i. Any financial or other material interest of the directors, promoters or key managerial personnel or senior management in the offer and the effect of such interest in so far as it is different from the interests of other persons:

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NIL

- ii. **Details of litigation or legal action pending or taken by any Ministry or Department of the Govt. or statutory authority against any promoter of the offeree company during the last three years immediately preceding the year of the circulation of the offer letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action:**

Attached as Annexure 9.

- iii. **Summary of reservations or qualifications or adverse remarks of auditors during last five financial years:**

NIL

- iv. **Details of any inquiry, inspections or investigations initiated or conducted under the securities law or the Companies Act, 2013 (18 of 2013) or any previous company law in the last three years till date in the case of company and all of its subsidiaries. Also, if there were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last three years immediately preceding the year of the offer letter and if so, section-wise details thereof for the company and all of its subsidiaries:**

There was no inquiry, inspections or investigations initiated or conducted under the securities law, the Companies Act, 2013 or any previous company law in the last three years till date in the case of company and all of its subsidiaries. Also, there was no prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last three years immediately preceding the year of the offer letter.

- v. **Details of pending litigation involving the Issuer, its promoter, director, subsidiaries, group companies or any other person, whose outcome could have material adverse effect on the financial position of the Issuer, which may affect the issue or the investor's decision to invest / continue to invest in the debt securities:**

Attached as Annexure 9.

- vi. **Details of pending proceedings initiated against the Issuer for economic offences, if any:**

NIL

- vii. **Details of acts of material frauds committed against the company in the preceding three financial years and the current financial year, if any, and if so, the action taken by the company:**

NIL

- viii. **Remuneration of directors and such particulars of the nature and extent of their interests in the Issuer (during the current year and last three financial years):**

**FY 2024-25 (current financial year)**

The remuneration paid to **Managing Director from 01.04.2024 to 31.12.2024**: Nil

The sitting fees paid to Independent Directors from 01.04.2024 to 31.12.2024. As tabled below.

No directors other than independent directors are receiving any sitting fees.

Details of Independent Director	Sitting Fees (In Rs.)		Total (In Rs.)
	Board Meeting	Committee of Board of Director's Meeting	
Mr Santanu Mukherjee	3,50,000	Nil	3,50,000
Mr Suresh Mahalingam	3,50,000		3,50,000

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#### FY 2023-24

##### The remuneration paid to Whole Time Directors and other directors from the 01.04.2023 to 31.03.2024:

No directors other than independent directors are receiving any sitting fees.

Details of Independent Director	Sitting Fees (In Rs.)		Total (In Rs.)
	Board Meeting	Committee of Board of Director's Meeting	
Mr. Santanu Mukherjee	3,60,000	-	3,60,000
Mr. V Ranganathan (Till 20.06.2023)	1,10,000	-	1,10,000
Mr. Suresh Mahalingam	2,50,000	-	2,50,000

#### FY2022-23

##### The remuneration paid to Whole Time Directors and other directors from the 01.04.2023 to 31.03.2024:

No directors other than independent directors are receiving any sitting fees.

Details of Independent Director and non-executive directors	Sitting Fees (In Rs.)		Total (In Rs.)
	Board Meeting	Committee of Board of Director's Meeting	
Mr. Santanu Mukherjee	1,80,000	-	1,80,000
Mr. V Ranganathan	1,80,000	-	1,80,000
Mr. Vasudevan Ramaswami (Till 11.02.2023)	1,50,000	-	1,50,000

#### FY 2021-22

##### The remuneration paid to Whole Time Directors from the 01.04.2021 to 31.03.2022:

No directors other than independent directors are receiving any sitting fees.

Details of Independent Director	Sitting Fees (In Rs.)		Total (In Rs.)
	Board Meeting	Committee of Board of Director's Meeting	
Mr. Kandiyoor Muralidharan (Till 21.06.2021)	40,000	-	40,000
Mr. Santanu Mukherjee	1,00,000	-	1,00,000
Mr.V Ranganathan (wef 21.06.2021)	60,000	-	60,000
Mr. Vasudevan Ramaswami (wef 01.04.2021)	1,00,000	-	1,00,000
[Mr. Thomas John Muthoot	-	-	-
Mr. Thomas George Muthoot	-	-	-

#### ix. Interest of the Directors:

- a) **Remuneration paid/payable to the Director of the Issuer by the subsidiaries and associate companies of the Issuer during the current year and preceding three financial years:**  
There is no remuneration paid or payable to Director of the Issuer by subsidiaries and associate companies.

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**b) Shareholding of the Directors in the Issuer and its subsidiaries and associate companies as on December 31, 2024:**

Sr. No.	Name of Directors	Shareholding in Issuer
1.	Thomas John Muthoot	4297885
2.	Thomas George Muthoot	4297890
3.	Thomas Muthoot	4297890
4.	Muthoot Fincorp Limited	6,73,74,005
5.	Suresh Mahalingam	-
6.	V Ranganathan	-
7.	Santanu Mukherjee	-
	<b>Total</b>	<b>80267670</b>

Note: Issuer does not have any subsidiary or associate company

**c) Details of appointment of any relatives of Directors of the Issuer to an office or place of profit with the Issuer, its subsidiaries and associate companies:**

None of our Directors' relatives have been appointed to an office or place of profit of our Company, its subsidiaries and associate companies.

**d) Details of other interest of Directors of the Issuer in (a) in promotion of the Issuer (b) in any immovable property by in the two years preceding the date of the issue document or any immovable property proposed to be acquired by it; or (c) being a member of a company, for all sums paid or agreed to be paid to him or company in cash or shares or otherwise by any person either to induce him to become, or to help him qualify as a director, or otherwise for services rendered by him or by the company, in connection with the promotion or formation of the Issuer:**

None of the directors have an interest in any immovable property acquired by the Company in the two years preceding or proposed to be acquired by the Company as on the date of this Key Information Document. None of the directors have an interest in the Company in form of sums paid or agreed to be paid to the director of the Company in cash or shares or otherwise provided by any person either to induce the director to become, or to help the Director qualify as a director, or otherwise for services rendered by the Director or by the Company, in connection with the promotion or formation of the Company.

**e) Statement of the aggregate number of securities of our Company and its subsidiaries purchased or sold by our Directors/or their relatives within six months immediately preceding the date of filing of this Key Information Document:**

None of the Directors of our Company including their relatives as defined under Section 2(77) of the Companies Act, 2013 have undertaken purchase and/or sale of the securities of our Company and its subsidiaries during the preceding 6 (six) months from the date of this Key Information Document.

**x. Related party transactions during last three financial years and the current financial year with regard to loans made, guarantees given or securities provided:**

Please refer to **Annexure 6** of this Key Information Memorandum.

**36. FINANCIAL INDEBTEDNESS AS OF DECEMBER 31, 2024:**

**a) Details of outstanding secured loan facilities:**

(Rupees in Lakhs)

					Interest	Security		

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S. No.	Banks/ Institution	Sanction Amount	O/s Amount	Type of Facility	Repayment Date / Schedule		Credit Rating, if applicable	Asset Classification
	<b>From Banks</b>							
	<b>Term Loans</b>							
1	Union Bank of India	20,000.00	12,845.00	Term Loan	Monthly	Exclusive first charge by way of hypothecation	A+	Standard
2	Yes Bank Ltd.	4,500.00	1,827.52	Term Loan	Monthly	Exclusive first charge by way of hypothecation	A+	Standard
3	IDBI Bank Ltd.	1,500.00	388.00	Term Loan	Monthly	Exclusive first charge by way of hypothecation	A+	Standard
4	Karur Vysya Bank Ltd.	2,500.00	760.20	Term Loan	Monthly	Exclusive first charge by way of hypothecation	A+	Standard
5	Punjab National Bank	35,000.00	22,590.41	Term Loan	Monthly	Exclusive first charge by way of hypothecation	A+	Standard
6	Bank of Baroda	12,500.00	8,358.49	Term Loan	Monthly	Exclusive first charge by way of hypothecation	A+	Standard
7	State Bank of India	39,500.00	29,114.34	Term Loan	Monthly	Exclusive first charge by way of hypothecation	A+	Standard
8	Canara Bank	17,500.00	14,344.55	Term Loan	Monthly	Exclusive first charge by way of hypothecation	A+	Standard
9	Indian Bank	20,000.00	10,725.10	Term Loan	Monthly	Exclusive first charge by way of hypothecation	A+	Standard
10	Axis Bank Ltd.	5,000.00	4,736.84	Term Loan	Monthly	Exclusive first charge by way of hypothecation	A+	Standard
11	Bank of India	10,000.00	8,480.36	Term Loan	Monthly	Exclusive first charge by way of hypothecation	A+	Standard
12	Federal Bank Ltd.	12,000.00	8,749.61	Term Loan	Monthly	Exclusive first charge by way of hypothecation	A+	Standard
13	Karnataka Bank	5,000.00	3,999.32	Term Loan	Monthly	Exclusive first charge by way of hypothecation	A+	Standard
14	DCB Bank	2,000.00	1,718.48	Term Loan	Monthly	Exclusive first charge by way	A+	Standard

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						of hypothecation		
15	Bank of Maharashtra	15,000.00	14,422.69	Term Loan	Monthly	Exclusive first charge by way of hypothecation	A+	Standard
16	Catholic Syrian Bank	5,000.00	4,999.99	Term Loan	Monthly	Exclusive first charge by way of hypothecation	A+	Standard
	<b>Sub Total</b>	<b>2,07,000.00</b>	<b>1,48,060.92</b>					
	<b>Cash Credit</b>							
17	Axis Bank Ltd.	500.00	-	CC	As and when	Exclusive first charge by way of hypothecation	A+	Standard
	<b>Sub Total</b>	<b>500.00</b>	<b>-</b>					
	<b>From Financial Institutions</b>							
	<b>Term Loans</b>							
18	National Housing Bank	44,550.00	27,758.69	Term Loan	Monthly	Exclusive first charge by way of hypothecation	A+	Standard
19	LIC Housing Finance Ltd.	25,000.00	19,340.15	Term Loan	Monthly	Exclusive first charge by way of hypothecation	A+	Standard
20	Poonawalla FinCorp	5,000.00	4,103.11	Term Loan	Monthly	Exclusive first charge by way of hypothecation	A+	Standard
21	Nabsamruddhi Finance Limited	4,000.00	3,295.50	Term Loan	Monthly	Exclusive first charge by way of hypothecation	A+	Standard
22	Bajaj Finance Limited	2,500.00	2,500.00	Term Loan	Monthly	Exclusive first charge by way of hypothecation	A+	Standard
	<b>Sub Total</b>	<b>81,050.00</b>	<b>56,997.45</b>					
	<b>Total</b>	<b>2,88,550.00</b>	<b>2,05,058.37</b>					

**b) Details of outstanding unsecured loan facilities:**

NIL

**c) Details of outstanding non-convertible securities (As on date): INR In Crs**

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Debenture Series	ISIN	Tenor/ Period of Maturity	Coupon (Rate of Int.)	Amount	Date of allotment	Redemption	Credit Rating	Secured/Unsecured	Security
NA	INE882Z08015	66 months 1 day	11.15% p.a. Payable Monthly & on Redemption	75.00	January 30, 2025	July 31, 2030	CRISIL A+/Stable	Unsecured	NA

**d) Details of commercial paper issuances as at the end of last quarter (as on December 31, 2024): INR in Crs**

S. No.	Banks/Institution	Sanction Amount	O/s Amount	Type of Facility	Interest	Date of allotment	Date of Maturity	Credit Rating	Security
					Repayment Date / Schedule				
1	Finova Capital Limited	55.00	55.00	Commercial Paper	Monthly	05/12/2024	04/12/2025	A1+	NA

**37. LIST OF THE TOP DOMESTIC BOND HOLDERS:**

NIL

**38. DETAILS OF ANY OUTSTANDING BORROWINGS TAKEN/ DEBT SECURITIES ISSUED WHERE TAKEN / ISSUED (I) FOR CONSIDERATION OTHER THAN CASH, WHETHER IN WHOLE OR PART, (II) AT A PREMIUM OR DISCOUNT, OR (III) IN PURSUANCE OF AN OPTION:**

NIL

**39. LIST OF TOP 10 HOLDERS OF COMMERCIAL PAPER IN TERMS OF VALUE (IN CUMULATIVE BASIS):**

NIL

**40. DETAILS OF THE BANK FUND BASED FACILITIES/ REST OF THE BORROWING (IF ANY INCLUDING HYBRID DEBT LIKE FOREIGN CURRENCY CONVERTIBLE BONDS (FCCB), OPTIONALLY CONVERTIBLE DEBENTURES / PREFERENCE SHARES) FROM FINANCIAL INSTITUTIONS OR FINANCIAL CREDITORS:**

NIL

**41. DETAILS OF ALL DEFAULT/S AND/OR DELAY IN PAYMENTS OF INTEREST AND PRINCIPAL OF ANY KIND OF TERM LOANS, DEBT SECURITIES, COMMERCIAL PAPER (INCLUDING TECHNICAL DELAY) AND OTHER FINANCIAL INDEBTEDNESS INCLUDING CORPORATE GUARANTEE OF LETTERS OF COMFORT ISSUED BY THE COMPANY, IN THE PAST 3 YEARS INCLUDING THE CURRENT FINANCIAL YEAR:**

NIL

**42. ANY MATERIAL EVENT/ DEVELOPMENT OR CHANGE HAVING IMPLICATIONS ON THE FINANCIALS/CREDIT QUALITY (E.G. ANY MATERIAL REGULATORY PROCEEDINGS AGAINST THE ISSUER/PROMOTERS, LITIGATIONS RESULTING IN MATERIAL LIABILITIES, CORPORATE RESTRUCTURING EVENT ETC) AT THE TIME OF ISSUE WHICH MAY AFFECT THE ISSUE OR THE INVESTOR'S DECISION TO INVEST / CONTINUE TO INVEST IN THE NON-CONVERTIBLE SECURITIES:**

NIL

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**43. ANY LITIGATION OR LEGAL ACTION PENDING OR TAKEN BY A GOVERNMENT DEPARTMENT OR A STATUTORY BODY OR A REGULATORY BODY DURING THE PRECEDING THREE FINANCIAL YEARS AND THE CURRENT FINANCIAL YEAR AGAINST THE PROMOTER OF THE COMPANY:**

NIL

**44. DETAILS OF DEFAULT AND NON-PAYMENT OF STATUTORY DUES FOR PRECEDING THREE FINANCIAL YEARS AND THE CURRENT FINANCIAL YEARS:**

There is no default and non-payment of statutory dues except as otherwise disclosed in the financial statements, which are being litigated upon.

**45. THE NAMES OF THE DEBENTURE TRUSTEE(S) SHALL BE MENTIONED WITH STATEMENT TO THE EFFECT THAT DEBENTURE TRUSTEE(S) HAS GIVEN ITS CONSENT FOR APPOINTMENT ALONG WITH THE COPY OF THE CONSENT LETTER FROM THE DEBENTURE TRUSTEE:**

The Debenture Trustee for the Debentures is as per this document. The Debenture Trustee has given its written consent for its appointment under Regulation 4 (4) of the SEBI regulations. The Debenture Trustee has also given its consent for the inclusion of its name as debenture trustee in the form and context in which appears in this Key Information Document and all subsequent periodical communications to be sent to the holders of the debt securities.

The Debenture holder(s) shall, without further act or deed, be deemed to have irrevocably given their consent to the Trustee or any of their agents or authorized officials to do all such acts, deeds, matters and things in respect of or relating to the Debentures as the Trustee may in their absolute discretion deem necessary or require to be done in the interest of the holder(s) of the Debentures. Any payment made by the Issuer to the Trustee on behalf of the Debenture holder(s) shall discharge the Issuer pro tanto to the Debenture holder(s). No Debenture holder shall be entitled to proceed directly against the Issuer unless the Trustee, having become so bound to proceed, fail to do so.

The Trustee shall perform its duties and obligations and exercise its rights and discretions, in keeping with the trust reposed in the Trustee by the holder(s) of the Debentures and shall further conduct itself, and comply with the provisions of all applicable laws, provided that, the provisions of Section 20 of the Indian Trusts Act, 1882, shall not be applicable to the Trustee. The Trustee shall carry out its duties and perform its functions as required to discharge its obligations under the terms of SEBI Debt Regulations, the Securities and Exchange

Board of India (Debenture Trustees) Regulations, 1993, the Debenture Trustee Agreement, this Key Information Document, General Information Document, and all other related transaction documents, with due care, diligence and loyalty.

**46. DETAILS OF SECURITY IF BACKED BY A GUARANTEE OR LETTER OF COMFORT OR ANY OTHER DOCUMENT / LETTER WITH SIMILAR INTENT:**

NIL

**47. BROAD LENDING AND BORROWING POLICY OF THE ISSUER:**

Attached as Annexure 8.

**48. DISCLOSURE OF CASH FLOW WITH DATE OF INTEREST/DIVIDEND/ REDEMPTION PAYMENT AS PER DAY COUNT CONVENTION:**

The illustrative cash flows per Debenture (bearing face value of Rs.1,00,000) is as under:

Name of the Issuer	Muthoot Housing Finance Company Limited
Face Value (per security)	Rs. 1,00,000
Bidding opening date	18 <sup>th</sup> February 2025
Bidding closing date	18 <sup>th</sup> February 2025
Deemed Date of Allotment/Paying Date	20 <sup>th</sup> February 2025
Date of Redemption	20 <sup>th</sup> August 2030
Tenure	66 (Sixty Six) months from Deemed Date of Allotment
Coupon Rate	11.15% per annum payable monthly on

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	Coupon Payment Date(s).
Frequency of Interest Payment	Monthly and on the Final Redemption Date
Day Count Convention	Actual

**Illustrative Cash Flows:**

**(Amount in Rupees)**

Month	Coupon Payment Date	Net Cash Flow	Principal	Interest	Principal O/s
0	20-Feb-25	(1,00,000.00)			1,00,000.00
1	20-Mar-25	855.34	-	855.34	1,00,000.00
2	20-Apr-25	946.99	-	946.99	1,00,000.00
3	20-May-25	916.44	-	916.44	1,00,000.00
4	20-Jun-25	946.99	-	946.99	1,00,000.00
5	20-Jul-25	916.44	-	916.44	1,00,000.00
6	20-Aug-25	946.99	-	946.99	1,00,000.00
7	20-Sep-25	946.99	-	946.99	1,00,000.00
8	20-Oct-25	916.44	-	916.44	1,00,000.00
9	20-Nov-25	946.99	-	946.99	1,00,000.00
10	20-Dec-25	916.44	-	916.44	1,00,000.00
11	20-Jan-26	946.99	-	946.99	1,00,000.00
12	20-Feb-26	946.99	-	946.99	1,00,000.00
13	20-Mar-26	855.34	-	855.34	1,00,000.00
14	20-Apr-26	946.99	-	946.99	1,00,000.00
15	20-May-26	916.44	-	916.44	1,00,000.00
16	20-Jun-26	946.99	-	946.99	1,00,000.00
17	20-Jul-26	916.44	-	916.44	1,00,000.00
18	20-Aug-26	946.99	-	946.99	1,00,000.00
19	20-Sep-26	946.99	-	946.99	1,00,000.00
20	20-Oct-26	916.44	-	916.44	1,00,000.00
21	20-Nov-26	946.99	-	946.99	1,00,000.00
22	20-Dec-26	916.44	-	916.44	1,00,000.00
23	20-Jan-27	946.99	-	946.99	1,00,000.00
24	20-Feb-27	946.99	-	946.99	1,00,000.00
25	20-Mar-27	855.34	-	855.34	1,00,000.00
26	20-Apr-27	944.40	-	944.40	1,00,000.00
27	20-May-27	913.93	-	913.93	1,00,000.00
28	20-Jun-27	944.40	-	944.40	1,00,000.00
29	20-Jul-27	913.93	-	913.93	1,00,000.00
30	20-Aug-27	944.40	-	944.40	1,00,000.00
31	20-Sep-27	944.40	-	944.40	1,00,000.00
32	20-Oct-27	913.93	-	913.93	1,00,000.00
33	20-Nov-27	944.40	-	944.40	1,00,000.00
34	20-Dec-27	913.93	-	913.93	1,00,000.00
35	20-Jan-28	944.40	-	944.40	1,00,000.00
36	20-Feb-28	944.40	-	944.40	1,00,000.00
37	20-Mar-28	883.47	-	883.47	1,00,000.00
38	20-Apr-28	946.99	-	946.99	1,00,000.00
39	20-May-28	916.44	-	916.44	1,00,000.00
40	20-Jun-28	946.99	-	946.99	1,00,000.00
41	20-Jul-28	916.44	-	916.44	1,00,000.00
42	20-Aug-28	946.99	-	946.99	1,00,000.00
43	20-Sep-28	946.99	-	946.99	1,00,000.00

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44	20-Oct-28	916.44	-	916.44	1,00,000.00
45	20-Nov-28	946.99	-	946.99	1,00,000.00
46	20-Dec-28	916.44	-	916.44	1,00,000.00
47	20-Jan-29	946.99	-	946.99	1,00,000.00
48	20-Feb-29	946.99	-	946.99	1,00,000.00
49	20-Mar-29	855.34	-	855.34	1,00,000.00
50	20-Apr-29	946.99	-	946.99	1,00,000.00
51	20-May-29	916.44	-	916.44	1,00,000.00
52	20-Jun-29	946.99	-	946.99	1,00,000.00
53	20-Jul-29	916.44	-	916.44	1,00,000.00
54	20-Aug-29	946.99	-	946.99	1,00,000.00
55	20-Sep-29	946.99	-	946.99	1,00,000.00
56	20-Oct-29	916.44	-	916.44	1,00,000.00
57	20-Nov-29	946.99	-	946.99	1,00,000.00
58	20-Dec-29	916.44	-	916.44	1,00,000.00
59	20-Jan-30	946.99	-	946.99	1,00,000.00
60	20-Feb-30	946.99	-	946.99	1,00,000.00
61	20-Mar-30	855.34	-	855.34	1,00,000.00
62	20-Apr-30	946.99	-	946.99	1,00,000.00
63	20-May-30	916.44	-	916.44	1,00,000.00
64	20-Jun-30	946.99	-	946.99	1,00,000.00
65	20-Jul-30	916.44	-	916.44	1,00,000.00
66	20-Aug-30	1,00,946.99	1,00,000.00	946.99	-

#### 49. DISCLOSURES PERTAINING TO WILFUL DEFAULTER FOR THE ISSUER AND DIRECTORS OF THE ISSUER:

- Name of the bank declaring the entity as a willful defaulter: Not Applicable
- The year in which the entity is declared as willful defaulter: Not Applicable
- Outstanding amount when the entity is declared as willful defaulter: Not Applicable
- Name of the entity declared as a willful defaulter: Not Applicable
- Steps taken, if any, for the removal from the list of willful defaulters: Not Applicable
- Other disclosures, as deemed fit by the Issuer in order to enable investors to take informed decisions: Not Applicable
- Any other disclosure as specified by the board: Not Applicable

#### 50. OTHER CONFIRMATIONS:

Our Company confirms that it will not utilize the proceeds of the Issue towards full or part consideration for the purchase of any business or in purchase of an interest in any business or any other purchase or acquisition of any immovable property including indirect acquisition of immovable property.

Our Company confirms that it will not use the proceeds from the Issue, directly or indirectly, for the purchase of any business or in the purchase of any interest in any business whereby our Company shall become entitled to an interest in either the capital or profit or losses or both in such business exceeding 50% thereof, the purchase or acquisition of any immovable property (direct or indirect) or acquisition of securities of any other body corporate.

#### 51. OTHER DETAILS:

##### a. Creation of Debenture Redemption Reserve (DRR):

As per Section 71 of the Companies Act, 2013, Company shall maintain a reserve to be called the "Debenture Redemption Reserve" and investment or deposit of sum in respect of debentures maturing during the year ending on the 31st day of March of next year as per the provisions of Act read with rules made thereunder or any regulations or guidelines issued by SEBI, as applicable. However, under the Rule 18(7) of the Companies (Issuance of Share Capital and Debentures) Rules, 2014, Housing Finance Companies are exempt from this requirement in respect of privately placed debentures.

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**b. Issue/instrument specific regulations:**

The Debentures shall be issued and regulated in accordance with the provisions of the Companies Act, 2013 and rules framed thereunder and the SEBI Debt Regulations.

The present Issue is being made pursuant to the following:

- Board resolution passed at the meeting of Board of Directors held on May 07, 2024 to borrow funds upto Rs. 100Crore (Rupees One Hundred Crores Only).
- Special resolution passed in Extra Ordinary General Meeting held on June 03, 2024 under Sections 42 and 71 of Companies Act, 2013 read with Companies (Prospectus and Allotment of Securities) Rules, 2014, and the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) as amended, or provisions of any other applicable law, to raise up to Rs. 100 Crores (Rupees One Hundred Crore Only).
- Debenture Issue Committee Resolution passed at the meeting of the Committee held on January 30, 2025 for Issue of Debentures up to Rs 50 Crores (Rupees Fifty Crores only).

**c. Default in Payment:**

In case of default (including delay) in payment of interest and/or principal redemption on the due dates, additional interest at 2% p.a. over the Coupon Rate will be payable by the Issuer for the defaulting period.

**d. Delay in Listing:**

The Issuer shall make listing application to BSE and obtain listing approval within 4 (four) trading days from Issue Closure Date in conformity with the timelines prescribed under SEBI Master Circular No. SEBI/HO/DDHS/Pod1/P/CIR/2024/54 dated May 22, 2024 on "*Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper*" to the extent applicable in respect of the private placement of debt securities, in respect of the private placement of debt securities, as amended, modified, or restated from time to time. In case of delay in listing of the Debentures beyond 3 (Three) trading days from the Issue Closure Date, the Company shall pay penal interest at the rate of 1% p.a. over the coupon rate for the period of delay to the investor (i.e. from date of allotment to the date of listing).

**e. Delay in execution of Trust Deed:**

The Issuer and the Debenture Trustee shall execute the trust deed within such timelines as may be specified by SEBI. In case the Issuer fails to execute the trust deed within the period specified it shall pay interest of at least 2% per annum or such other rate, as may be specified by SEBI to the holder of debt securities, over and above the agreed coupon rate, till the execution of the trust deed.

**f. Delay in allotment of securities:**

The allotment of Debentures shall be made within the timelines stipulated under SEBI Master Circular. In case here is any delay of allotment of Debentures, the Issuer shall pay the prescribed penalty, if applicable, as prescribed under Applicable Law.

**g. Terms and conditions of the debenture trustee agreement including fees charged by the Debenture Trustee, details of the security to be created and the process of due diligence carried out by the Debenture Trustee:**

Terms and conditions of appointment of the Debenture Trustee and the due diligence to be carried out by the Debenture Trustee are further specified in the Debenture Trustee Agreement dated February 12, 2025. The Debenture Trustee Agreement has been executed as per required regulations before opening of Issue. The remuneration of the Debenture Trustee shall be as per the letter numbering **CL/DEB/24-25/2299** dated February 12, 2025 as maybe amended/modified from time to time. The remuneration of debenture trustee includes the acceptance fee of Rs. Nil - (Rupees Nil only) and service charges of Rs. 40,000/- (Rupees Forty Thousand only).

**h. Material Contracts and Documents involving Financial Obligations of the Issuer:**

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The following contracts and documents which are or may be deemed material have been entered or are to be entered into by our Company. These contracts and also the documents for inspection referred to hereunder, may be inspected on Working Days at the Corporate Office of our Company situated at 12A 01, 13th Floor, Parinee Crescenzo, Plot No. C-38 & C-39, Bandra Kurla Complex - G Block, Bandra (East), Mumbai – 400051, between 10 am to 6 pm on any Working Days on from the date of this General Information Document until the allotment of Debentures for this Tranche/Series under this General Information Document.

- Certified Copy of Memorandum and Articles of Association of the Issuer.
- Certified copy of the resolution passed by the shareholders of the Issuer.
- In-principle approval for listing of Bonds by BSE.
- Letter dated December 30, 2024 from CRISIL Ratings Limited conveying the credit rating for the Bonds.
- Tripartite Agreement between the Issuer, NSDL and Registrar to the Issue of Bonds in dematerialized form.
- Tripartite Agreement between the Issuer, CDSL and Registrar to issue of Bonds in dematerialized form.
- Debenture Trustee Agreement dated [[.]].
- Consents of each of the Directors, Statutory Auditors, Registrar to the Issue, the Debenture Trustee and the Credit Rating Agencies, the legal counsel to include their names in this General Information Document in their respective capacities.
- Annual Report along with Audited financials and Audit Reports for the last three financial years.
- Debenture Trust Deed in relation to the Issue.

## 52. ISSUE DETAILS: SUMMARY TERM SHEET:

<b>Security Name</b>	11.15% Muthoot Housing Finance Company Limited 2030
<b>Issuer</b>	Muthoot Housing Finance Company Limited
<b>Type of Instrument</b>	Rated, Listed, Unsecured, Subordinated (Tier II), Fully paid up Redeemable, Taxable, Non-Convertible Debentures having a face value of Rs. 1,00,000/- (Rupees One Lakh only) per Debenture.
<b>Nature of Instrument</b>	Unsecured. The Debentures are being issued by the Company for raising its Tier II Capital and accordingly the Debentures will constitute subordinate debt of the Company as understood under relevant rules and regulations issued by RBI in this regard.
<b>Seniority</b>	The Company's payment obligations under the Transaction Documents and the claims of the investors in the Debentures shall rank: (i) at least pari passu with the claims of all of its other subordinated creditors of the Company which qualify as Tier II capital of the Company under the Applicable Laws; (ii) subordinated to the claims of all of the Company's other senior creditors; and (iii) superior to the claims of other investors in the equity shares, preference shares, quasi-equity instruments and perpetual debt instruments of the Company.
<b>Mode of Issue</b>	Private placement

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<p><b>Eligible Investors</b></p>	<p>The following categories of investors, when specifically approached and have been identified upfront, are eligible to apply for this private placement of the Bonds subject to fulfilling their respective investment norms/rules and compliance with laws applicable to them by submitting all the relevant documents along with the Application Form (“<b>Eligible Investors</b>”):</p> <p>a) Qualified Institutional Buyers (“<b>QIBs</b>”) means the following entities:</p> <ul style="list-style-type: none"> <li>(i) A mutual fund, venture capital fund, Alternative Investment Fund and Foreign Venture Capital Investor registered with SEBI;</li> <li>(ii) Foreign portfolio investor other than individuals, corporate bodies and family offices;</li> <li>(iii) a Public Financial Institution;</li> <li>(iv) a Scheduled Commercial Bank;</li> <li>(v) a multilateral and bi-lateral development financial institution;</li> <li>(vi) a State Industrial Development Corporation;</li> <li>(vii) An insurance company registered with Insurance Regulatory and Development Authority of India;</li> <li>(viii) A Provident Fund with minimum corpus of Rs.25 Crore Rupees</li> <li>(ix) A Pension Fund with minimum corpus of Rs.25 Crores</li> <li>(x) National Investment Fund set up by resolution No: F.No.2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India;</li> <li>(xi) An insurance fund set up and managed by Army, Navy / Air force of the Union of India;</li> <li>(xii) Insurance funds set up and managed by the Department of Posts, India; and</li> <li>(xiii) Systemically important Non- Banking Financial Companies.</li> </ul> <p>b) Any non-QIB including <i>inter-alia</i> resident individual investors, Hindu Undivided Families (excluding minors and NRIs), Partnership Firms and Limited Liability partnership firms, Trusts (including public charitable trusts), association of persons, societies registered under the Applicable Laws in India, companies, bodies corporate etc, who/ which has been authorized by the Issuer, to participate in a particular issue on the EBP platform.</p> <p><b>Note:</b> Participation by Eligible Investors in the Issue may be subject to statutory and/or regulatory requirements applicable to them in connection with subscription to Indian securities by such categories of persons or entities. Applicants are advised to ensure that they comply with all regulatory requirements applicable to them, including exchange controls and other requirements. Applicants ought to seek independent legal and regulatory advice in relation to the laws applicable to them.</p>
<p><b>Listing</b></p>	<p>a. The NCDs are proposed to be listed on the WDM of the BSE. The NCDs shall be listed within 3 (Three) Business Days from the Issue Bidding Date.</p> <p>b. The Issuer shall ensure that the Debentures continue to be listed on the wholesale debt market segment of the BSE.</p> <p>c. In the event there is any delay in listing of the Debentures beyond the Listing Period, the Issuer will:</p> <ul style="list-style-type: none"> <li>pay to the Debenture Holders, a penal interest of 1% (One Percent) p.a. over the applicable Coupon Rate from the Deemed Date of Allotment until the listing of the Debentures is completed; and</li> <li>(i) (ii) be permitted to utilize the issue proceeds of its 2 (two) subsequent privately placed issuances of securities only after receiving final listing approval from the stock exchange(s).</li> </ul>

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<b>Rating of the Instrument</b>	<p>“CRISIL A+ / Stable” (Pronounced as “CRISIL A plus” with Stable Outlook”) by CRISIL Ratings Limited.</p> <p>The Issuer/Investor(s) has the right to obtain an additional credit rating from any of the other three SEBI registered Credit Rating Agency i.e. ICRA, India Ratings and CARE Ratings for full or part of the Issue size, as it may deem fit, which shall be at least equivalent to the prevailing credit rating to the issue.</p>
<b>Issue Size</b>	Rs. 50,00,00,000/- (Rupees Fifty Crores)
<b>Base Size</b>	Rs. 25,00,00,000/- (Rupees Twenty Five Crores)
<b>Option to retain oversubscription</b>	Rs. 25,00,00,000/- (Rupees Twenty Five Crores)
<b>Interest Rate Parameter</b>	Fixed
<b>Bid Opening Date and Bid Closing Date</b>	18 <sup>th</sup> February 2025 18 <sup>th</sup> February 2025
<b>Minimum Bid Lot</b>	100 (One Hundred) Debentures and in multiples of 1 (One) Debenture thereafter
<b>Manner of bidding</b>	Open
<b>Manner of Allotment</b>	Multiple Yield
<b>Manner of Settlement in the Issue</b>	Through the Clearing Corporation
<b>Settlement cycle</b>	T+1
<b>Objects of the Issue</b>	<p>The proceeds from the Issue after meeting the expenditures related to the Issue will be utilized for onward lending only.</p> <p>The proceeds of the Issue will not be used for acquisition of land or for investing in Capital Markets or for the following purposes which are not eligible for bank finance:</p> <ul style="list-style-type: none"> <li>(a) Investments of the Issuer both of current and long-term nature, in any company / entity by way of shares, debentures.</li> <li>(b) Unsecured loans / inter-corporate deposits by the Issuer to / in any company.</li> <li>(c) All types of loans and advances by the Issuer to their subsidiaries, Promoters / group companies / entities.</li> <li>(d) Further lending to individuals for subscribing to Initial Public Offerings (IPOs) and for purchase of shares from secondary market.</li> <li>(e) Related party transaction</li> <li>(f) land acquisition or usages that are restricted for bank financing</li> <li>(g) The proceeds of the Issue shall not be used for any purpose as stated above, which may be in contravention of the government/ RBI/ SEBI / or any other regulatory guidelines as stipulated from time to time</li> </ul>

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<b>Details of the utilization of the Proceeds</b>	<p>The proceeds from the Issue after meeting the expenditures related to the Issue will be utilized for onward lending only.</p> <p>The proceeds of the Issue will not be used for acquisition of land or for investing in Capital Markets or for the following purposes which are not eligible for bank finance:</p> <ul style="list-style-type: none"> <li>(a) Investments of the Issuer both of current and long-term nature, in any company / entity by way of shares, debentures.</li> <li>(b) Unsecured loans / inter-corporate deposits by the Issuer to / in any company.</li> <li>(c) All types of loans and advances by the Issuer to their subsidiaries, group companies / entities.</li> <li>(d) Further lending to individuals for subscribing to Initial Public Offerings (IPOs) and for purchase of shares from secondary market.</li> <li>(e) Related party transaction</li> <li>(f) land acquisition or usages that are restricted for bank financing</li> </ul> <p>The proceeds of the Issue shall not be used for any purpose as stated above, which may be in contravention of the government/ RBI/ SEBI / or any other regulatory guidelines as stipulated from time to time</p>
<b>Coupon Rate</b>	<p>11.15% per annum payable monthly on Coupon Payment Date(s).</p> <p>The above 'Coupon Rate' shall be subject to paragraph titled "Step Up Coupon Rate", as mentioned below.</p>
<b>Additional Coupon Rate</b>	<p>In the event there is any downgrade in the rating of the Debentures from CRISIL or in case rating obtained from any of the other Credit Rating Agencies as approved by RBI i.e. ICRA, CARE Ratings, CRISIL and India Ratings, the Coupon Rate shall stand automatically increased by 25 basis points for each notch of rating downgrade of the Debentures from the date of such rating downgrade.</p>
<b>Step Down Coupon Rate</b>	Not Applicable
<b>Coupon Payment Frequency</b>	Monthly and on the Final Redemption Date
<b>Coupon Payment Date</b>	The Coupon Payment Dates are specifically set out in <b>Section 48</b> hereto of this Key Information Document.
<b>Coupon Type</b>	Fixed
<b>Coupon Reset Process</b>	Not Applicable
<b>Day Count Basis</b>	The Coupon shall be computed on Actual / Actual basis, i.e. Actual / 365 (Three Hundred Sixty Five) days (or 366 (Three Hundred Sixty Six) days in the case of a leap year).
<b>Interest on Application Money</b>	<p>The Company shall be liable to pay the Debenture Holders interest on application money, at the Coupon Rate (subject to deduction of tax at source, as applicable) for the period commencing from the date on which the Debenture Holders have made payment of the application monies in respect of the Debentures to the Company and ending on the date falling 1 (One) day prior to the Deemed Date of Allotment. The interest on application monies shall be paid by the Company to the Debenture Holders on the first Coupon Payment Date. Provided however, where the pay-in date of the subscription monies in relation to the Debentures and the Deemed Date of Allotment are the same, no interest on application money would be required to be paid.</p>

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<b>Default Interest</b>	<p>Without prejudice to the remedies available to the Debenture Trustee under the Transaction Documents or under the Applicable Law, on occurrence of the following events:</p> <p>a. In case of payment default in respect of Coupon or principal due and payable in connection with the Debentures on the respective Due Dates, or in case of breach by the Issuer of any of its obligations under the Transaction Documents or upon the occurrence of any Event of Default the Company shall pay default interest at the rate of 2% (Two percent) per annum over and above the Coupon Rate, on the outstanding amounts in relation to the Debentures, from the date of the occurrence of the default until the default is cured or the Debentures are redeemed pursuant to such default, as applicable;</p> <p>b. In case of delay in listing beyond 3 (three) Business Days from Issue Bidding Date, the Company shall pay a penal interest of 1% (One Percent) p.a. over the applicable Coupon Rate from the Deemed Date of Allotment until the listing of the Debentures is completed.</p> <p>c. In case of a delay in execution of Debenture Trust Deed within the timelines prescribed by SEBI, the Company will pay penal interest of 2% (Two Percent Per Annum) per annum over the Coupon Rate, on the outstanding amounts in relation to the Debentures, till the execution of Debenture Trust Deed.</p>
<b>Tenure</b>	66 (Sixty Six) months from Deemed Date of Allotment
<b>Redemption Date / Scheduled Maturity Date</b>	20 <sup>th</sup> August 2030
<b>Redemption Amount</b>	Rs. 1,00,000/- (Rupees One Lakh only) per Debenture plus accrued Coupon if any.
<b>Redemption Premium / Discount</b>	NA
<b>Issue Price</b>	Rs. 1,00,000/- (Rupees One Lakh only) per Debenture plus accrued Coupon if any.
<b>Discount at which security is issued and the effective yield as a result of such discount</b>	NA
<b>Put Option</b>	NA
<b>Put option date</b>	NA
<b>Put option price</b>	NA
<b>Put notification time</b>	NA
<b>Call Option</b>	NA
<b>Call option date</b>	NA
<b>Call option price</b>	NA
<b>Call notification time</b>	NA
<b>Face Value</b>	Rs. 1,00,000/- (Rupees One Lakh Only) per Debenture
<b>Minimum Application size and in multiples thereafter</b>	100 (One Hundred) Debentures and in multiples of 1 (One) Debenture thereafter
<b>Issue Opening Date</b>	18 <sup>th</sup> February 2025
<b>Issue Closing Date:</b>	18 <sup>th</sup> February 2025

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<b>Pay-in Date:</b>	20 <sup>th</sup> February 2025
<b>Deemed Date of Allotment:</b>	20 <sup>th</sup> February 2025
<b>Issuance mode of the Instrument</b>	Demat only
<b>Trading mode of the Instrument</b>	Demat only
<b>Settlement mode of the Instrument</b>	All interest, principal repayments, penal interest and other amounts, if any, payable by the Issuer to the Debenture Holders shall be paid to the Debenture Holders by electronic mode of transfer like RTGS/NEFT/direct credit to such bank account within India as the Debenture Holders' inform the Issuer in writing and which details are available with the Registrar.
<b>Depositories</b>	NSDL and / or CDSL
<b>Business Day Convention/Effect of Holidays</b>	<p>Any day of the week, excluding Sundays or a public holiday, on which banks are normally open for business in Mumbai, India, shall be a Business Day for the purpose of this Key Information Document and the Transaction Documents.</p> <p>In the event that any of the Coupon Payment Dates (other than the Maturity Date) falls on a day that is not a Business Day, the immediately succeeding Business Day shall be considered as the effective date(s) for that payment or determination, as the case may be.</p> <p>In the event that the date for performance of any event or the Maturity Date falls on a day that is not a Business Day, the immediately preceding Business Day shall be considered as the effective date for that payment or the date for performance of such event.</p>
<b>Record Date</b>	Means the date falling 15 days prior to coupon payment date or the Redemption Date.
<b>All covenants of the issue (including side letters, accelerated payment clause, etc.)</b>	<p>(a) <b>Affirmative Covenants</b></p> <p>The Company undertakes and covenants that the Company shall until the Final Settlement Date:</p> <p>(i) <b>Utilisation of proceeds of Debentures</b></p> <p>The Company shall utilise the monies received upon subscription of the Debentures for augmenting its Tier II Capital and for enhancing the long term resources of the Company and the funds raised shall be utilised inter alia towards meeting the capital requirements of the Company, for its general corporate purposes, for various financing activities of the Company, for retail finance and for onward lending, repayment/ re-financing of its financial indebtedness in the ordinary course of business and for its business operations including working capital requirements (the “<b>Purpose</b>”) and procure and furnish to the Debenture Trustee, a certificate from an independent chartered accountant of the Company in respect of the utilisation of funds raised by the issue of Debentures towards the Purpose, within 60 (Sixty) calendar days from the Deemed Date of Allotment and at the end of each Financial Year (in the event that the proceeds are utilised for financing working capital requirements).</p> <p>The proceeds of the Issue will not be used for acquisition of land or for investing in capital markets or for the following purposes which are not eligible for bank finance:</p> <p>Bills discounted / rediscounted by the Issuer - except for rediscounting of bills discounted by NBFCs arising from sale of:</p>

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commercial vehicles (including light commercial vehicles), and two-wheeler and three-wheeler vehicles, subject to the following conditions:

the bills should have been drawn by the manufacturer on dealers only; the bills should represent genuine sale transactions as may be ascertained from the chassis / engine number; and

before rediscounting the bills, banks should satisfy themselves about the bona fides and track record of NBFCs which have discounted the bills.

Investments of the Issuer both of current and long-term nature, in any company / entity by way of shares, debentures.

Unsecured loans / inter-corporate deposits by the Issuer to / in any company.

All types of loans and advances by the Issuer to their subsidiaries, group companies / entities, Related party.

Further lending to individuals for subscribing to Initial Public Offerings (IPOs) and for purchase of shares from secondary market.

The proceeds of the Issue shall not be used for any purpose as stated above, which may be in contravention of the government/ RBI/ SEBI or any other regulatory guidelines.

**(ii) Validity of Transaction Documents**

The Company, the debenture trustee and the Legal Counsel shall ensure that the Transaction Documents shall be validly executed and delivered and shall continue in full force and effect and shall constitute a direct, general, unconditional and legally valid and binding obligations of the Company enforceable in accordance with its terms.

**(iii) Further documents and acts**

The Company shall execute all such deeds, documents, instruments and assurances and do all such acts and things the Debenture Trustee may require for exercising the rights under the Transaction Documents and the Debentures and for perfecting the Transaction Documents for the benefit of the Debenture Holder(s).

(iv) The Company shall carry on and conduct its business with due diligence and efficiency and in accordance with sound operational, technical, managerial and financial standards and business practices with qualified and experienced management and personnel.

(v) The Company shall keep proper books of account as required by the Act and make true and proper entries of all dealings and transactions of and in relation to the business of the Company and keep the said books of account and all other books, registers and other documents relating to the affairs of the Company at its registered office or, where permitted by law, at other place or places where the books of account and documents of a similar nature may be kept and the Company will ensure that all entries in the same relating to the business of the Company shall at all reasonable times be open for inspection of the Debenture Trustee and such Person or Persons as the Debenture Trustee shall, from time to time, in writing for the purpose, appoint.

(vi) The Company shall give to the Debenture Trustee such information as they or any of them shall require as to all matters relating to the business, property and affairs of the Company and at the time of the Issue

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thereof to the shareholders of the Company furnish to the Debenture Trustee, 3 (three) copies of every report, balance sheet, profit and loss account.

(vii) The Company shall punctually pay all rents, royalties, taxes, rates, levies, cesses, assessments, impositions and outgoings, governmental, municipal or otherwise imposed upon or payable by the Company as and when the same shall become payable and when required by the Debenture Trustee produce the receipts of such payment.

(viii) The Company shall reimburse all sums paid or expenses incurred by the Debenture Trustee, attorney, manager, agent or other Person appointed by the Debenture Trustee for all or any of the purposes mentioned in these presents within 15 (Fifteen) days of receipt of a notice of demand from them in this behalf.

**(ix) Make the Relevant filings with the Registrar of Companies/SEBI**

Pursuant to the Act/ IBC and the relevant rules thereunder, the Company undertakes to make the necessary filings of the documents mandated therein including the Form PAS-3 for return of allotment with the Registrar of Companies within the timelines stipulated under the Act/ IBC and the relevant rules thereunder.

The Issuer shall complete all necessary formalities including all filings with and notices to the relevant regulatory authorities as may be required, including but not limited to SEBI, stock exchange and the ROC and obtain all consents and approvals required for the completion of the Issue.

**(x) Compliance with laws**

The Company shall comply with:

- (a) all laws, rules, regulations and guidelines (including the Act and regulations relating to antiterrorism, anti-money laundering, anti-corruption or anti-bribery) as applicable in respect to the Issue, and obtain such regulatory approvals as may be required from time to time, including but not limited, in relation to the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the other notified rules under the Act, each as amended, modified or supplemented from time to time;
- (b) comply with all the applicable provisions as mentioned in the SEBI DT Regulations, RBI Master Direction dated September 1, 2016 bearing reference no. DNBR.PD.007/03.10.119/2016-17 on 'Non-Banking Financial Company –Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016' as amended from time to time, the Act, and/or any other notification, circular, press release issued by the RBI, each as amended, modified or supplemented from time to time.

**(xi) Financial Statements**

The Company shall submit to the Debenture Trustee (and to the Debenture Holder(s), if so requested), its duly audited annual accounts, within 90 (Ninety) days or such other lesser time as may be provided by the Applicable Law from the close of its accounting year.

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The Company shall submit to the Debenture Trustee, the accounts of the Company and audited and unaudited financial statements of the Company for the said financial quarter, within 45 (Forty Five) from the end of every financial quarter.

**(xii) Notify the Debenture Trustee**

The Company shall provide/ cause to be provided, to the Debenture Trustee, information in respect of the following (unless otherwise specified in the sub-clauses hereinbelow) from the occurrence of such event (unless otherwise specifically provided):

- (a) The Company shall inform the Debenture Trustee of any amalgamation, acquisition, demerger, merger or reconstruction scheme proposed by the Company, within 5 (Five) calendar days from the date of the board meeting where the decision to undertake any such amalgamation, acquisition, de-merger, merger or reconstruction scheme is approved;
- (b) The Company shall inform the Debenture Trustee of any proposed change in the nature or scope or the business or operations of the Company or the entering into any agreement or arrangement by any person, other than in the normal course of business, that may materially affect the assets and liabilities of the Company and/or materially affect the interest of the Debenture Holders, within 5 (Five) calendar days from the date of the board meeting where the decision to undertake any such action is approved and prior to the date on which such action is proposed to be given effect;
- (c) The Company shall inform the Debenture Trustee of any change in composition of the board of directors of the Company, within 5 (Five) calendar days from the date of the board meeting where the decision for change in composition of the board of directors of the Company is taken;
- (d) The Company shall inform the Debenture Trustee if it has notice of any application for winding up having been made or any statutory notice of winding up under the Act or the Insolvency and Bankruptcy Code, 2016 or the Banking Regulation Act, 1949 or any other notice under any other act relation to winding up or otherwise of any suit or other legal process intended to be filed or initiated against the Company and/affecting the title to the Company's properties or if a receiver is appointed of any of its properties or business or undertaking, within 5 (Five) calendar days from the date of receipt of such notice by the Company;
- (e) The Company shall immediately inform the Debenture Trustee of any material legal proceeding pending, regulatory notices or judicial orders against the Company, or any litigation between the Company and/ or any other Persons and/or any governmental authority which may have an adverse impact.

**(xiii) Furnish Information to Debenture Trustee**

The Company shall furnish to the Debenture Trustee, within 45 (Forty-Five) days from the end of every financial quarter (unless specified otherwise, in which case, reports shall be submitted according to the specified timeline) report to the Debenture Trustee (and to the Debenture Holders), containing the following particulars:

- a. Updated list of the names and addresses of the Debenture Holder(s);
- b. The number and nature of grievances received from the Debenture Holder(s) and resolved by the Company, and those grievances not yet

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- solved to the satisfaction of the Debenture Holder(s);
- c. Promptly and expeditiously attend to and redress the grievances, if any, of the Debenture Holder(s). The Company further undertakes that it shall promptly comply with the suggestions and directions that may be given in this regard, from time to time, by the Debenture Trustee and shall advise the Debenture Trustee periodically of its compliance.

The Company shall provide / cause to be provided disclosures in respect of the following promptly:

- a) a copy of annual report at the same time as it is issued;
- b) any revision in the rating assigned to the Debentures;
- c) any default in timely payment of interest or redemption amounts or both in respect of the Debentures; and
- d) all covenants of the issue (including side letters, accelerated payment clause, etc.).

The Company shall within 1 (One) Business Day after the end of every financial quarter, furnish report to the Debenture Trustee (and to the Debenture Holders), containing the details of the Coupon and principal payments to be made by the Issuer, but unpaid and reasons for the non-payment thereof.

The Company shall submit periodical status/ performance reports within 7 (Seven) days of the relevant board meeting or within 45 (Forty Five) days of the respective quarter whichever is earlier.

The Company shall provide to the Debenture Trustee, such information as it may require for any filings, statements, reports that the Debenture Trustee is required to provide to any Governmental Authority under Applicable Law.

(xiv) The Company shall submit to the Stock Exchange for dissemination, along with the quarterly/ annual financial results, a quarterly/annual communication, along with the Debenture Trustee's letter of noting of the following information:

- (a) debt equity ratio;
- (b) debt service coverage ratio;
- (c) interest service coverage ratio;
- (d) Outstanding redeemable preference shares (quantity and value);
- (e) Capital redemption reserve / Debenture redemption reserve; if applicable
- (f) Net worth;
- (g) Net profit after tax; (h) Earnings per share;
- (i) Current ratio;
- (j) Long term debt to working capital;
- (k) bad debts to Account receivable ratio;
- (l) current liability ratio;
- (m) total debts to total assets;
- (n) debtors turnover;
- (o) inventory turnover;
- (p) operating margin (%); and (q) net profit margin (%).

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Provided that if the information mentioned in herein above is not applicable to the Issuer, it shall disclose such other ratio/equivalent financial information, as may be required to be maintained under Applicable Laws, if any.

(xv) The Company shall submit to the Debenture Trustee, a copy of all notices, resolutions and circulars relating to:

- a) new issue of non-convertible debt securities at the same time as they are sent to shareholders/ holders of non-convertible debt securities;
- b) the meetings of holders of non-convertible debt securities at the same time as they are sent to the holders of non-convertible debt securities or advertised in the media including those relating to proceedings of the meetings;

(xvi) The Company shall submit to the Stock Exchange, along with the quarterly financial results, a statement indicating the utilisation of the issue proceeds of the Debentures, in such format as may be specified by SEBI, till such proceeds of issue have been fully utilised or the purpose for which the proceeds were raised has been achieved.

(xvi) The Company shall submit to the Stock Exchange disclosures of related party transactions in the format as specified by SEBI from time to time, and publish the same on its website, provided further that, the Company shall make such disclosures every 6 (six months) on the date of publication of its standalone and consolidated financial results.

(xvii) The Company shall submit a quarterly compliance report on corporate governance in the format as specified by SEBI from time to time to the Stock Exchange, signed either by the compliance officer or the chief executive officer of the Company, within 21 (Twenty One) days from the end of each quarter, together with the details of all material transactions with related parties.

(xviii) The Company shall submit a statement of assets and liabilities and statement of cash flows as at the end of every half year, by way of a note, along with the financial results.

(xix) The Company shall furnish to the Debenture Trustee a certificate on a half-yearly basis from the statutory auditor (as required under applicable law) regarding compliance with the covenants set out in the General Information Document and the Key Information Document, along with the half-yearly financial results;

(xx) The Company shall furnish to the Debenture Trustee such other information as required under SEBI ILNCS Regulations and/or SEBI ILNCS Master Circular and/or SEBI LODR Regulations and/or SEBI DT Regulations as amended from time to time, and under other Applicable Law and such other information, as required by the debenture trustee.

(xxi) The Company shall furnish to the Debenture Trustee any other information as may be required by the Debenture Trustee within reasonable time.

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**(xxiii) Notify the Debenture Trustee**

- (a) The Company shall, as soon as practicable, and in any event within 15 (Fifteen) calendar days upon the occurrence of the following event(s):
- i. change in the Key Managerial Professionals of the Company;
  - ii. any change in equity shareholding in the Company;
  - iii. material changes in accounting policy;
  - iv. after the Company obtains knowledge thereof or reasonably should have obtained actual knowledge thereof, notice of the occurrence of any event or circumstance that could be expected to result in a Material Adverse Effect;
  - v. any prepayment or notice of any prepayment of any Financial Indebtedness of the Company;
  - vi. promptly in writing, of any event which constitutes an Event of Default, specifying the nature of such event and any steps the Company is taking and proposes to take to remedy the same;
  - vii. such other information, as may be required by the Debenture Trustee.
- (b) the Company shall promptly disclose to the Debenture Trustee any breach of representation, warranties or covenants as specified in this Transaction Documents.
- (c) the Company shall notify the Debenture Trustee in writing, of any notice of an application or petition for insolvency and/or for winding up having been made or receipt of any statutory notice of insolvency and/or winding up under the provisions of the Act, IBC or any other notice under any other law or otherwise of any suit or legal process intended to be filed against the Company by any person including the RBI.
- (d) the Company shall notify the Debenture Trustee in writing, if it becomes aware of any fact, matter or circumstance which would cause any of the representations and warranties under any of the
- (e) to become untrue or inaccurate or misleading in any material respect.
- (f) The Company shall promptly and expeditiously attend to and redress the grievances, if any, of the Debenture Holder(s). The Company further undertakes that it shall promptly comply with the suggestions and directions that may be given in this regard, from time to time, by the Debenture Trustee and shall advise the Debenture Trustee periodically of its compliance with this Clause. At the request of any Debenture Holder(s), the Debenture Trustee shall, by notice to the Company call upon the Company to take appropriate steps to redress such grievance and shall, if necessary, at the request of any Debenture Holder(s) representing not less than one-tenth in value of the nominal amount of the Debentures for the time being outstanding, call a meeting of the Debenture Holder(s).
- (g) The Company shall immediately notify the Debenture Trustee in writing in the event of any material legal proceedings or governmental proceedings is initiated by or against the Company. In the event that any material legal proceedings or governmental proceedings are initiated against the Issuer or claims are made against the Issuer, which

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are not cured within the time period as permissible under law and in the opinion of the Debenture Trustee, may impair the Issuer ability to perform their respective obligations undertaken in terms of the Transaction Documents, if either the reliefs sought under the legal or governmental proceedings initiated against the Issuer or the claims made against the Issuer are granted.

(xxiv) Fraud and Money Laundering

The Company shall ensure that it maintains internal control for the purpose of (i) preventing fraud of monies lent by the Company; and (ii) preventing its money being used for money laundering or any illegal purposes.

(xxv) Insurance

The Company will appropriately insure its assets for risks and in amounts standard for companies in Company's business and location.

**(b) Negative Covenants**

The Issuer shall maintain below mentioned covenants during the entire tenor of the NCDs and till all the amounts outstanding are been duly repaid, in case of any change, the Issuer to seek a prior-written consent of the Majority Debenture Holders and Debenture Trustee. Provided that in the event the Issuer has provided a prior written request to all the Debenture Holder(s) in relation to any action under any of the Negative Covenant that the Issuer proposes to take and the Majority Debenture Holder(s) have not responded within a period of 15 (Fifteen) calendar days from the date of such written request being provided by the Issuer (upon a written one reminder being provided by the Issuer to all the Debenture Holder(s) after the expiry of 10 (Ten) calendar days from the date of such written request), the consent of the Majority Debenture Holder(s) shall then be deemed to be provided to the issuer for undertaking such action and the Issuer shall then be permitted to undertake such action without obtaining any further consent from the Majority Debenture Holder(s):

- a) Change the general nature of its business from that which is permitted as Non-Banking Financial Company by the RBI.
- b) Change in its Constitutional Documents in any material way or reduce its authorized capital in any way which would prejudicially affect the interests of the Debenture Holders.
- c) Any change in the capital structure (except increase in Authorised Share Capital) of the Issuer at any point of time during the tenor of the NCDs.
- d) The Issuer will ensure that prior to the Final Settlement Date, there will be no sale, disposal or transfer in any matter whatsoever of the equity shares held by the Promoter in the Company to anyone, nor will the Principal Promoter encumber (in any manner whatsoever) the equity shares held by the Promoter in the Company, Subject to maintenance of Holding and Management Covenant.
- e) Apply the proceeds of the issue of Debentures for any purpose other than that for which the Issue was made
- f) Induct into its board of directors a person whose name appears in the wilful defaulter's list of Reserve Bank of India (other than as a nominee director). In case such a person is already on the board of directors of the Company, the Company shall take expeditious and effective steps for resolution of the above

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- g) The Company shall ensure that there is no change in the equity shareholding of the Promoters in the Company if such change would result in the shareholding of the Promoters to fall below 75% (Seventy Five Percent).
- h) Change in the financial year end from 31<sup>st</sup> March unless such change is mandatorily required to be made for compliance with Applicable Law.
- i) Until the Final Settlement Date, the Company will procure and ensure that the Principal Promoter will not exit from or reduce its involvement from the management activities of the Company as is subsisting on the Effective Date. Without prejudice to the foregoing, the Company will procure and ensure that Principal Promoter will continue to maintain an executive role in the Company until the Final Settlement Date.
- j) Declare or pay any dividend or make any distributions on its share capital, unless:
  - i. the proposed payment or distribution is out of net income of the current Financial Year (excluding any amount resulting from the revaluation of any of the Company's assets);
  - ii. no Event of Default has occurred and is then continuing, or could occur or is reasonably likely to occur, as a result of such payment or declaration of any dividend or distribution and after giving effect to any such action; and
  - iii. the Company is in compliance with the Financial Covenants
  - iv. pay or declare any dividend to its shareholders in any year, during the tenor of the Debentures, until the Issuer has paid or has made satisfactory provision for payment of the installments of the principal due and interests/coupon due on the Debentures;
- k) Undertake or permit any merger, consolidation, re-organization, scheme of arrangement or compromise with its creditors or shareholders or effect any scheme of amalgamation or reconstruction.
- l) Acquire any company, business or undertaking if the amount of the acquisition cost, whether paid by cash or otherwise, when aggregated with the aggregate acquisition cost of any other companies, business or undertaking acquired by it during that financial year exceeds 10% (ten percent) of the Net Worth.
- m) Acquire (or agree to acquire) any shares, stocks, securities or other interest in any joint venture; or transfer any assets or lend to or guarantee or indemnify or give security for the obligations of a joint venture (or agree to transfer, lend, guarantee, indemnify or give security for the obligations of a joint venture) except in ordinary course of business.
- n) The Issuer shall not:
  - i. enter into any transaction with any person or enter into or continue business relations with its shareholders, employees, affiliate(s), holding company(ies), and/or subsidiary(ies) except on proper commercial terms negotiated on an arm's length basis;
  - ii. enter into or establish any partnership, profit sharing, royalty agreement or other similar other arrangement whereby the Company's income or profits are, or might be, shared with any other person other than in the ordinary course of business on an arms' length basis and in compliance with applicable law.; or
  - ii. Enter into any management contract or similar arrangement whereby its business or operations are managed by any other person.
- o) Effect any change in the statutory auditors of the Company, other than as per mandatory requirement under Applicable Law.
- p) Undertake any new business outside financial services or any diversification of its business outside financial services.
- q) Appoint or continue to the appointment of any person as a director/ or a key managerial person of the Company who is classified as a wilful defaulter as a director and/or KMP.

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- r) Enter into any contractual obligation which may adversely affect the financials standing.
- s) Apply to the court for the winding up of the Company or agree to the winding up of the Company.
- t) Sell, transfer, or otherwise dispose of in any manner whatsoever any Assets of the Company, other than any securitization/ direct assignment transaction undertaken by the Company in the ordinary course of its business as per applicable RBI Master Directions or any amendment, supplement or restatement thereto. It is clarified that, a securitization/ direct assignment representing an exit of line of business will not be construed as being in the ordinary course of business of the Company and the Company shall not be permitted to effect the same except after obtaining the prior written consent of the Debenture Trustee.
- u) Enter into compromise or arrangement or settlement with any of its creditors (secured and unsecured) that would prejudicially affect the interest of the Debenture Holders.
- v) Participate in any involuntary process under the IBC or Undertake/permit any voluntary process under the IBC.
- w) Unsecured Borrowings from Promoters/ related parties/ Inter Corporate Deposits held by the Issuer shall not be repaid (except by way of equity conversion) in-case Payment Default for these NCDs is subsisting.
- x) Restructuring of any borrowing arrangements or inclusion of co-lent loans
- y) Pledge of shares by the Principal Promoters which may potentially change management control (if pledge is enforced) shall be undertaken with prior approval of the Debenture Trustee (acting on behalf of Majority Debenture Holders).

For the purpose of this clause, ordinary course of business' shall mean activities which are carried out by the Borrower in line with its Memorandum and Articles of Association and will generally fulfill the following conditions: • It is normal for the particular business • It is as per customs and practices of its business and of the Borrower. • It involves the usual allocation of resources considering the size and volume of the transaction. It is necessary, normal and usual from the perspective of the Borrower and its line of business. • It is at arm's length.

#### **(c) Financial Covenants**

The Debenture Trustee shall be granted access to any additional information that it deems necessary to monitor and evaluate compliance with the below mentioned covenants. In case of breach of any of the below mentioned covenants, the Debenture Trustee shall have the right to redeem the Debentures by giving a prior written notice of 7 (seven) days. The covenants can be tested at any time till Final Settlement Date on a monthly frequency. The Company shall comply with each of the following financial covenants at all times until the redemption of all outstanding Debentures:

- a. The maximum permissible ratio of Net NPA to Total AUM shall not be more than 1.00% (One percent).
- b. Total Debt/Total Equity ratio shall not be more than 6.5x or the lowest Total Debt/Total Equity ratio as stipulated by any of its lender
- c. Capital Adequacy Ratio (CAR) of atleast 22.0% or as per applicable RBI regulation, whichever is higher, of the above CAR, TIER 1 CAR to remain at minimum of 17%
- d. There shall not be any negative mismatches on cumulative basis in any of the buckets till the next one year of ALM statement after incorporating all the liabilities of the Issuer incorporating Put Options/

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- Reset Options etc. (in any form). The asset will include all the unencumbered Cash and Cash equivalent maturing across all the buckets of the ALM as part of the opening asset balance. Unutilized bank lines, undisbursed committed sanctions of the company and cash credit limits shall not be taken into account while testing the same.
- e. The Issuer shall ensure that no other capital market instrument shall have any additional comfort from the Promoters and if they have any comfort then the same shall be extended to the Debenture Holder(s)
  - f. Maximum permissible Gross NPA to Total AUM shall not be more than 2.0% (Two percent)
  - g. Average monthly Collection efficiency for the quarter, i.e, overdue + current month collections against current month's demand (excluding arrears demand and collections against such arrears demand) to be maintained at minimum 95%
  - h. During the tenor of the Debentures, the Company shall ensure PAR over 30 days to Total Loan Portfolio shall not exceed 3.00%
  - i. The Company to maintain a minimum Net-worth of Rs. 250 crores.
  - j. Earnings: After-tax Net Income (excluding extraordinary income) to remain positive. The said covenant to be tested on a quarterly and on Annual basis.
  - k. Financial Guarantee to any third party, including and on behalf of Subsidiary (ies) shall not exceed 10% of the Tangible Net Worth of the Issuer.
  - l. Any other Related Party exposure (excluding business correspondent shall not exceed 5% of the Net Worth of the Issuer.
  - m. Issuer shall not prepay any loans or redeem NCDs; voluntarily or mandatorily before its stated maturity such that it leads to a negative mismatch on cumulative basis in any of the buckets of ALM statement up to the residual tenor of the Debentures after incorporating all the liabilities of the Issuer including Put Options/interest reset on liabilities. Unutilized bank lines, undisbursed committed sanctions of the company and cash credit limits shall not be taken into account while testing the same.

For the purpose of aforementioned Financial Covenants, following terms shall have the following meanings:

“**CAR**” refers to Capital Adequacy Ratio. For the purpose of calculation of CAR:

- i. first loss credit enhancements provided by the Issuer on securitization shall be reduced from Tier I Capital and Tier II Capital [without any ceiling].
- ii. credit enhancements provided by the Issuer on loans originated on behalf of other institutions shall be reduced from Tier I Capital and Tier II Capital without any ceiling. The deduction shall be made at 50 per cent from Tier I Capital and 50 per cent from Tier II Capital.
- iii. It is also clarified that in computing the amount of subordinated debt eligible for inclusion in Tier II Capital, the aforementioned subordinated debt shall be subject to discounting as prescribed by RBI.

“**Net NPA**” means Gross Non-Performing Assets - Total provisions held.

“**Tier I Capital**” shall have the meaning given to it in the NBFC Master Directions.

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“**Tier II Capital**” shall have the meaning given to it in the NBFC Master Directions.

“**Total Debt**” is the sum of all the liabilities of the Issuer which includes Short-Term Borrowing and Long-Term Borrowing.

“**Tangible Net worth**” means, with respect to any person, the amount paid up on such person's issued equity share capital, compulsorily convertible instruments and any amount standing to the credit of its reserves, less equity or equity-like investments, goodwill, deferred tax assets and other intangible assets.

“**Gross Loan Portfolio**” means and includes the outstanding principal amounts of the loans originated by the Issuer on its own books, securitized portfolio as well as loans originated on behalf of other entities by entering into partnership agreements but not included on the Issuer's own book

“**Portfolio at Risk**” or “**PAR**” shall mean the outstanding principal amount of all Client Loans that have one or more instalments of principal, interest, penalty interest, fees or any other expected payments past due more than a specified number of days;

The Debenture Trustee shall be granted access to any additional information that it deems necessary to monitor and evaluate compliance with the aforementioned Financial Covenants.

All covenants would be tested on quarterly basis i.e. as on 31st March, 30th June, 30th September, 31st December every year, on consolidated and standalone balance sheet till the redemption of the Debentures.

The Financial Covenants shall be certified by the statutory auditor of the Company within 60 (sixty) calendar days from the end of each financial quarter. The Debenture Trustee and the Investors shall be granted access to any additional information that it deems necessary to monitor and evaluate compliance with the aforementioned Financial Covenants.

In case of breach of any of the covenants, the Issuer shall pay additional coupon at the rate of 2% (Two Percent) per annum over and above the applicable Coupon Rate on all amounts outstanding under the NCDS (including the Outstanding Principal Amounts and any accrued but unpaid interest) from the date of occurrence of such a breach, until the NCDs are fully redeemed or till the covenants criteria has been replenished

**(c) Holding and Management Covenants**

During the Tenor of the Debentures and till the Debentures are being duly redeemed in full, the Issuer to seek prior-written consent of the Debenture Trustee (acting on the instructions of the Majority Debenture Holders), in case of any change on the following:

- i. Reduction/change in Promoter shareholding (except change due to primary infusion of Share Capital or inter se transfer between promoters or change due to transfer of shares by the Promoters upto 5% of their existing shareholding as on the date of this Key Information Document) shall not be undertaken without prior written consent of the Debenture Trustee (acting on the instructions of the Majority Debenture Holders),.
- ii. Pledge of shares by the Principal Promoters shall not be undertaken

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without prior written consent of the Debenture Trustee (acting on the instructions of the Majority Debenture Holders),

- (d) The Company shall ensure that there is no change in the equity shareholding of the Promoters in the Company if such change would result in the shareholding of the Promoters to fall below 75% (Seventy Five Percent). **Rating Covenants**

The Issuer shall maintain the below mentioned covenants during the entire tenor of the NCDs and till all the amounts outstanding is being duly repaid:

- i. The Issuer shall ensure that there is no suspension of the credit rating of the Issuer and/ or the Debentures by any of the credit rating agency.
- ii. The Issuer shall ensure that it shall maintain the current credit rating/outlook of the Company/Instrument as on deemed date of allotment from any credit rating agency.
- iii. The Issuer shall ensure that there is no assignment of new long-term credit rating below 'A+' from any credit rating agency.

**(e) Early Redemption**

- a. Subject to compliance with prevailing applicable RBI Guidelines and receipt of prior approval of the RBI, the Debenture Trustee (acting on the instructions of the Majority Debenture Holders) shall have the right but not an obligation to require the Issuer to redeem the Debentures along with accrued coupon/interest upon the occurrence of any of the below mentioned events ("Early Redemption Events"):
  1. Breach of any of the covenants as mentioned under the Financial Covenants
  2. Breach of any of the covenants as mentioned under the Rating Covenants;
  3. Breach of any of the covenants as mentioned under the Holding and Management Covenants'
  4. Occurrence of Material Adverse Effect
  5. Any legal or regulatory decision resulting in suspension/ revocation of the NBFC license;
- b. The Debenture Trustee (acting on the instructions of the Majority Debenture Holders) shall have the option to require the Issuer to redeem the debentures on happening of any of the Early Redemption Events.
- c. The Issuer shall subject to receipt of prior approval of the RBI be required to make payment of the aggregate amounts outstanding in relation to debentures, to the Debenture Holder(s) including any unpaid Principal Amount, accrued but unpaid Coupon/Interest, Default Interest (if applicable) and liquidated damages (if applicable) on or before the Early Redemption Date.
- d. In the event of any delay in redeeming the relevant Debentures beyond the Early Redemption Date, the Company shall pay to the Debenture Holder(s) additional interest as per the applicable SEBI Regulations over and above the applicable Coupon Rate, on the Outstanding Amounts (including the Outstanding Principal Amounts and accrued interest) from the Early Redemption Date until the Company redeems the Debentures in accordance with this Clause;

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- e. Any notice given by Debenture Trustee under this Clause is irrevocable.
- f. No prepayment penalty or prepayment premium will be applicable to any redemption in accordance with this Clause.

**(f) Reporting Covenant**

Company shall provide or cause to be provided to the Debenture Trustee (and to the Debenture Holders if so requested), in form and substance reasonably satisfactory to the Debenture Trustee, each of the following items:

**(a) Monthly Reporting**

(i) As soon as available and in any event within 25 (twenty-five) calendar days after the end of each calendar month, the statement of asset liability management in form and substance satisfactory to the Debenture Trustee and the Debenture Holders;

(ii) The Issuer shall provide the monthly financial statements to the Debenture Trustee and Debenture Holders as and when requested by them; and

**(b) Quarterly Reporting**

As soon as available and in any event within 60 (sixty) calendar days after the end of each calendar quarter, the quarterly reporting required and in form and substance satisfactory to the Debenture Trustee and the Debenture Holders. Such reporting will include information detailing:

details of a) operational or financial information, b) portfolio cuts, c) disbursements d) dpd statement, e) changes in Board and management and f) changes in shareholding pattern on a quarterly basis in the format as specified by the Debenture Trustee.

financials, financial statements, operations, portfolio growth and asset quality (including static portfolio cuts, collection efficiency and portfolio at risk data), funding in formats acceptable to the Debenture Holders; the shareholding pattern and composition of the board of directors in the Company;

if applicable, the financial and other returns filed by the Company with the RBI (including without limitation, the form NBS 7 filed with the RBI) a certified compliance certificate from the management of the Company regarding the financial covenants set forth in Schedule VIII (Financial Covenants) of the Debenture Trust Deed in form and substance reasonably satisfactory to the Debenture Trustee and the Debenture Holders

details of transactions with related parties and balances outstanding in the format as per the Act

the static pool analysis and vintage curve data of the portfolio and Gross Loan Portfolio in the format as specified by the Debenture Trustee. On a quarterly basis beginning from the end of the current financial quarter, the Issuer shall provide an updated version of the static pool analysis and vintage curve data of the portfolio and Gross Loan Portfolio in the format prescribed by the Debenture Trustee.

information on structural liquidity of the Company as per the format prescribed by the RBI, and as and when required by the Debenture Trustee Promptly provide the list of top 20 (twenty) borrowers at the end of each relevant quarter of the Financial Year; and

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To provide information on facilities sanctioned to the Issuer including such sanction letters from other lenders of every relevant quarter of the Financial Year.

The Company shall furnish quarterly report to the Debenture Trustee containing the following particulars:

Updated list of the names and addresses of the Debenture Holders;

Details of the Coupon due, but unpaid and reasons thereof; and

The number and nature of grievances received from the Debenture Holders and (A) resolved by the Company (B) unresolved by the Company and the reasons for the same

(c) Information on:

- I. any new product being introduced, including a loan product or any other financial product or change in existing product features or any new business correspondent relationship is established or discontinuance of existing relationship
  - a. any geographical expansion of operations into any new district, city or state;
  - b. if the Company is proposing to expand to any location other than those specifically mentioned in the business plan submitted to the Debenture Trustee and/or the Debenture Holders;
  - c. if the Company makes any material changes to the information system or loan management software or management information systems, in terms of upgrade or installing a new software, other than those specifically mentioned in the business plan submitted to the Debenture Trustee and/or the Debenture Holders;
  - d. if the Company conducts a credit check using any other credit bureau apart from the credit bureaus currently being used by the Company;
  - e. any revisions in the business plan submitted to the Debenture Trustee and/or the Debenture Holders
  - f. any changes in the accounting policy of the Company from that followed as on the Deemed Date of Allotment;
  - g. if there is any fraud, amounting to more than 5% (five percent) of Gross Loan Portfolio; and
  - h. such other operational or financial information, as may be required by the Debenture Trustee or the Debenture Holders.

(d) Annual Report

As soon as available, and in any event within 120 (one hundred and twenty) calendar days after the end of each Financial Year of the Company, the annual reporting required and in form and substance satisfactory to the Debenture Trustee and the Debenture Holders. Such reporting will include information detailing:

- i. certified copies of its audited consolidated and non-consolidated (if any) financial statements for its most recently completed fiscal year, prepared in accordance with IND-AS including its balance sheet, income statement and statement of cash flow. All such information shall be complete and correct in all material respects and fairly represents the financial condition, results of operation and changes in cash flow of the Company as of the date thereof;
- ii. a certificate of the Chief Financial Officer or a Director of the Company confirming that his or her review has not disclosed the existence of any potential Event of Default or Event of Default;

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iii. all annual information submitted to the RBI including but not limited to the structural liquidity statement, capital to risk (weighted) assets ratio, qualifying asset certificate, unhedged foreign currency certificate; and the corporate social responsibility report confirming adherence by the Company to its corporate social responsibility policy (if applicable).

(e) Event Based Reporting

(i) As soon as available and in any event within 5 (five) Business Days of the occurrence of such event, the details of any change in the shareholding structure by more than 5% (five percent) in the Company, in form and substance satisfactory to the Debenture Trustee and the Debenture Holders;

(ii) As soon as available and in any event within 5 (five) Business Days of the occurrence of such event, the details of any change in board of directors and other senior management officials like Chief Executive Officer or equivalent or change of the statutory auditor of the Company;

(iii) As soon as available and in any event within 5 (Five) Business Days after receiving approval by the board of the Company, the annual business plan of the Company including a detailed investment budget and forecast accounts for the following Financial Year and financial projections for at least the next 5 (five) years;

(iv) The Company shall provide/cause to be provided information to the Debenture Trustee (and to the Debenture Holders, if so requested) as soon as practicable, and in any event within 5 (five) Business Days from the occurrence of such event:

1. the Company obtains or reasonably should have obtained actual knowledge thereof, notice of the occurrence of any event or circumstance that could reasonably be expected to result in a Material Adverse Effect,
2. the Company obtains or reasonably should have obtained actual knowledge thereof, notice of any dispute, litigation, investigation or other proceeding affecting the Company or its property or operations, which, if adversely determined, could result in a Material Adverse Effect,
3. the Company obtains actual knowledge thereof, notice of the occurrence of any Event of Default or potential Event of Default, specifying the nature of such event and any steps the Company is taking and proposes to take to remedy the same
4. any changes in the accounting policy of the Company from that followed as on the Deemed Date of Allotment,
5. the details of any fraud amounting to more than 1% (one percent) of the Gross Loan Portfolio,
6. if the Company conducts a credit check using any other credit bureau apart from the credit bureaus currently being used by the Company
7. the Company alters its Constitutional Documents except for the memorandum of association and articles of association as set out herein,
8. any notice of any application for winding up having been made or receipt of any statutory notice of winding up under the provisions of the Act or any other notice under any other law or otherwise of any suit or legal process intended to be filed and affecting the title to the property of the Company,
9. Any Event of Default or potential Event of Default, and any steps

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	<p>taken/ proposed by the Issuer to remedy the same, and</p> <p>10. the Company obtains or reasonably should have obtained actual knowledge thereof, of any material event adversely impacting its business.</p> <p>(f) Miscellaneous</p> <p>(a) To provide a written notice upon any event which is a material event adversely impacting the business of the Issuer</p> <p>(b) At any event of occurrence of an Event of Default or likely an occurrence of an Event of Default, the Issuer shall provide a written notice.</p> <p>(c) A scanned certified certificate from an independent Chartered Accountant in relation to the utilization of the proceeds in accordance with Transaction Documents, within 90 (ninety) days of the Deemed Date of Allotment of the Debentures</p>
<p><b>Description regarding security (where applicable) including type of security (movable/ immovable/ tangible etc.) type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security covers, revaluation, replacement of security, interest of the debenture holder over and above the coupon rate as specified in the Debenture Trust Deed and disclosed in the Offer Document/ Placement Memorandum</b></p>	<p>Not Applicable. The Debentures are unsecured.</p>
<p><b>Transaction Documents</b></p>	<p>Shall mean the documents executed in relation to the issuance of the Debentures and shall include inter alia the General Information Document, this Key Information Document, the Debenture Trustee Agreement, the Debenture Trust Deed and any and all documents / understandings / agreements in relation to the Debentures and any other document that may be designated by the Debenture Trustee and/or the Debenture Holder(s) as a Transaction Document.</p>
<p><b>Conditions Precedent to Pay-In</b></p>	<p>On or prior to the payment of subscription monies by the Debenture Holder(s) proposing to subscribe to the Debentures:</p> <p>(a) The Company shall have submitted to the Debenture Trustee, a certified true copy of the constitutional documents of the Company (being the Memorandum of Association and Articles of Association) and the Certificate of Incorporation;</p> <p>(b) The Company shall have submitted to the Debenture Trustee and the Debenture Holders:</p> <p>(i) a certified true copy of the resolution of the shareholders of the Company under section 42 of the Act and section 180(1)(c) of the Act; and</p> <p>(ii) a certified true copy of the resolution of the Board of Directors of the Company and resolution of the Stock Allotment Committee authorizing the issue and allotment of Debentures as also execution, delivery and performance of the Transaction Documents in that behalf.</p>

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- (c) The Company shall file copies of the resolutions of the shareholders of the Company under section 42 of the Act and the resolution of Board of Directors of the Company along with resolution passed by Stock Allotment Committee with the Registrar of Companies.
- (d) Execution, delivery and stamping by the Company of the Debenture Trustee Agreement and the Debenture Trust Deed, in a form and manner satisfactory to the Debenture Trustee shall have taken place;
- (e) The Company shall have obtained and submitted to the Debenture Trustee, the rating letter, press release and rating rationale from the Rating Agency in relation to the Debentures;
- (f) The Company shall have obtained the consent from the Debenture Trustee to act as the debenture trustee in relation to the Debentures;
- (g) The Company shall have obtained the consent from the registrar and transfer agent to act as the registrar and transfer agent for the issue of Debentures;
- (h) The Company shall have submitted to the Debenture Trustee, its audited account statements for the most recent financial year or financial half-year;
- (i) The Company shall provide such other information, documents, certificates, opinions and instruments as the Debenture Holders may reasonably request;
- (j) The Company shall have submitted to the Debenture Trustee, the certified true copy of Tripartite Agreement executed between the Registrar, NSDL and the Issuer; and Tripartite Agreement executed between the Registrar, CDSL and the Issuer;  
The Company shall have obtained the in-principle approval from Stock Exchange;
- (k) The Company shall have obtained the confirmation of creation of ISIN;
- (l) The Company shall have obtained a certificate from the Company Secretary certifying that the total borrowing, including the current Issue is within the borrowing limit as approved by the shareholders' of the Issuer under Section 180 (1)(c) of the Companies Act, 2013;
- (m) The Company shall have obtained a certificate from the Issuer (signed by the company secretary) confirming that:
  - (i) There has been no change to any of the documents, confirmations, certificates resolutions and information delivered by it or in relation to it under Conditions Precedent to Debentures of the Debenture Trust Deed since the date of delivery;
  - (ii) Each of the documents, confirmations, certificates, resolutions and information delivered by it or in relation to it under Conditions Precedent to Debentures of the Debenture Trust Deed, continues to be in full force and effect;
  - (iii) There are no restrictions on the borrowing powers of the Issuer as per its constitutional documents and corporate authorizations and it is authorized to raise funds by way of issue of subordinated debt for augmentation of Tier II Capital in accordance with the provisions and guidelines of the RBI and under the Companies Act, 2013;
  - (iv) Each copy document relating to it specified under Conditions Precedent to Debentures of the Debenture Trust Deed is correct, complete and in full force and effect as at a date no earlier than the date of the Debenture Trust Deed;
  - (v) No Default has occurred or is continuing or would result from the

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	<p>issuance and allotment of Debentures under the proposed Issue;</p> <p>(vi) The representations and warranties set out in the Debenture Trust Deed and in each other Transaction Document are true;</p> <p>(vii) No application has been made against the Issuer before an adjudicating authority under the IBC;</p> <p>(viii) No event of default has occurred in the past during the entire operating history of the Issuer towards any of its debt obligations;</p> <p>(ix) No execution or other legal process issued on a judgment, decree or order of any court in favour of a creditor of the Issuer remains unsatisfied in whole or in part, except as disclosed to the Debenture Holders;</p> <p>No action has been taken or is pending (including the filing of documents with any court), no other steps have been taken by any Person and no legal proceedings have been commenced or are threatened or are pending for:</p> <ul style="list-style-type: none"> <li>• The winding up, liquidation, dissolution, administration or reorganisation of the Issuer;</li> <li>• The Issuer to enter into any composition or arrangement with its creditors generally;</li> <li>• The appointment of a receiver, administrator, administrative receiver, trustee or similar officer in respect of the Issuer or any of its property, undertaking or assets; and</li> <li>• No event equivalent to any of the foregoing has occurred in or under the laws of India.</li> </ul> <p>(x) The Issuer is in compliance in all respects with its obligations under the Transaction Documents and all other agreements to which it is a party, and the entry in to and the performance by the Issuer of its obligations under the Transaction Documents to which it is party will not be in breach of any Applicable Law or any agreement to which it is a party;</p> <p>(xi) All taxes, statutory dues, including without limitation, statutory dues under the Employees Provident Fund and Miscellaneous Provisions Act, 1952 have been duly paid by the Issuer to the satisfaction of the Debenture Trustee;</p> <p>(xii) That there is no Material Adverse Effect; and</p> <p>(xiii) The Issuer has submitted all documents requested for by the Debenture Holders, for compliance with know your client and other internal requirements of the Debenture Holders.</p> <p>(o) The Company shall have obtained custody confirmation and condition precedent confirmation letter from the Debenture Trustee;</p> <p>(p) The Company shall have obtained draft of legal opinion from a Legal Counsel as acceptable to the Debenture Trustee.</p>
<p><b>Conditions Subsequent to the Deemed Date of Allotment</b></p>	<p>The Company shall comply with the following conditions subsequent within the timelines stipulated herein below:</p> <p>(a) The Company shall submit to the Debenture Trustee the certified true copy of the resolution of board of directors/committee of directors for allotment of Debentures;</p> <p>(b) The Company shall ensure credit of dematerialised account(s) of the allottee(s) of the debentures with the number of debentures allotted by the Deemed Date of Allotment;</p> <p>(c) The Issuer shall ensure listing of Debentures on the BSE within 3 (Three) Business Days from the Issue Bidding Date;</p> <p>(d) On or prior to the utilisation of the subscription monies by the Company in respect of the Debentures and in any case, within 15 (Fifteen) days</p>

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	<p>from the Deemed Date of Allotment, the Company shall file of a return of allotment on the issue of the Debentures in Form PAS-3 specified pursuant to Rule 12 and 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, along with the list of debenture holders and the requisite fee with the Registrar of Companies;</p> <ul style="list-style-type: none"> <li>(e) Execution of any other documents as customary for transaction of a similar nature and size;</li> <li>(f) Legal Opinion of legal counsel on enforceability of legal documents to be submitted within 30 (Thirty) days from the Deemed Date of Allotment;</li> <li>(g) Certificate of Company statutory auditor or an independent chartered accountant in relation to end use of the proceeds from the Issue along with supporting documents to be provided by the Issuer to the Debenture Trustee, within 60 (Sixty) calendar days from Deemed Date of Allotment;</li> <li>(h) The Company shall obtain a condition subsequent completion letter from the Debenture Trustee; and</li> <li>(i) Perform all activities, whether required under Applicable Laws or otherwise as mentioned in the Transaction Documents from time to time.</li> </ul>
<p><b>Events of Default</b></p>	<p>If any of the events specified below, happen(s) the same shall constitute an “Event of Default”:</p> <ul style="list-style-type: none"> <li>(a) If the Company fails to promptly pay any amount now or hereafter owing to the Debenture Holders as and when the same shall become due and payable as per the terms of the Transaction Documents;</li> <li>(b) In the event of any payment default by the Company with respect to any of its Financial Indebtedness to other lenders;</li> <li>(c) If the Issuer fails to duly observe or perform any obligation under the Transaction Documents;</li> <li>(d) If the Company does not pay on the Due Date any amount payable pursuant to the Debenture Trustee Deed and the Debentures (including but not limited to coupon, penal interest, charges or any other charges or fees in connection to the issuance/ Transaction documents), which are not remedied within a period of 3 (three) calendar days of its due date;</li> <li>(e) If the Issuer fails to duly observe or perform any obligation under the Transaction Documents, which are not remedied within a period of 30 (Thirty) days from the date of such failure;</li> <li>(f) A breach of any of the key covenants, which are not remedied within a period of 30 (Thirty) days from the date of such breach; The Company entering into any material arrangement or composition with its creditors or committing any act of insolvency, or any act the consequences of which may lead to its insolvency or winding up;</li> <li>(g) When an order of execution or distress or other process being enforced or levied upon or against the whole or any part of the Company’s property, whether secured to any creditor or not;</li> <li>(g) Any order being made or a resolution being passed for the winding up of the Issuer (except for the purpose of amalgamation or reconstruction with the prior approval of the Debenture Holders);</li> <li>(h) Revocation of business and operating license of the Issuer</li> </ul>

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	<ul style="list-style-type: none"> <li>(i) Moneys, if held, in trust by the Issuer for the benefit under the Debenture Trust Deed are jeopardized for any reason whatsoever and the Issuer does not immediately make good the loss of such monies</li> <li>(j) Any material act of fraud, embezzlement, misstatement, misappropriation or siphoning off of the Issuer / Promoter funds or revenues or any other act having a similar effect being committed by the management or an officer of the Issuer</li> <li>(k) A receiver being appointed in respect of the whole or any part of the Company's property;</li> <li>(l) The Company being adjudicated insolvent or taking advantage of any law for the relief of insolvent debtors;</li> <li>(m) The Company ceasing or threatening to cease to carry on its business or giving or threatening to give notice of an intention to do so;</li> <li>(n) The passing of any order of a court ordering, restraining or otherwise preventing the Issuer from conducting all or any material part of its business;</li> <li>(o) The cessation of business by or the dissolution, winding-up, insolvency or liquidation of the Issuer;</li> <li>(p) Misrepresentation or misleading information in any of the Transaction Documents;</li> <li>(q) Failure to meet standards in Discretionary Audit conducted by the Debenture Trustee.</li> <li>(r) In the event that any material legal proceedings or governmental proceedings are initiated against the Company or claims are made against the Company, and the reliefs sought under such legal or governmental proceedings or the claims made against the Company are granted, which are not cured within the time period permissible under the Applicable Law and in the opinion of the Debenture Trustee, may impair the Issuer's ability to perform its obligations undertaken in terms of the Transaction Documents;</li> <li>(g) On happening of any Material Adverse Effect - the consequences of occurrence of an Event of Default will be prescribed in the Debenture Trust Deed.</li> </ul>
<p><b>Consequences of Events of Default</b></p>	<p>Subject to compliance with prevailing applicable RBI Guidelines and receipt of prior approval of the RBI, on and at any time after the occurrence of an Event of Default, the Debenture Trustee shall if so directed by Majority Debenture Holder(s) or in case of a Payment Default on the instructions of any Debenture Holder: declare that all or part of the obligations be immediately due and payable, whereupon they shall become immediately due and payable;</p> <ul style="list-style-type: none"> <li>(i) If one or more events specified in Event of Default clause (as mentioned hereinabove) occurs, the Debenture Trustee may, in its discretion, and, upon request, in writing of the Majority Debenture Holders initiate the following course of action:</li> <li>(ii) subject to Applicable Law, require the Company to mandatorily redeem the Debentures and repay the principal amount on the Debentures, along with accrued but unpaid interest, and other costs, charges and expenses incurred under or in connection with the Transaction Documents;</li> <li>(iii) subject to Applicable Law, declare all or any part of the Debentures to be immediately (or on such dates as the Debenture Trustee may specify) due and payable, whereupon it shall become so due and payable;</li> </ul>

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	<ul style="list-style-type: none"> <li>(iv) exercise such other rights as the Debenture Trustee may deem fit under Applicable Law to protect the interest of the Debenture Holders.</li> <li>(s) Subject to Applicable law, to accelerate the redemption of the Debentures; and/or;</li> <li>(t) Exercise any other right that the Debenture Trustee and / or Debenture Holder(s) may have under the Transaction Documents or under Applicable Laws.</li> <li>(u) provide a default interest of 2% (two percent) over and above the Interest Rate on of each respective Debentures under or in connection with the Debenture Trust Deed and other Transaction Documents</li> <li>(v) The Debenture Trustee after obtaining consent of Debenture Holder(s) for enforcement shall inform the designated stock exchange seeking release of the Recovery Expense Fund. The Debenture Trustee shall follow the procedure set out by Issuers of listed or proposed to be listed debt securities towards creation of “Recovery Expense Fund” issued by SEBI, as amended from time to time for utilization of the Recovery Expense Fund and be obligated to keep proper account of all expenses, costs including but not limited to legal expenses, hosting of meetings etc., incurred out of the Recovery Expense Fund towards enforcement of Security. All expenses over and above those met from the Recovery Expense Fund incurred by the Beneficial Owners(s)/Trustee after an Event of Default has occurred</li> </ul> <p>Such other remedies as mentioned in the Transaction Documents</p>
<b>Creation of recovery expense fund</b>	<p>The Issuer shall create a recovery expense fund in accordance with the applicable SEBI regulations and inform the Debenture Trustee of the same. The recovery expense fund shall be utilised in such manner and for such purposes as is more particularly provided under the said Regulations and Applicable Law.</p>
<b>Representations and Warranties</b>	<p>The Company makes the representations and warranties set out in this Clause to the Debenture Trustee for the benefit of the Debenture Holders on the date of the Debenture Trust Deed and during the term of the Debentures.</p> <ul style="list-style-type: none"> <li>a) Status <ul style="list-style-type: none"> <li>i. It is a company, duly incorporated, registered and validly existing under the Laws of India;</li> <li>ii. It is registered as a non-banking financial company with the RBI; and</li> <li>iii. It and each of its subsidiaries (as defined under the Act) has the power to own their respective Assets and carry on their respective business as it is being conducted.</li> </ul> </li> <li>b) Binding obligations <p>The obligations expressed to be assumed by it under the Transaction Documents are legal, valid, binding and enforceable obligations.</p> </li> <li>c) Non-conflict with other obligations <p>The entry into and performance by it of, the transactions contemplated by the Transaction Documents do not and will not conflict:</p> <ul style="list-style-type: none"> <li>i. any Law or regulation applicable to it;</li> <li>ii. its Constitutional Documents; and</li> </ul> </li> </ul>

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	<ul style="list-style-type: none"><li>iii. any agreement or instrument binding upon it or any of its Assets.</li> <li>d) Power and authority It has the power to issue the Debentures and to enter into, perform and deliver and has taken all necessary authorisations its entry into, performance and delivery of, the Transaction Documents to which it is a party and the transactions contemplated by those Transaction Documents.</li> <li>e) Validity and admissibility in evidence All approvals, authorizations, consents, permits (third party, statutory or otherwise) required or desirable:<ul style="list-style-type: none"><li>i. to enable it lawfully to enter into, exercise its rights and comply with its obligations in the Transaction Documents to which it is a party;</li><li>ii. to make the Transaction Documents to which it is a party admissible in evidence in its jurisdiction of incorporation; and</li><li>iii. for it to carry on its business, and which are material, have been obtained or effected and are in full force and effect.</li></ul></li> <li>f) No default No Event of Default or potential Event of Default has occurred and is continuing or would reasonably be expected to result from the execution or performance of any Transaction Documents or the issuance of the Debentures. No other event or circumstance is outstanding which constitutes (or which would, with the lapse of time, the giving of notice, the making of any determination under the relevant document or any combination of the foregoing, constitute) a default or termination event (however described) under any other agreement or instrument which is binding on the Company or any of its Assets or which might have a Material Adverse Effect.</li> <li>g) Pari passu ranking The Company's payment obligations under the Transaction Documents and the claims of the investors in the Debentures shall rank: (i) at least pari passu with the claims of all of its other subordinated creditors of the Company which qualify as Tier II capital of the Company under the Applicable Laws; (ii) subordinated to the claims of all of the Company's other senior creditors; and (iii) superior to the claims of other investors in the equity shares, preference shares, quasi-equity instruments and perpetual debt instruments of the Company.</li> <li>h) No proceedings pending Except as disclosed by the Company in its Disclosure Document(s), annual reports and financial statements, no litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency which have been started or threatened against the Company, where such proceedings could result in or cause a Material Adverse Effect.</li> <li>i) No misleading information</li></ul>
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	<p>A. All information provided by the Company to the Debenture Trustee/Debenture Holders for the purposes of this Issue is true and accurate in all material respects as at the date it was provided or as at the date (if any) at which it is stated.</p> <p>B. It has disclosed all information in the Disclosure Document(s) that is relevant for the Applicants to apply for subscription of the Debentures.</p> <p>j) No Material Adverse Effect</p> <p>i. There has not been and there is no investigation or enquiry by, or order, decree, decision or judgment of, any Governmental Authority been issued or outstanding or to the best of the Company's knowledge (after making due and careful enquiry), anticipated against the Company which would have a Material Adverse Effect on the Company, nor has any notice or other communication (official or otherwise) from any Governmental Authority been issued or outstanding or to the best of the Company's knowledge (after making due and careful enquiry), anticipated with respect to an alleged, actual or potential violation and/or failure to comply with any such applicable Law or requiring them to take or omit any action.</p> <p>ii. Neither the Company nor any Group Entity has violated, or breached any applicable Law (including, but not limited to, any Environmental and Social Requirements) which has resulted in or could reasonably be expected to have a Material Adverse Effect.</p> <p>k) Assets</p> <p>Except for the security interests and encumbrances created and recorded with the ROC updated from time to time, the Company has, free from any security interest or encumbrance, the absolute legal and beneficial title to, or valid leases or licenses of, or is otherwise entitled to use (in each case, where relevant, on arm's length terms), all Assets necessary for the conduct of its business as it is being, and is proposed to be, conducted.</p> <p>l) Financial statements</p> <p>i. Its financial statements most recently supplied to the Debenture Trustee were prepared in accordance with IND-AS consistently applied save to the extent expressly disclosed in such financial statements.</p> <p>ii. Its financial statements for the Previous Year supplied to the Debenture Trustee, give a true and fair view and represent its financial condition and operations during the relevant Financial Year save to the extent expressly disclosed in such financial statements.</p> <p>iii. It has disclosed all its borrowings from various banks and financial institutions in the Disclosure Document(s).</p> <p>m) Solvency</p> <p>i. The Company is able to, and has not admitted its inability to, pay its debts as they mature and has not suspended making payment on any of its debts and it has not been deemed by a court to be unable to pay its debts for the purposes of applicable Law, nor will it become unable to pay its debts for</p>
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	<p>the purposes of applicable Law as a consequence of entering into the Debenture Trust Deed or any other Transaction Document.</p> <ul style="list-style-type: none"><li>ii. The Company, by reason of actual or anticipated financial difficulties, has not commenced, and does not intend to commence, negotiations with one or more of its creditors with a view to rescheduling its Indebtedness.</li><li>iii. The value of the Assets of the Company is more than its liabilities (taking into account contingent and prospective liabilities) and it has sufficient capital to carry on its business.</li><li>iv. The Company has not taken any corporate action nor has it taken any legal proceedings or other procedure or steps in relation to any bankruptcy proceedings.</li><li>v. No insolvency or bankruptcy process has commenced under the (Indian) Insolvency and Bankruptcy Code, 2016 in respect of the Company.</li><li>vi. No reference, enquiry or proceedings under corporate debt restructuring (CDR) mechanism or the strategic debt restructuring (SDR) mechanism of the RBI, and no steps have been taken by any lender in respect of any member of the Group, under the 'Scheme for Sustainable Structuring of Stressed Assets (S4A) issued by the RBI.</li></ul> <p>n) No immunity The Company is not entitled to any immunity or privilege (sovereign or otherwise) from any set-off, judgment, execution, attachment or other legal process.</p> <p>o) Legal and Beneficial Ownership Except for the security interests and encumbrances created and recorded with the Ministry of Corporate Affairs (available using CIN/FCRN/LLPIN/FLLPIN of the Company on the website <a href="http://www.mca.gov.in/MCA21/index.html">http://www.mca.gov.in/MCA21/index.html</a> under the heading "Index of Charges"), the Company has, free from any security interest or encumbrance, the absolute legal and beneficial title to, or valid leases or licenses of, or is otherwise entitled to use (in each case, where relevant, on arm's length terms), all material assets necessary for the conduct of its business as it is being, and is proposed to be, conducted.</p> <p>p) Compliance with Laws</p> <ul style="list-style-type: none"><li>i. The Company and its Group Entities have conducted and are conducting their respective businesses in all material respects in compliance with all applicable Laws including but not limited to Environmental and Social Requirements.</li><li>ii. With respect to all such Environmental and Social Requirements, the Company and each Group Entity (1) have been issued and will maintain all required consents and will take all reasonable steps in anticipation of known or expected future changes or obligations to the same, (2) have not received any complaint, order, directive, claim, citation, or notice by any Governmental Authority, and (3) have not received any complaint or claim from any person seeking damages, contribution, indemnification, cost recovery, compensation, or injunctive relief.</li><li>iii. The Company shall complete all necessary formalities including all filings with the relevant regulatory authorities,</li></ul>
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including but not limited to SEBI, the BSE and the ROC (if applicable) and obtain all consents and approvals required for the completion of the Issue.

q) Anti-terrorism Laws

The Company and its affiliates are in compliance in all respects with all Antiterrorism Laws, and are adhering to all regulatory requirements pertaining to Anti-Terrorism /and Anti-Money Laundering.

r) No Corrupt Practices

i. Neither the Company nor its Promoters or affiliates have indulged in any corrupt practices pertaining to the business such as misstatement, fraud, misappropriation, embezzlement of financial and other resources or gains unreported in the audited financial statements.

ii. Neither the Company nor any Group Entity through its officers, directors or employees in such capacities or any person acting on behalf of the Company or any Group Entity have engaged in any Objectionable Practice.

s) Taxation

i. The Company has duly and punctually paid and discharged all Taxes imposed upon it or its assets within the time period allowed without incurring penalties save to the extent that (A) payment is being contested in good faith, (B) the Company has maintained adequate reserves for those Taxes, and (C) payment can be lawfully withheld;

ii. The Company is not overdue in the filing of any Tax returns; and

iii. No claims exceeding Tax Claims Amount are being or are reasonably likely to be asserted against the Company with respect to Taxes, where such claims could result in or cause a Material Adverse Effect.

t) Disclosures in Disclosure Document(s)

The extent of disclosures made in the Disclosure Document(s) is consistent with disclosures permitted by Government Authorities in relation to the issue of securities made by the Company prior to the issue of the Debentures.

u) Audit

The Company annual accounts are audited by an auditor from a reputable firm of independent chartered accountants.

v) Good Business Standard

The Company in its business transactions with its shareholders, partners, managers, staff, affiliates or affiliates of such entities or persons keeps within normal, good and acceptable business standards, including transactions being on arm's length.

w) Proper book-keeping and accounting

The Company has a proper, efficient and effective book-keeping and accounting system in place as well as adequate professional staff, including maintaining of accounts showing the loan drawings, payments, interest etc.

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	<p>x) <b>Employees</b> The Company is in compliance with all obligations under the applicable labour laws and other applicable Laws in relation to its employees.</p> <p>y) <b>Compliance with RBI/SEBI Regulations an' the Act's Requirements</b> The Debentures are being issued in compliance with the applicable regulations of the RBI/SEBI and the relevant provisions of the Act as applicable. Any provision in the Deed which is not in compliance with regulations of the RBI/SEBI and the relevant provisions of the Act can be amended by the Company and the Debenture Trustee by executing an amendment to the Deed and the Debenture Holders shall have no right to raise any objection thereto.</p>
<p><b>Provisions related to Cross Default Clause</b></p>	<ol style="list-style-type: none"> <li>1. Any Financial Indebtedness of the Issuer or any of its associate or subsidiary or Group/ Promoter held company is not paid when due nor within any originally applicable grace period;</li> <li>2. Any Financial Indebtedness of the Issuer or any of its associate or subsidiary or Group/ Promoter held company is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of any actual/potential event of default or any other similar event (however described);</li> <li>3. Any commitment for any Financial Indebtedness of the Issuer or any of its associate or subsidiary or Group/ Promoter held company is cancelled or suspended by a creditor of the Issuer as a result of an event of default or any other similar event (however described);</li> <li>4. Any creditor of the Issuer or any of its associate or subsidiary or Group / Promoter held company becomes entitled to declare any indebtedness of the Issuer due and payable prior to its specified maturity as a result of an event of default (however described); and</li> <li>5. A moratorium/suspension is declared in respect of any Financial indebtedness of the Issuer</li> </ol>
<p><b>Role and Responsibilities of Debenture Trustee</b></p>	<p><b>Role of the Debenture Trustee</b></p> <p>The Debenture Trustee has been appointed for the purposes set out hereinbelow and the Debenture Trustee is authorised to and hereby agrees, that it shall, for the benefit of the Debenture Holders:</p> <ol style="list-style-type: none"> <li>(c) perform all such acts, deeds and things which the Debenture Trustee may, from time to time, deem necessary or appropriate for or incidental to the management and administration of the rights from time to time vested in it as the Debenture Trustee, under, pursuant to or in connection with the Transaction Documents, all in accordance with the terms and conditions of the Debenture Trust Deed and the other Transaction Documents;</li> <li>(d) execute and deliver such Transaction Documents as are required to be executed by the Debenture Trustee, to keep in its custody documents, deeds and writings in relation to the Debentures;</li> <li>(e) enforce the rights constituted by the Transaction Documents and to</li> </ol>

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perform all such acts, deeds and things which the Debenture Trustee may, from time to time, deem necessary or appropriate for or incidental to such enforcement of the rights constituted by the Transaction Documents, all in accordance with the terms and conditions of the Debenture Deed and the other Transaction Documents;

- (f) take whatever action or exercise any rights or remedies that shall be required to be taken or executed by the Debenture Trustee by the terms and provisions of the Debenture Trust Deed and/ or the other Transaction Documents and exercise its rights and perform its duties and obligations under each of the said documents;
- (g) subject to the terms and provisions of the Debenture Trust Deed and the other Transaction Documents, take such other action in connection with the foregoing as the Debenture Holders may, from time to time, direct;
- (h) keep in its custody and hold all the original Transaction Documents for the benefit of the Debenture Holders.

#### **Duties of the Debenture Trustee**

In performing its obligations in relation to the Debentures:

- (i) The Debenture Trustee shall, subject to these presents, perform its duties and obligations, and exercise its rights and discretions, in keeping with the trust reposed in the Debenture Trustee by the Debenture Holders, and shall further conduct itself, and comply with the provisions of the Indian Trusts Act, 1882 and all other Applicable Law.
- (j) The Debenture Trustee shall carry out all its obligations, duties and functions as the debenture trustee in accordance with the terms set out in the Transaction Documents and where the same is silent or contrary to any other provision of the Transaction Documents, on the instructions of the Debenture Holders. It is hereby clarified that the Debenture Trustee shall, unless otherwise provided for in the Transaction Documents, seek written instructions from the Debenture Holders and only upon receipt of the relevant written instructions from the Debenture Holders, shall the Debenture Trustee exercise such rights and perform such duties and obligations referred to in the Transaction Documents. Notwithstanding such requirement for instructions in writing, the Debenture Trustee shall never take any action inconsistent with the best interests of the Debenture Holders.
- (k) The Debenture Trustee shall provide to the Debenture Holders the details of all information (as well all documents / certificates / reports) provided by the Company to the Debenture Trustee in relation to the Issue or pursuant to the terms of the Transaction Documents.
- (l) The Debenture Trustee shall provide the Debenture Holders with information relating to any cure periods (if any) being availed by the Company under the Transaction Documents and any steps the Company is taking / proposes to take to remedy the default.
- (m) In the event the Debenture Trustee shall have knowledge of the occurrence or continuance of any Event of Default, the Debenture Trustee shall give prompt telephonic notice followed by prompt written notice by facsimile, or email or by courier thereof to the Debenture

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	<p>Holder.</p> <p>(n) The Debenture Trustee shall not do any act, deed or thing which is prejudicial or detrimental to the interest of the Debenture Holders.</p> <p>(o) The Debenture Trustee shall do any act, deed or thing or refrain from doing any act, deed or thing, which may be reasonably expected of the Debenture Trustee under the given circumstances at that point in time, in exercise of its rights and to perform its duties and obligations under the Debenture Trust Deed and the other Transaction Documents, including, for the management, administration, preservation or maintenance of the security interest (if any).</p> <p>(p) Upon receipt of written instructions from the Debenture Holders, the Debenture Trustee at the Company's cost, shall file, record, register, inspect or deposit any Transaction Documents, or to maintain any such filing, recording or deposit or to refile, rerecord or redeposit any such document.</p> <p>(q) Except as otherwise provided herein, or in the other Transaction Documents and under written instructions from the Debenture Holders, monies received by the Debenture Trustee hereunder (or pursuant to the other Transaction Documents) for the benefit of the Debenture Holders shall be kept segregated from the other assets of the Debenture Holders.</p> <p>(r) Except as otherwise provided in the Transaction Documents, the Debenture Trustee shall be responsible for and covenants to keep all customary books and records relating to the receipt and distribution of all moneys which it may receive or be entitled to hereunder or under any agreement, document or instrument contemplated hereby. The Debenture Trustee, upon written request of the Debenture Holders, will furnish the Debenture Holders with all such information as may be required from the Debenture Trustee in connection with the preparation of tax reports and tax returns with respect to taxes due and payable by the trust created hereby in connection with the transactions contemplated hereby, by the Transaction Documents or any other agreement, document or instrument referred to herein.</p> <p>(s) The Debenture Trustee shall keep copies of all reports and returns delivered to it by the Company or filed by it on behalf of the Company, all at the cost of the Company.</p>
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<b>Risk factors pertaining to the issue</b>	<p>Please refer to the General Information Document. In addition to the risk factors set out in the General Information Document, set out hereinbelow are the Issue specific risk factors:</p> <p><b>1. <i>The Debentures may be Illiquid.</i></b></p> <p>It is not possible to predict if and to what extent a secondary market may develop in the Debentures or at what price the Debentures will trade in the secondary market or whether such market will be liquid or illiquid. As specified in this Key Information Document, an application has been made to list the Debentures on the BSE and an in-principle approval will be obtained. If the Debentures are so listed or quoted or admitted to trading on the BSE, no assurance is given by the BSE that any such listing or quotation or admission to trading will be maintained. The fact that the Debentures may be so listed or quoted or admitted to trading does not necessarily lead to greater liquidity than if they were not so listed or quoted or admitted to trading.</p> <p>The Debentures constitute subordinate debt (towards its Tier II Capital), as defined by RBI from time to time under various circulars/ notifications, for the Company and are not redeemable earlier than its stated maturity, without the prior approval of the RBI. However, subject to the Applicable Law, the Company may, but is not obliged to, at any time purchase the Debentures at any price in the open market or by tender or private agreement. Any Debentures so purchased may be resold or surrendered for cancellation. The more limited the secondary market is, the more difficult it may be for holders of the Debentures to realise value for the Debentures prior to redemption of the Debentures.</p> <p><b>2. <i>The Debentures may not be a suitable investment for all investors</i></b></p> <p>Potential investors should ensure that they understand the nature of the Debentures and the extent of their exposure to risk, that they have sufficient knowledge, experience and access to professional advisers such as legal, tax, accounting and other advisers to make their own legal, tax, accounting and financial evaluation of the merits and risks of investment in the Debentures and that they consider the suitability of the Debentures as an investment in the light of their own circumstances and financial condition. These risks may include, among others, equity market risks, bond market risks, interest rate risks, market volatility and economic, political and regulatory risks and any combination of these and other risks.</p>
<b>Governing Law and Jurisdiction</b>	<p>Subject to the terms of the Transaction Documents, the Debentures will be governed by and construed in accordance with the laws of India and the courts in Mumbai shall have non-exclusive jurisdiction to determine any dispute arising in relation to the Debentures.</p>

**Note:**

1. If there is any change in Coupon Rate pursuant to any event including elapse of certain time period or downgrade in rating then such new Coupon Rate and events which lead to such change shall be disclosed
2. The list of documents which has been executed or will be executed in connection with the issue and subscription of debt securities shall be annexed.
3. The principal and Coupon amount of the Debentures is unsecured. The payment of 100% of the amount of the Debentures and Coupon thereon shall depend on the Issuer's performance and financial strength.

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4. The Issuer shall provide the granular disclosures in their Debt Disclosure Documents, with regards to the Object of the Issue” including the percentage of the issue proceeds earmarked each of the “Object of the Issue”.
5. The Arranger and its affiliates, including Online Bond Platform Providers (OBPPs), shall be permitted to use the Issuer’s name, logo, and relevant issuance details solely for the purpose of marketing and promoting the NCD Issuances and matters related thereto  
Such usage may include:
  - Placement of the Issuer’s name, logo, and issuance details, along with marketing materials (including the terms and conditions of the NCD Issuance), on the Arranger’s and OBPPs' websites, mobile applications, or other digital platforms.
  - Inclusion of the Issuer’s name and issuance details in advertisements or promotional materials issued by OBPPs, arranger and/or its affiliates.

### **53. APPLICATION PROCESS:**

The Issuer proposes to Issue the Debentures on the terms set out in this Key Information Document , read with the General Information Document subject to the provisions of the Companies Act, the SEBI Debt Regulations, the SEBI LODR Regulations, the Memorandum and Articles of Association of the Issuer, Application Form, and other terms and conditions as may be incorporated in the Transaction Documents. This section applies to all applicants. Please note that all applicants are required to make payment of the full application amount along with submission of the Application Form

#### **Who Can Bid/Apply/Invest:**

The categories of investors who are eligible to apply for this Issue are mentioned in the Summary Term Sheet of this Key Information Document issued by the Issuer for respective Tranche. However, the prospective subscribers must make their own independent evaluation and judgment regarding their eligibility to invest in the Issue.

All applicants are required to comply with the relevant regulations/ guidelines applicable to them for investing in the Issue as per the norms approved by Government of India, RBI or any other statutory body from time to time, including but not limited to EBP Guidelines as published by the relevant stock exchange on their website and SEBI for investing in this Issue. The contents of this Key Information Document and any other information supplied in connection with this Key Information Document, or the Debentures are intended to be used only by those investors to whom it is distributed. It is not intended for distribution to any other person and should not be reproduced or disseminated by the recipient.

The Issue will be under the electronic book mechanism as required in terms of the Operational Guidelines.

However, out of the aforesaid class of investors eligible to invest, this Key Information Document , read with the General Information Document issued by the Issuer is/will be intended solely for the use of the person to whom it has been sent by the Issuer for the purpose of evaluating a possible investment opportunity by the recipient(s) in respect of the securities offered by the Issuer, and it is not to be reproduced or distributed to any other persons (other than professional advisors of the prospective investor receiving this Key Information Document , read with the General Information Document from the Issuer.

#### **Documents to be provided by successful bidders:**

Investors need to submit the certified true copies of the following documents, along-with the Application Form, as applicable:

- i. Memorandum and Articles of Association/ Constitution/ Bye-laws/ Debenture Trust Deed;
- ii. Board Resolution authorizing the investment and containing operating instructions;
- iii. Power of attorney/ relevant resolution/authority to make application;
- iv. Specimen signatures of the authorized signatories (ink signed), duly certified by an appropriate authority;
- v. Government notification (in case of primary co-operative Issuer and regional rural Issuers);
- vi. SEBI registration certificate (for Mutual Funds);
- vii. Copy of Permanent Account Number Card (“PAN Card”) issued by the Income Tax Department;
- viii. Necessary forms for claiming exemption from deduction of tax at source on interest on application money, wherever applicable;
- ix. Application Form (including RTGS/NEFT details).

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### **Applications to be accompanied with Issuer Account Details:**

Every application shall be required to be accompanied by the Issuer account details of the Applicant for the purpose of facilitating direct credit of all amounts through RTGS.

### **Manner of Bidding:**

The Issue will be through closed bidding on the BSE- EBP platform in line with the Operational Guidelines.

### **Payment Mechanism:**

Applicant shall make remittance of application money by way of electronic transfer of funds through RTGS/electronic fund mechanism for credit by the pay-in-time in the bank account of the clearing corporation appearing on the BSE EBP platform in accordance with the timelines set out in the EBP Guidelines and the relevant rules and regulations specified by SEBI in this regard. All payments must be made through RTGS as per the Bank details mentioned in the application form BSE EBP platform.

### **How to bid:**

Eligible Investors should refer the Operational Guidelines for issuance of debt securities on private placement basis through an electronic book mechanism as available on web site of the designated stock exchange. Eligible Investors will also have to complete the mandatory KYC verification process. Eligible Investors should refer to the EBP Guidelines issued by the relevant stock exchange. The Application Form will be filled in by each Investor. Applications for the Debentures must be in the prescribed form (enclosed) and completed in BLOCK LETTERS in English as per the instructions contained therein.

- a. The details of the Issue shall be entered on the BSE EBP Platform by the Issuer at least 2 (two) working days prior to the Issue / Bid Opening Date, in accordance with the Operational Guidelines.
- b. The Issue will be open for bidding for the duration of the bidding window that would be communicated through the Issuer's bidding announcement on the BSE EBP Platform, at least 1 (one) working day before the start of the Issue / Bid Opening Date.
- c. A bidder will enter the bid amount while placing their bids in the EBP Platform of the relevant stock exchange.

### **Some of the key guidelines in terms of the current Operational Guidelines on issuance of securities on private placement basis through an electronic book mechanism, are as follows:**

- a. **Modification of Bid:** Investors may note that modification of bid is allowed during the bidding period / window. However, in the last 10 (ten) minutes of the bidding period / window, revision of bid is only allowed for downward revision of coupon/spread or upward modification of price and/or upward revision of the bid amount placed by the investor.
- b. **Cancellation of Bid:** Investors may note that cancellation of bid is allowed during the bidding period / window. However, in the last 10 (ten) minutes of the bidding period / window, no cancellation of bids is permitted.
- c. **Multiple Bids:** Eligible Investors are permitted to place multiple bids on the EBP platform in line with the Operational Guidelines.

### **Withdrawal of Issue:**

The Issuer may, at its discretion, withdraw the issue process on the following conditions:

- i. Non-receipt of bids upto the Base Issue Size;
- ii. Bidder has defaulted on payment towards the allotment, within the stipulated time frame, due to which the Issuer is unable to fulfil the base issue size;
- iii. cut-off yield (i.e. the highest yield at which a bid is accepted) in the issue is higher than the estimated cut-off yield (i.e. the yield estimated by the issuer, prior to opening of issue) disclosed to the EBP, where the base issue size is fully subscribed.

Disclosure of estimated cut-off yield on the EBP platform to the eligible participants, pursuant to closure of issue, shall be at the discretion of the issuer.

Provided that in case Issuer withdraws issues on the EBP platform because of the cut-off yield being higher than the estimated cut-off yield, the EBP shall mandatorily disclose the estimated cut-off yield to the eligible participants.

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However, Eligible Investors should refer to the Operational Guidelines as prevailing on the date of the bid.

**Right to accept or reject bids:**

The Company reserves its full, unqualified and absolute right to accept or reject any bid(s), in part or in full, without assigning any reason thereof and to make provisional / final allocations at its absolute discretion.

The application forms that are not complete in all respects are liable to be rejected and would not be paid any interest on the application money. Application would be liable to be rejected on one or more technical grounds, including but not restricted to:

- a. Number of Debentures applied for is less than the minimum application size;
- b. Application money received not being from the Issuer account of the person/entity subscribing to the Debentures or from the Issuer account of the person/ entity whose name appears first in the Application Form, in case of joint holders;
- c. Issuer account details of the Applicants not given;
- d. Details for issue of Debentures in dematerialized form not given;
- e. PAN/GIR and IT circle/Ward/District not given;
- f. In case of applications under power of attorney by limited companies, corporate bodies, trusts, etc. relevant documents not submitted;

In the event, if any Debentures applied for is/ are not allotted in full, the excess application monies of such Debentures will be refunded, as may be permitted.

**How to fill the Application Form:**

- Applications should be for the number of Bonds applied by the Applicant. Applications not completed in the said manner are liable to be rejected.
- The name of the applicant's bank, type of account and account number must be filled in the Application Form.
- The Applicant or in the case of an application in joint names, each of the Applicant, should mention his/her PAN allotted under the Income -Tax Act, 1961 or where the same has not been allotted, the GIR No. and the Income tax Circle/Ward/District. As per the provision of Section 139A (5A) of the Income Tax Act, PAN/GIR No. needs to be mentioned on the certificates. Hence, the investor should mention their PAN/GIR No. Application Forms without this information will be considered incomplete and are liable to be rejected.
- All applicants are requested to tick the relevant column "Category of Investor" in the Application Form. Public/ private/ religious/ charitable trusts, provident funds and other superannuation trusts and other investors requiring "approved security" status for making investments. These are not approved securities as defined under the Insurance Act, 1938.

Applications should be for the number of Debentures applied by the Applicant. Applications not completed in the said manner are liable to be rejected. The name of the applicant's bank, type of account and account number must be filled in the Application Form. This is required for the applicant's own safety and these details will be printed on the refund orders and interest/ redemption warrants.

For further instructions about how to make an application for applying for the Debentures and procedure for remittance of application money, please refer to the Issue Details and the Application Form.

**Terms of Payment:**

The full-face value of the Debentures applied for is to be paid along with the Application Form. Eligible Investor(s) need to send in the Application Form and the details of RTGS for the full value of Debentures applied for.

**Force Majeure:**

The Issuer reserves the right to withdraw the issue prior to the Issue / Bid Closing Date in accordance with the Operational Guidelines, in the event of any unforeseen development adversely affecting the economic and regulatory environment or otherwise.

**Applications under Power of Attorney:**

A certified true copy of the power of attorney or the relevant authority as the case may be along with the names and specimen signature(s) of all the authorized signatories and the tax exemption certificate/document, if any, must be lodged along with the

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submission of the completed Application Form. Further modifications/ additions in the power of attorney or authority should be notified to the Issuer or to the Registrars or to such other person(s) at such other address(es) as may be specified by the Issuer from time to time through a suitable communication.

In case of an Application made by companies under a power of attorney or resolution or authority, a certified true copy thereof along with memorandum and articles of association and/or bye-laws along with other constitutional documents must be attached to the Application Form at the time of making the application, failing which, the Issuer reserves the full, unqualified and absolute right to accept or reject any application in whole or in part and in either case without assigning any reason thereto. Names and specimen signatures of all the authorized signatories must also be lodged along with the submission of the completed Application Form.

#### **Application by Mutual Funds:**

In case of applications by Mutual Funds, a separate application must be made in respect of each scheme of an Indian Mutual Fund registered with SEBI and such applications will not be treated as multiple applications, provided that the application made by the asset management company/ trustees/ custodian clearly indicate their intention as to the scheme for which the application has been made.

The application forms duly filled shall clearly indicate the name of the concerned scheme for which application is being made and must be accompanied by certified true copies of:

- a. SEBI registration certificate;
- b. Resolution authorizing investment and containing operating instructions;
- c. Specimen signature of authorized signatories.

#### **Application by Provident Funds, Superannuation Funds and Gratuity Funds:**

The applications must be accompanied by certified true copies of:

- a. Trust deed / bye laws /resolutions;
- b. Resolution authorizing investment;
- c. Specimen signatures of the authorized signatories.

Those desirous of claiming tax exemptions on interest on application money are required to submit a certificate issued by the Income Tax officer along with the Application Form. For subsequent interest payments, such certificates have to be submitted periodically.

#### **Acknowledgements:**

No separate receipts will be issued for the application money. However, the Issuer receiving the duly completed Application Form will acknowledge receipt of the application by stamping and returning to the applicant the acknowledgement slip at the bottom of each Application Form.

#### **Basis of allocation:**

The Debentures shall be allocated in accordance with applicable SEBI regulations, the provisions of the Operational Guidelines of the Stock Exchange and other applicable laws.

#### **PAN /GIR Number:**

All applicants should mention their Permanent Account Number or the GIR Number allotted under Income Tax Act, 1961 and the Income Tax Circle/ Ward/ District. In case where neither the PAN nor the GIR Number has been allotted, the fact of such a non-allotment should be mentioned in the Application Form in the space provided.

#### **Date of Subscription:**

The Date of Subscription shall be the date of realisation of proceeds of subscription money in the Designated Bank Account of BSE.

#### **Signatures:**

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Signatures should be made in English or in any of the Indian Languages. Thumb impressions must be attested by an authorized official of the Issuer or by a Magistrate/ Notary Public under his/her official seal.

#### **Nomination Facility:**

Only individuals applying as sole applicant/joint applicant can nominate, in the prescribed manner, a person to whom his Bonds shall vest in the event of his death. Non-individuals including holders of power of attorney cannot nominate.

#### **Fictitious Applications:**

In terms of the Section 38 of the Companies Act, 2013, any person who makes, in fictitious name, any application to a body corporate for acquiring, or subscribing to, the Debentures, or otherwise induced a body corporate to allot, register any transfer of Debentures therein to them or any other person in a fictitious name, shall be punishable under the extant laws.

#### **Depository Arrangements:**

The Company has appointed Link Intime India Private Limited, as the registrar and transfer agent to the Issue as the Registrar of the Issue. The Company has made necessary depository arrangements with NSDL and CDSL for the Issue and holding of Debentures in the dematerialised form by investors. In this context, the Company has signed tripartite agreements as under:

- Tripartite Agreement between the Company, the Registrar and Transfer Agent and NSDL for offering Depository option to the investors.
- Tripartite Agreement between the Company, the Registrar and Transfer Agent and CDSL for offering Depository option to the investors.

#### **Procedure for applying for Demat Facility:**

- Applicant(s) must have a beneficiary account with any Depository Participant of NSDL or CDSL prior to making the application.
- Applicant(s) must specify their beneficiary account number and DP's ID in the relevant columns of the Application Form.
- For subscribing to the Debentures, names in the Application Form should be identical to those appearing in the account details of the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
  - If incomplete/ incorrect beneficiary account details are given in the Application Form which does not match with the details in the depository system, it will be deemed to be an incomplete application and the same be held liable for rejection at the sole discretion of the Issuer.
  - The Debentures shall be directly credited to the beneficiary account as given in the Application Form and after due verification, allotment advice/ refund order, if any, would be sent directly to the applicant by the Registrars to the Issue but the confirmation of the credit of the Debentures to the applicant's Depository account will be provided to the applicant by the Depository Participant of the applicant.
- Interest or other benefits with respect to the Debentures would be paid to those bondholders whose names appear on the list of beneficial owners given by the depositories to the Issuer as on the Record Date.
- For the allotment of debentures and all future communications including notices, the address, nomination details and other details of the applicant as registered with his/her DP shall be used for all correspondence with the applicant. The Applicant is therefore responsible for the correctness of his/her demographic details given in the Application Form vis-a-vis those with his/her DP. In case the information is incorrect or insufficient, the Issuer would not be liable for the losses, if any.
- Applicants may please note that the Debentures shall be allotted and traded on the stock exchange(s) only in dematerialized form.

#### **OTHERS**

##### **Right of Debenture holder(s):**

Debenture holder is not a shareholder. The Debenture holders will not be entitled to any rights and privilege of shareholders other than those available to them under statutory requirements. The Debenture(s) shall not confer upon the holders the right to receive notice, or to attend and vote at the general meetings of the Issuer. The principal amount and interest on the Bonds will be paid to the registered Debenture holders only, and in case of Joint holders, to the one whose name stands first.

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Besides the above, the Debentures shall be subject to the provisions of the terms of this Issue and the other terms and conditions as may be incorporated in the Debenture Trustee Agreement and other documents that may be executed in respect of these Bonds.

**Modification of Rights:**

The rights, privileges, terms and conditions attached to the Debentures may be varied, modified or abrogated by the Company, with the consent, in writing, of those Debenture Holders who hold at least three fourth of the outstanding amount of the Debentures or with the sanction accorded pursuant to a special resolution passed at a meeting of the Debenture Holders, provided that nothing in such consent or resolution shall be operative against the Company where such consent or resolution modifies or varies the terms and conditions of the Debentures, if the same are not acceptable to the Company.

**Notices:**

All notices to the Debenture Holder(s) required to be given by the Company or the Debenture Trustee from time to time, shall be deemed to have been given if sent by registered post/ by courier/by email to the sole/ first holder or the sole/ first Beneficial Owner of the Debentures or registered email id of such holder, as the case may be, or if published in Mumbai.

All notice(s) to be given by the Debenture Holder(s) shall be sent by registered post or by hand delivery to the Company or to such persons at such address as may be notified by the Company from time to time through suitable communication.

**Minimum subscription:**

As the current issue of Debentures are being made on private placement basis, the requirement of minimum subscription shall not be applicable and therefore the Issuer shall not be liable to refund the issue subscription(s) /proceed (s) in the event of the total issue collection falling short of the Issue Size or certain percentage of the Issue Size.

**Underwriting:**

The present issue of Debentures is not underwritten.

**Deemed Date of Allotment:**

All benefits under the Debentures including payment of interest will accrue to the Debenture Holders from and including the respective Deemed Date of Allotment. The actual allotment of Debentures may take place on a date other than the Deemed Date of Allotment. In case if the issue closing date/pay-in dates is/are changed (pre-poned/postponed), the Deemed Date of Allotment may also be changed (preponed/ postponed) by the Issuer at its sole and absolute discretion.

**Letter(s) of Allotment / Debenture Certificate(s) /Refund Order (s)/Issue of Letter(s) of Allotment:**

The Company shall allot the Debentures in dematerialized form within 2 (two) Business Days from the Deemed Date of Allotment and ensure completion of all statutory formalities as required for such dematerialized credit within the said time period.

**Issue of Debenture Certificate(s):**

The Company shall allot the Debentures in dematerialized form within 2 (two) Business Days from the Deemed Date of Allotment and ensure completion of all statutory formalities as required for such dematerialized credit within the said time period. The Debentures since issued in electronic (dematerialized) form, will be governed as per the provisions of the Depository Act, Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, rules notified by NSDL/ CDSL/ Depository Participant from time to time and other applicable laws and rules notified in respect thereof. The Debentures shall be allotted in dematerialized form only.

**Market Lot:**

The market lot will be one Debenture (“**Market Lot**”). Since the Debentures are being issued only in dematerialized form, the odd lots will not arise either at the time of issuance or at the time of transfer of Debentures.

**Trading of Debentures:**

The marketable lot for the purpose of trading of Debentures shall be 1 (one) Debenture of face value of ₹ 1,00,000 (Indian Rupees One Lakh) each. Trading of Debentures would be permitted in demat mode only in standard denomination of ₹ 1,00,000 (Indian

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Rupees One Lakh) and such trades shall be cleared and settled in recognized stock exchange(s) subject to conditions specified by SEBI. In case of trading in Debentures which has been made over the counter, the trades shall be reported on a recognized stock exchange having a nationwide trading terminal or such other platform as may be specified by SEBI.

#### **Mode of Transfer of Debentures:**

The Debentures shall be transferred subject to and in accordance with the rules/ procedures as prescribed by the CDSL/NSDL/Depository Participant of the transferor/transferee and any other Applicable Laws and rules notified in respect thereof. The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these Debentures held in electronic form. The seller should give delivery instructions containing details of the buyer's DP account to his depository participant. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, interest will be paid/ redemption will be made to the person, whose name appears in the records of the Depository. In such cases, claims, if any, by the transferee(s) would need to be settled with the transferor(s) and not with the Issuer.

Transfer of Debentures to and from NRIs/ OCBs, in case they seek to hold the Debentures and are eligible to do so will be governed by the then prevailing guidelines of RBI.

#### **Common Form of Transfer:**

The Issuer undertakes that it shall use a common form/procedure for transfer of Debentures issued under terms of this Key Information Document read with the the General Information Document.

#### **Interest on Application Money:**

The Company shall be liable to pay the Debenture Holders interest on application money, at the Coupon Rate (subject to deduction of tax at source, as applicable) for the period commencing from the date on which the Debenture Holders have made payment of the application monies in respect of the Debentures to the Company and ending on the date falling 1 (One) day prior to the Deemed Date of Allotment. The interest on application monies shall be paid by the Company to the Debenture Holders on the first Coupon Payment Date. Provided however, where the pay-in date of the subscription monies in relation to the Debentures and the Deemed Date of Allotment are the same, no interest on application money would be required to be paid.

#### **Interest on the Debentures:**

The face value of the Debentures outstanding shall carry interest at the coupon rate from deemed date of allotment and the coupon rate & frequency of payment (subject to deduction of income tax under the provisions of the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof, as applicable) are mentioned at summary term sheet.

The interest payment shall be made through electronic mode to the debenture holders whose names appear on the list of beneficial owners given by the depository participant to R&TA as on the record date fixed by Issuer in the bank account which is linked to the demat of the bondholder. However, in absence of complete bank details i.e. correct/updated bank account number, IFSC/RTGS code /NEFT code etc., issuer shall be required to make payment through cheques / DDs on the due date at the sole risk of the debenture holders. Interest or other benefits with respect to the Debentures would be paid to those Debenture holders whose names appear on the list of beneficial owners given by the depository participant to R&TA as on the Record Date.

#### **Right to further issue under the ISINs:**

The Issuer reserves right to effect multiple issuances under the same ISIN in accordance with Chapter VIII of SEBI Master Circular dated May 22, 2024, and as amended/supplemented from time to time. The Issue can be made either by way creation of a fresh ISIN or by way of issuance under the existing ISIN at premium, par or discount as the case may be in line with the Master Circular.

#### **Right to Re-purchase, Re-issue or Consolidate the Bonds:**

The Issuer will have power, exercisable at its sole and absolute discretion from time to time, to repurchase a part or all of its Debentures from the secondary markets or otherwise, at any time prior to the Redemption Date, subject to applicable law and in accordance with the applicable guidelines or regulations, if any.

In the event of a part or all of the Issuer's Debentures being repurchased as aforesaid or redeemed under any circumstances whatsoever, the Issuer shall have, and shall be deemed always to have had, the power to re-issue the Debentures either by re-

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issuing the same Debentures or by issuing other debentures in their place. The Issuer shall have right to consolidate the Debentures under present series in accordance with applicable law.

Further the Issuer, in respect of such re-purchased or re-deemed Debentures shall have the power, exercisable either for a part or all of those Debentures, to cancel, keep alive, appoint nominee(s) to hold or re-issue at such price and on such terms and conditions as it may deem fit and as permitted under the ISIN circulars or by laws or regulations.

#### **Deduction of Tax at Source:**

1. Interest on NCDs issued pursuant to this Issue is subject to deduction of income tax under the provisions of the Income Tax Act, 1961 (“**IT Act**”) or any other statutory modification or re-enactment thereof, as applicable. NCD Holders desirous of claiming non-deduction or lower deduction of tax at source under applicable laws, as the case may be, shall be required to submit the declaration/ certificates as per format prescribed under applicable laws with the Issuer and the RTA at the below mentioned address on or prior to the relevant Record Date for payment of interest on the NCDs:

<b>Particulars</b>	<b>Contact Details of the Issuer</b>	<b>Contact Details of the RTA</b>
Name	Muthoot Housing Finance Company Limited	Link Intime India Pvt Ltd
Correspondence Address	TC 14/2074-7, Muthoot Centre, Punnen Road, Trivandrum – 695 039 Kerala, India	C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai – 400 083
Contact Person	S Sumesh	Ganesh Jadhav
Designation	Company Secretary	Manager
E-mail ID	sumesh.s@muthoot.com	ganesh.jadhav@linkintime.co.in
Tel. No.	04714911538	+91 22 49186000
Link for online submission	NA	NA

2. In case of non-receipt of such prescribed declaration/ certificate from the NCD Holders claiming non-deduction or lower deduction of tax at source under applicable laws, on or prior to the relevant Record Date, the Issuer shall make TDS deductions in accordance with the prescribed rates prior to credit of interest on NCDs.
3. Income Tax is deductible at source at the rate of 10% on interest on NCDs held by resident Indians in accordance with Section 193 of the IT Act or such other rate as may be applicable from time to time. In cases where interest is to be paid to an Individual or Hindu Undivided Family (“**HUF**”) (being the NCD Holder) is less than Rs. 5,000 and interest is to be paid by way of account payee cheque then the relevant NCD Holder may seek non deduction of tax at source on the interest on NCDs by submitting the prescribed declaration/certificates with the Issuer and the RTA at the aforesaid address on or prior to the relevant Record Date.
4. In case of NCD Holder who is a resident Individual or resident HUF claiming non-deduction or lower deduction of tax at source under section 193 of the IT Act, as the case may be, the NCD Holder should furnish either (a) a declaration (in duplicate) in the prescribed form i.e. (i) Form 15H which can be given by Individuals who are of the age of 60 years or more (ii) Form 15G which can be given by all Debenture Holders (other than companies and firms), or (b) a certificate, from the Assessing Officer which can be obtained by all Debenture Holders (including companies and firms) by making an application in the prescribed form i.e. Form No. 13.
5. Debenture Holders may seek/ may be granted, as the case may be, non-deduction or lower deduction of tax at source in following instances under the IT Act:
  - a) When the Assessing Officer issues a certificate on an application by a Debenture Holder on satisfaction that the total income of the Debenture Holder justifies no/lower deduction of tax at source as per the provisions of Section 197(1) of the IT Act; and that a valid certificate is filed by the NCD Holder with the Company before the Record Date for payment of interest;
  - b) When the resident Debenture Holder with Permanent Account Number (“**PAN**”) (not being a company or a firm) submits a declaration as per the provisions of section 197A(1A) of the IT Act in the prescribed Form 15G

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verified in the prescribed manner to the effect that the tax on his estimated total income of the financial year in which such income is to be included in computing his total income will be NIL. However, under section 197A(1B) of the IT Act, Form 15G cannot be submitted nor considered for exemption from tax deduction at source if the dividend income referred to in section 194, interest on securities, interest, withdrawal from NSS and income from units of mutual fund or of Unit Trust of India as the case may be or the aggregate of the amounts of such incomes credited or paid or likely to be credited or paid during the financial year in which such income is to be included exceeds the maximum amount which is not chargeable to income tax;

- c) Senior citizens, who are 60 or more years of age at any time during the financial year, enjoy the special privilege to submit a self-declaration in the prescribed Form 15H for non-deduction of tax at source in accordance with the provisions of section 197A(1C) of the IT Act even if the aggregate income credited or paid or likely to be credited or paid exceeds the maximum amount not chargeable to tax, provided that the tax due on the estimated total income of the year concerned will be NIL;
  - d) All mutual funds registered under Securities and Exchange Board of India are exempt from tax on all their income, including income from investment in Debentures under the provisions of Section 10 (23D) of the IT Act in accordance with the provisions contained therein. Further, as per the provisions of section 196 of the IT Act, no deduction of tax shall be made by any person from any sums payable to mutual funds specified under Section 10(23D) of the IT Act, where such sum is payable to it by way of interest or dividend in respect of any securities or shares owned by it or in which it has full beneficial interest, or any other income accruing or arising to it;
  - e) For any NCDs held by Foreign Institutional Investors/ Foreign Portfolio Investors/ Qualified Foreign Investors, interest income earned by FIIs/FPIs should be chargeable to tax at the rate of 20% plus surcharge and education cess under section 115AD of the IT Act. Tax shall be deducted u/s. 196D of the IT Act on such income at 20%. Where DTAA is applicable to the payee, the rate of tax deduction shall be lower of rate as per DTAA or 20%, subject to the conditions prescribed therein;
  - f) Interest payable to Life Insurance Corporation, General Insurance Corporation and any other insurers are exempted from deductions of tax at source under Section 193 of the IT Act;
  - g) Interest payable to entities falling under the list of entities exempted from TDS by the circular no. 18/2017 by Central Board of Direct Taxes (whose income is unconditionally exempt under Section 10 of the IT Act and who are also statutorily not required to file return of income as per Section 139 of the IT Act);
  - h) Any other specific exemption available to any other category of investors under the IT Act.
6. In case(s) where the NCD Holder(s) do not submit the declaration/ certificates as per format prescribed under applicable laws with the Issuer and the RTA at the specified address on or prior to the relevant Record Date for payment of interest on the NCDs, the Issuer shall not be liable to refund the applicable amount of tax deducted at source and the NCD Holders would be required to directly take up with the tax authorities for refund, if any

#### **List of Beneficial Owners:**

The Issuer shall request the Depository to provide a list of Debenture Holders as at the end of the Record Date. This shall be the list, which shall be considered for payment of interest or repayment of principal amount, as the case may be.

#### **Succession:**

In the event of the demise of the sole/first holder of the Debenture(s) or the last survivor, in case of joint holders for the time being, the Issuer shall recognize the executor or administrator of the deceased Debenture Holder or the holder of succession certificate or other legal representative as having title to the Debenture(s). The Issuer shall not be bound to recognize such executor or administrator, unless such executor or administrator obtains probate, wherever it is necessary, or letter of administration or such holder is the holder of succession certificate or other legal representation, as the case may be, from a Court in India having jurisdiction over the matter. The Issuer may, in its absolute discretion, where it thinks fit, dispense with production of probate or letter of administration or succession certificate or other legal representation, in order to recognize such

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holder as being entitled to the Debenture (s) standing in the name of the deceased Debenture Holder on production of sufficient documentary proof or indemnity.

Where a non-resident Indian becomes entitled to the Debenture by way of succession, the following steps have to be complied:

- Documentary evidence to be submitted to the legacy cell of the RBI to the effect that the Debenture was acquired by the NRI as part of the legacy left by the deceased holder.
- Proof that the NRI is an Indian National or is of Indian origin.
- Such holding by the NRI will be on a non -repatriation basis.

**Joint Holders:**

Payment of the principal amount of each of the Debentures and interest and other monies payable thereon shall be made to the respective Debenture Holder and in case of joint Debenture Holders, to the one whose name stands first in the register of Debenture Holder(s).

**Governing Law and Jurisdiction:**

The Transaction Documents and the rights and obligations of the Parties thereunder shall be construed in accordance with and be governed by the laws of India.

For all matters for which the courts of law would have jurisdiction, the courts and tribunals in Mumbai shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Transaction Documents and that accordingly any proceedings arising out of or in connection with the Transaction Documents may be brought in such courts or the tribunals and the Obligors irrevocably submits to and accepts for itself and in respect of their property, generally and unconditionally, the jurisdiction of those courts or tribunals.

**Investor Relations and Grievance Redressal:**

Arrangements have been made to redress investor grievances expeditiously as far as possible. The Issuer shall endeavor to resolve the investor's grievances within 30 (thirty) days of its receipt. All grievances related to the issue quoting the Application Number (including prefix), number of Debentures applied for, amount paid on application and details of collection centre where the Application was submitted, may be addressed to the Compliance Officer at Registered Office of the Issuer. All investors are hereby informed that the Issuer has designated a Compliance Officer who may be contacted in case of any pre-issue/ post-issue related problems such as non-credit of letter(s) of allotment/ debenture certificate(s) in the demat account, non-receipt of refund order(s), interest warrant(s)/ cheque(s) etc. Contact details of the Compliance Officer are given elsewhere in this Key Information Document.

**54. PROJECT DETAILS: PROJECT COST AND MEANS OF FINANCING (IF CASE OF FUNDING FOR NEW PROJECT), GESTATION PERIOD OF THE PROJECT; EXTENT OF PROGRESS MADE IN THE PROJECT; DEADLINES FOR COMPLETION OF THE PROJECT; THE SUMMARY OF THE PROJECT APPRAISAL REPORT (IF ANY), SCHEDULE OF IMPLEMENTATION OF THE PROJECT:**

Not Applicable

**55. ADDITIONAL DISCLOSURE PRESCRIBED UNDER PAS-4 OF COMPANIES ACT, 2013 AND SEBI DEBT REGULATIONS AS NOT COVERED ABOVE:**

a.	Name and address of the valuer who performed valuation of the security offered, and basis on which the price has been arrived at along with report of the registered valuer;	Not applicable
b.	Relevant date with reference to which the price has been arrived at ["Relevant Date" means a date atleast thirty days prior to the date on which the general meeting of the company is scheduled to be held]	Not applicable
c.	The class or classes of persons to whom the allotment is proposed to be made	The Allotment shall be made to class or classes of persons in

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		accordance with applicable laws including Companies Act, 2013.
d.	Intention of promoters, directors or key managerial personnel to subscribe to the offer (applicable in case they intend to subscribe to the offer)	Not Applicable as the issue is for non-convertible debentures.
e.	The proposed time within which the allotment shall be completed	The Allotment shall be completed on the Deemed Date of Allotment.
f.	The change in control, if any, in the company that would occur consequent to the private placement	Not Applicable as the issue is for non-convertible debentures.
g.	The number of persons to whom allotment on preferential basis/ private placement/ rights issue has already been made during the year, in terms of number of securities as well as price	Nil
h.	The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the Registered Valuer	Not Applicable as there will be no consideration other than cash.
i.	Amount which the company intends to raise by way of securities	The present Issue under this Key Information Document is for an issue size of not exceeding Rs. 50 crores.
j.	Terms of raising securities: Duration of securities, if applicable, Rate of dividend or rate of interest, mode of payment and repayment;	Please refer to Summary Term Sheet
k.	Purposes and objects of the offer	As per Key Information Document
l.	Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects;	Nil
m.	Principle terms of assets charged as security, if applicable;	Not applicable
n.	The details of significant and material orders passed by the Regulators, Courts and Tribunals impacting the going concern status of the company and its future operations	Not applicable

**1. The pre-issue and post-issue shareholding pattern of the company:**

Please refer to Annexure 5 of this Key Information Document for detailed shareholding pattern as latest available. The post-issue equity shareholding pattern of the Company will not change consequent to the present issue of Bonds.

The pre-issue and post-issue preference shareholding pattern of the company is Nil as the Issuer has not issued any preference shares.

**2. Details of default in compliances, if any:**

NIL

**56. UNDERTAKING BY THE ISSUER:**

- i. Investors are advised to read the risk factors carefully before taking an investment decision in this issue. For taking an investment decision, investors must rely on their own examination of the issuer and the offer including the risks involved. The securities have not been recommended or approved by the any regulatory authority in India, including the Securities and Exchange Board of India (**SEBI**) nor does SEBI guarantee the accuracy or adequacy of this document. Specific attention of investors is invited to the statement of 'Risk factors.
- ii. The Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this Key Information Document read with the the General Information Document contains all information with regard to the issuer and the issue, that the information contained in this Key Information Document is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

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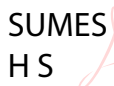
The Issuer has no side letter with any debt securities holder except the one(s) disclosed in this Key Information Document and the the General Information Document. Any covenants later added shall be disclosed on the stock exchange website where the debt is listed.

### 57. DECLARATION (PART A):

The Issuer declares as of the date of this Key Information Document that all the relevant provisions in the regulations/guideline issued by SEBI and other applicable laws have been complied with and no statement made in this Key Information Document is contrary to the provisions of the regulations/guidelines issued by SEBI and other applicable laws, as the case may be. The information contained in this Key Information Document is as applicable to privately placed debt securities and subject to information available with the Issuer.

The extent of disclosures made in this Key Information Document is consistent with disclosures permitted by regulatory authorities to the issue of securities made by companies in the past.

#### For Muthoot Housing Finance Company Limited

 Digitally signed  
by SUMESH S  
Date: 2025.02.13  
09:59:47 +05'30'

**Name:** S Sumesh

**Designation:** Compliance Office and Company Secretary

**Date:** 13/02/2025

**Place:** Kerala, India

#### For Muthoot Housing Finance Company Limited

 Digitally signed by YOGESH RATNAKAR  
UDHOJI  
DN: cn=MOHOTH HOUSING FINANCE  
COMPANY LIMITED, ou=ACCOUNTS AND  
FINANCE DEPT FINANCIAL OFFICER,  
2.5.4.20=654187a767944668b7979a5b85  
802307036454967960490476476  
postalCode=400011, o=Maharashtra,  
serialNumber=C611892244878760F8E572  
9E2080A0298799F8B8E4A48FC9BC30  
F1, cn=YOGESH RATNAKAR UDHOJI  
Date: 2025.02.13 10:25:32 +05'30'

**Name:** Yogesh Udhoji

**Designation:** Chief Financial Officer

**Date:** 13/02/2025

**Place:** Mumbai, India

### 58. DECLARATION (PART B):

I, the undersigned, as authorized by the Board of Directors of the Company, in the Board meeting held on May 07, 2024 to sign on behalf of Board of Directors of the Company and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the originals records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association.

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- a. the Muthoot Housing Finance Company Limited (Company) is in compliance with the provisions of Securities Contracts (Regulation) Act, 1956 (42 of 1956) and the Securities and Exchange Board of India Act, 1992 (15 of 1992), Companies Act, 2013 (18 of 2013) and the rules and regulations made thereunder.
- b. the compliance with the Act and the rules does not imply that payment of interest or repayment of debentures, is guaranteed by the Central Government.
- c. the monies received under the offer shall be used only for the purposes and objects indicated in the Private Placement Offer cum Application Letter;
- d. this Private Placement Offer cum Application Letter contains full disclosures in conformity with Form PAS-4 prescribed under section 42 of the Companies Act, 2013 read with Companies (Prospectus and Allotment of Securities) Rules, 2014, SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 issued vide Notification No. SEBI/LAD- NRO/GN/2021/39 dated 9th August 2021, as amended from time to time and such other circulars applicable for issue of Non-Convertible Securities issued by SEBI from time to time.
- e. all the requirements of Companies Act, 2013 and the rules made there under in respect of the subject matter of this form and matters incidental thereto have been complied with.
- f. the Company accepts no responsibility for the statement made otherwise than in the Private Placement Offer cum Application Letter or in any other material issued by or at the instance of the Company and that anyone placing reliance on any other source of information would be doing so at his own risk.
- g. the Company accepts no responsibility for the statement made otherwise than in the Private Placement Offer cum Application Letter or in any other material issued by or at the instance of the Company and that anyone placing reliance on any other source of information would be doing so at his own risk.
- h. The contents of this Key Information Document have been perused by the Board of Directors, and the final and ultimate responsibility of the contents mentioned herein lies with the Board of Directors.

#### General Risk

Investment in non-convertible securities is risky, and investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, investors must rely on their examination of the issue including the risks involved in it. Specific attention of investors is invited to statement of risk factors contained under Section "Management perception of Risk Factors" of the Key Information Document. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the non-convertible securities or investor's decision to purchase such securities.

### For Muthoot Housing Finance Company Limited

**SUM**  
**ESH S**

Digitally signed  
by SUMESH S  
Date:  
2025.02.13  
10:00:20  
+05'30'

**Name:** S Sumesh

**Designation:** Compliance Office and Company Secretary

**Date:** 13/02/2025

**Place:** Kerala, India

### For Muthoot Housing Finance Company Limited

**YOGESH**  
**RATNAKA**  
**R UDHOJI**

Digitally signed by YOGESH RATNAKA R UDHOJI  
DN: cn=, o=MUTHOOT HOUSING FINANCE  
COMPANY LIMITED, ou=ACCOUNTS AND  
FINANCE, c=IN, postalCode=560014  
c=IN, email=YOGESH.RATNAKA@MUTHOOT.COM  
serialNumber=402001, st=MAHARASHTRA,  
organization=CCRE, postalCode=400022  
HE, postalCode=400022, postalCode=400022  
c=IN, o=YOGESH RATNAKA R UDHOJI  
Date: 2025.02.13 10:26:05 +05'30'

**Name:** Yogesh Udhoji

**Designation:** Chief Financial Officer

**Date:** 13/02/2025

**Place:** Mumbai, India

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**58. ANNEXURE (S) FORMING INTEGRAL PART OF THIS KEY INFORMATION DOCUMENT:**

- A. Annexure 1 - Consent Letter of Debenture Trustee
- B. Annexure 2 - Rating (s) along with press release/rating rationale
- C. Annexure 3 - Board & AGM Resolutions
- D. Annexure 4 - Audited Financial Statements on standalone and consolidated basis for a period of three completed financial years with the Auditor's Report along with the requisite schedules, foot notes, summary etc.
- E. Annexure 5 - Shareholding pattern as on 31.12.2024 as latest available, as per format specified under listing regulations
- F. Annexure 6 - Related party disclosures
- G. Annexure 7 - In-principle approval for listing from BSE
- H. Annexure 8 – Borrowing and Lending Policy and Disclosure of Asset and Liabilities Management
- I. Annexure 9 - Litigation

CL/DEB/24-25/2299

Date : 12-Feb-2025

To,  
Devanshi Sheth,  
Muthoot Housing Finance Company Limited,  
TC No 14/2074-7, ,  
Muthoot Centre Punnen Road,  
Thiruvananthapuram,  
Kerala,  
India 695039.

Dear Sir/ Madam,

**Re: Consent to act as a Debenture Trustee for Private Placement of Fully Paid, Rated, Listed, Redeemable, Transferable, UnSecured, Non-Convertible Debentures of ₹ 50.00 Crores**

We refer to your letter dated , requesting us to convey our consent to act as the Debenture Trustee for captioned issue of Debentures.

We hereby convey our acceptance to act as Debenture Trustees for the said issue Debentures, subject to execution of Debenture Trustee Agreement as per Regulation 13 of SEBI (Debenture Trustee) Regulations, 1993, thereby agreeing to execute Debenture Trust Deed and to create the security if applicable within the timeline as per relevant Laws / Regulations and in the Offer Document / Information Memorandum / Disclosure Document / Placement Memorandum and company agreeing / undertaking to comply with the provisions of SEBI ( Debenture Trustee ) Regulations, 1993, SEBI ( Issue and Listing of Non-Convertible Securities) Regulations 2021, SEBI (Listing Obligations & Disclosure Requirements) Regulation 2015, Companies Act, 2013 and Rules thereunder and other applicable laws as amended from time to time.

Fee Structure for the proposed transaction will be as per annexure A.

Assuring you of the best professional services.

Thanking you.

Yours faithfully,



**Name : Priti Shetty**

**Designation : Assistant Vice President**



**Annexure A**

**Fee Structure for transaction CL/DEB/24-25/2299**

PERTICULARS	AMOUNT
Acceptance fees (one-time, non-refundable, payable on our appointment)	₹ 0.00
Annually Trusteeship Fees(Amount/Percentage)	₹ 40,000.00

Annually Fees are payable in advance each year from date of execution till termination of the transaction. Pro-rata charges would apply for the first year till FY end, as applicable. The taxes on above fee structure are payable at applicable rates from time to time.

All out of pocket expenses incurred towards legal fees, travelling, inspection charges, etc shall be levied and re-imbursed on actual basis.

Please return the second copy this letter duly signed by Authorized Officer from your company.

Yours Faithfully,

We accept the above terms.

**For Catalyst Trusteeship Limited**

**For Muthoot Housing Finance Company Limited**



**Name : Priti Shetty**

**Name :**

**Designation : Assistant Vice President**

**Designation :**



CONFIDENTIAL

RL/MTHFCL/359362/SUBDEBT/1224/105895/168553131

December 30, 2024

**Mr. Pavan K. Gupta**

Chief Executive Officer

**Muthoot Housing Finance Company Limited**

12A 01, 13th Floor, Parinee Crescenzo,

Plot No. C-38 &amp; C-39, Bandra Kurla Complex,

G Block, Bandra (East),

Mumbai City - 400051

9986011542

Dear Mr. Pavan K. Gupta,

**Re: CRISIL Rating on the Rs. 100 Crore Subordinated Debt of Muthoot Housing Finance Company Limited**

We refer to your request for a rating for the captioned Debt instrument.

CRISIL Ratings has, after due consideration, assigned a CRISIL A+/Stable (pronounced as CRISIL A plus rating with Stable outlook) rating to the captioned Debt instrument. Securities with this rating are considered to have adequate degree of safety regarding timely servicing of financial obligations. Such securities carry low credit risk.

Further, in view of your decision to accept the CRISIL Ratings, we request you to apprise us of the instrument details (in the enclosed format) as soon as it has been placed. In the event of your company not making the issue within a period of 180 days from the above date, or in the event of any change in the size or structure of your proposed issue, a fresh letter of revalidation from CRISIL Ratings will be necessary.

As per our Rating Agreement, CRISIL Ratings would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL Ratings reserves the right to withdraw, or revise the rating / outlook assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information, or other circumstances which CRISIL Ratings believes may have an impact on the rating. Please visit [www.crisilratings.com](http://www.crisilratings.com) and search with the name of the rated entity to access the latest rating/s.

As per SEBI circular (reference number: CIR/IMD/DF/17/2013; dated October 22, 2013) on centralized database for corporate bonds/debentures, you are required to provide international securities identification number (ISIN; along with the reference number and the date of the rating letter) of all bond/debenture issuances made against this rating letter to us. The circular also requires you to share this information with us within 2 days after the allotment of the ISIN. We request you to mail us all the necessary and relevant information at [debtissue@crisil.com](mailto:debtissue@crisil.com). This will enable CRISIL Ratings to verify and confirm to the depositories, including NSDL and CDSL, the ISIN details of debt rated by us, as required by SEBI. Feel free to contact us at [debtissue@crisil.com](mailto:debtissue@crisil.com) for any clarification you may need.

Should you require any clarification, please feel free to get in touch with us.

With warm regards,

Yours sincerely,

Prashant Pratap Mane

Associate Director - CRISIL Ratings

Nivedita Shibu

Director - CRISIL Ratings



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**Crisil Ratings Limited**

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Phone: +91 22 6137 3000 | [www.crisilratings.com](http://www.crisilratings.com)a company of **S&P Global**

**Details of the Rs. 100 Crore Subordinated Debt of  
Muthoot Housing Finance Company Limited**

	<i>1st tranche</i>		<i>2nd tranche</i>		<i>3rd tranche</i>	
<i>Instrument Series:</i>						
<i>Amount Placed:</i>						
<i>Maturity Period:</i>						
<i>Put or Call Options (if any):</i>						
<i>Coupon Rate:</i>						
<i>Interest Payment Dates:</i>						
<i>Principal Repayment Details:</i>	Date	Amount	Date	Amount	Date	Amount
<i>Investors:</i>						
<i>Trustees:</i>						

***In case there is an offer document for the captioned Debt issue, please send us a copy of it.***

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## Rating Rationale

December 30, 2024 | Mumbai

### Muthoot Housing Finance Company Limited

'CRISIL A+/Stable' assigned to Subordinated Debt and Non Convertible Debentures

#### Rating Action

Total Bank Loan Facilities Rated	Rs.2500 Crore
Long Term Rating	CRISIL A+/Stable (Reaffirmed)

Rs.100 Crore Subordinated Debt	CRISIL A+/Stable (Assigned)
Rs.100 Crore Non Convertible Debentures	CRISIL A+/Stable (Assigned)
Rs.5 Crore Non Convertible Debentures	Withdrawn (CRISIL A+/Stable)
Rs.100 Crore Commercial Paper	CRISIL A1+ (Reaffirmed)

Note: None of the Directors on CRISIL Ratings Limited's Board are members of rating committee and thus do not participate in discussion or assignment of any ratings. The Board of Directors also does not discuss any ratings at its meetings.

1 crore = 10 million

Refer to Annexure for Details of Instruments & Bank Facilities

#### Detailed Rationale

CRISIL Ratings has assigned its 'CRISIL A+/Stable' rating to Rs 100 crore Subordinated Debt and Rs 100 crore Non Convertible Debentures of Muthoot Housing Finance Company Limited (MHFCL) and has reaffirmed its 'CRISIL A+/Stable/CRISIL A1+' ratings on the existing bank facilities and debt instruments.

CRISIL Ratings has also **withdrawn** its rating on Non Convertible Debentures of Rs 5 crore at a company's request and the withdrawal is in line with its rating withdrawal policy (See Annexure 'Details of rating withdrawn' for details).

The rating continues to reflect the strategic importance of the company to, and expected strong financial support from, its parent, Muthoot Fincorp Ltd (MFL; rated 'CRISIL AA-/CRISIL A/Stable/CRISIL A1+'). The rating further reflects the adequate capital position maintained by MHFCL and improving asset quality. These strengths are partially offset by average, but improving, earnings profile, and moderate scale of operations.

Assets under management (AUM) stood at Rs 2,311 crore as on September 30, 2024, registering a growth of ~11.7% year to date from Rs 2,070 crore as on March 31, 2024. Disbursement also picked up and stood at Rs 424 crore for the half year ended September 30, 2024 (Rs 870 crore in fiscal 2024). From April 2024 till September 2024, it has disbursed Rs 71 crore per month on average, against Rs 72 crore on average in fiscal 2024. The growth in the portfolio can be attributed to relatively higher growth in the loans against property (LAP) portfolio. In terms of portfolio breakup, retail home loans accounted for about 69% in September 2024, with the rest being LAP at 31%. This portfolio mix is expected to remain stable over the medium term.

As far as asset quality is concerned, gross non-performing assets (GNPA) improved to within 1.0% both in fiscal 2023 and fiscal 2024. The GNPA stood at 0.98% as on September 2024 as against 0.79% as on March 2024. Net non-performing assets (NNPA) stood at 0.7% and 0.3% respectively. Additionally, the new book, which has generated post covid, is performing well with overall collection efficiency of around 99% over the last 12 months. Nevertheless, given that majority of the loans are towards the affordable segment, any change in the payment discipline of borrowers may impact delinquency level. Therefore, the company's ability to manage asset quality while growing its portfolio and maintain healthy collections will remain monitorable.

#### Analytical Approach

For arriving at its rating, CRISIL Ratings has assessed the standalone financial and business risk profiles of MHFCL. In addition, the rating factors in the company's strategic importance to, and strong financial support from, its parent, MFL.

#### Key Rating Drivers & Detailed Description

##### Strengths:

- **Strategic importance to, and expected strong support from, the parent:** The rating on the debt instruments of MHFCL centrally factors in the expectation of support from MFL which, along with its promoters, jointly owns 100% stake in MHFCL. Given the majority ownership, shared name, and common branding and corporate identity, MFL has a strong moral obligation to continue supporting MHFCL. In addition, the latter enables the Muthoot Pappachan group's diversification into the strategically important and affordable housing finance segment. Most of the group's promoters serve as directors on the board of MHFCL and Mr Thomas Muthoot, executive director of MFL, is the managing director of MHFCL. The Muthoot Pappachan group's brand equity helps MHFCL raise bank loans at competitive cost despite a short track record. Moreover, the promoters will provide funding support when needed.

- **Adequate capitalization:** MHFCL had a comfortable network of Rs 366 crore and gearing at 5.7 times as of September 2024 as compared to Rs 323 crore and 5.6 times respectively as on March 31, 2024 (Rs 263 crore and 4.8 times as on March 31, 2023), supported by internal accrual and MFL's ability to infuse capital. The parent has year-on-year infused equity in the company. It infused another Rs 25 crore in the first half of fiscal 2024 and is expected to infuse further in the second half as well. Overall capital adequacy ratio (CAR) was 23.3% as of September 2024. Given the expectation of financial support from the parent, capitalisation should remain adequate over the medium term, with gearing unlikely to exceed 6 times and CAR expected above 20%.

#### **Weaknesses:**

- **Average, but improving asset quality:** The company operates in the affordable housing segment and caters to borrowers with relatively weak credit risk profiles. It finances customers engaged in small businesses such as provision store owners, vegetable and food vendors, drivers, contractors, fabricators and plumbers as well as salaried customers working in the organised and unorganised sectors. It also finances customers who avail of housing under various government-supported schemes, such as Housing for All and Pradhan Mantri Awas Yojana. These borrowers have weak credit risk profiles because of their volatile incomes and employment in unorganised segments. Also, borrowers generally have limited or nil access to formal housing finance in the absence of proper documentation evidencing income, limited documentation regarding property, particularly in semi-urban or rural areas, and lack of credit history.

Although the company operates in weak borrower class segment, in the past two years, the company, owing to sale of portfolio to an ARC, has managed to reduce the GNPA to 0.79% as of March 2024. The GNPA and NNPA stood at 0.98% and 0.70% respectively as of September 2024. The company is now focusing on the self-construction home loan segment targeting salaried (formal or informal) customers. It has significantly reduced its disbursements in the builder-led retail housing loan segment. Nevertheless, collection efficiency has remained at around 99% over the last 12 months. As the company is expanding its portfolio, ability to maintain adequate asset quality will be monitorable.

- **Average earnings profile:** MHFCL reported a return on managed assets (RoMA) of 1.8% in fiscal 2024 against 1.7% in fiscal 2023. As the company is in expansion phase, operating expenses might inch up in current fiscal and fiscal 2026. As a result, in the first half of fiscal 2024, the company reported a RoMA of 1.5% (annualised). Going forward, operating expenses might rise marginally as the company plans to add few more branches in fiscal 2025 and will leverage on them for growth. Profitability should improve with ramp-up in operations over the medium term. However, ability to grow the portfolio and maintain operating and credit cost will be closely monitored.
- **Small, yet improving scale of operations:** The portfolio has seen a descent growth in the past 2 years and AUM stood at Rs 2,070 crore as on March 31, 2024, against Rs 1,520 crore as of March 2023 registering a year-on-year growth of 36.1%. It further improved to Rs 2,311 crore as on September 30, 2024. However, despite presence in 11 states (Maharashtra, Gujarat, Tamil Nadu, Kerala, Karnataka, Andhra Pradesh, Rajasthan, Madhya Pradesh, Chhattisgarh, Puducherry and Uttar Pradesh), operations are geographically concentrated with the top 4 states accounting for 65% of the portfolio as on September 30, 2024. The company plans to deepen its geographical presence for which it is crucial to understand local business requirements. The said, ability to diversify the geographical reach substantially is a key rating sensitivity factor.

#### **Liquidity: Adequate**

As per the asset liability maturity profile as on September 30, 2024, the company had no negative cumulative mismatch across all buckets, even without considering unutilised lines of credit. Cash and equivalent, including liquid investments and unutilised cash credit/working capital demand loan, were Rs 221.8 crore (excluding term loans and securitisation lines) as on September 30, 2024. Total debt obligation (including operating expenses) was around Rs 95.1 crore between October and November 2024. The company has adequate liquidity to meet debt obligation and operating expenses for the next two months. As on September 30, 2024, it has availed funds of Rs 407 crore since April 2024 and has Rs 1,000 crore in the pipeline as on same date. CRISIL Ratings believes MHFCL will receive timely financial support from MFL.

#### **Outlook: Stable**

MHFCL will continue to receive strong support from MFL, and will maintain adequate capitalisation over the medium term.

#### **Rating sensitivity factors**

##### **Upward factors:**

- Upward revision in the credit rating of the parent, MFL
- Substantial scale-up in operations while maintaining GNPA's below 3% on steady state basis

##### **Downward factors:**

- Downward revision in the credit rating of, or change in the stance of support from, or any substantial reduction in shareholding by, the parent
- Significant and prolonged weakening of asset quality, with GNPA's increasing beyond 6%

#### **About the Company**

MHFCL is part of the Muthoot Pappachan group and a subsidiary of the group's flagship company, MFL. The group has a presence in diverse businesses such as loans against gold, vehicle finance, microfinance, money transfer, mutual fund distribution, hospitality, real estate and power generation. MHFCL was incorporated in March 2010 and commenced operations in July 2011. It operates in the affordable housing finance segment and provides 90% of loans of up to Rs 25 lakh to people with income of Rs 15,000-30,000 per month for purchase, construction, extension of house and other mortgage loans. MHFCL has presence in Maharashtra, Gujarat, Tamil Nadu, Telangana, Kerala, Madhya Pradesh, Rajasthan, Uttar Pradesh, Karnataka, Andhra Pradesh, Chhattisgarh and Puducherry. As on September 30, 2024, it had a network of Rs 366 crore and AUM of Rs 2,311 crore.

**Key Financial Indicators**

Particulars as on March 31,	Unit	H1 2025/As on September 2024	2024	2023	2022	2021
Total assets	Rs crore	2,544	2,278	1,602	1,392	1,269
Total income	Rs crore	183	293	222	190	177.5
Profit after tax	Rs crore	17	35	26	17	20.1
Gross NPAs (90+ dpd)	%	0.98	0.79	0.83	3.80	3.28
Gearing	Times	5.7	5.6	4.8	4.8	4.7
Return on managed assets	%	1.5*	1.8	1.7	1.2	1.6

\*Annualised

**Any other information:** Not Applicable**Note on complexity levels of the rated instrument:**

CRISIL Ratings` complexity levels are assigned to various types of financial instruments and are included (where applicable) in the 'Annexure - Details of Instrument' in this Rating Rationale.

CRISIL Ratings will disclose complexity level for all securities - including those that are yet to be placed - based on available information. The complexity level for instruments may be updated, where required, in the rating rationale published subsequent to the issuance of the instrument when details on such features are available.

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**Annexure - Details of Instrument(s)**

ISIN	Name Of Instrument	Date Of Allotment	Coupon Rate (%)	Maturity Date	Issue Size (Rs.Crore)	Complexity Levels	Rating Outstanding with Outlook
NA	Commercial Paper	NA	NA	7-365 days	100.00	Simple	CRISIL A1+
NA	Non Convertible Debentures <sup>#</sup>	NA	NA	NA	100.00	Simple	CRISIL A+/Stable
NA	Subordinated Debt <sup>#</sup>	NA	NA	NA	100.00	Complex	CRISIL A+/Stable
NA	Cash Credit	NA	NA	NA	3.49	NA	CRISIL A+/Stable
NA	Non-Fund Based Limit	NA	NA	NA	7.00	NA	CRISIL A+/Stable
NA	Proposed Long Term Bank Loan Facility	NA	NA	NA	331.62	NA	CRISIL A+/Stable
NA	Proposed Long Term Bank Loan Facility	NA	NA	NA	67.65	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	26-Sep-27	16.67	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	30-Mar-34	87.48	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	30-Nov-28	34.65	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	31-Mar-31	81.25	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	31-May-30	50.00	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	01-Apr-34	305.51	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	05-Nov-28	43.18	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	30-Sep-33	300.63	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	31-Jan-29	18.24	NA	CRISIL A+/Stable

NA	Term Loan	NA	NA	27-Mar-31	150.00	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	31-Dec-25	226.51	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	30-Dec-28	42.49	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	30-Nov-26	6.15	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	30-Jun-33	118.03	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	30-Sep-27	8.30	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	30-Oct-30	152.97	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	13-Oct-27	8.90	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	10-Sep-30	113.20	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	30-Sep-30	19.10	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	26-Jun-29	59.47	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	30-Sep-28	4.14	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	30-Sep-29	91.66	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	01-Apr-32	151.71	NA	CRISIL A+/Stable

#Yet to be issued

**Annexure - Details of Rating Withdrawn**

ISIN	Name Of Instrument	Date Of Allotment	Coupon Rate (%)	Maturity Date	Issue Size (Rs.Crore)	Complexity Levels	Rating Outstanding with Outlook
NA	Non Convertible Debentures#	NA	NA	NA	5.00	Simple	Withdrawn

#Yet to be issued

**Annexure - Rating History for last 3 Years**

Instrument	Type	Current		2024 (History)		2023		2022		2021		Start of 2021
		Outstanding Amount	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating	Rating
Fund Based Facilities	LT	2493.0	CRISIL A+/Stable	30-10-24	CRISIL A+/Stable	04-12-23	CRISIL A+/Stable	03-11-22	CRISIL A+/Stable	21-09-21	CRISIL A+/Stable	CRISIL A-/Stable
			--	12-09-24	CRISIL A+/Stable	27-10-23	CRISIL A+/Stable	19-10-22	CRISIL A+/Stable	16-03-21	CRISIL A+/Stable	--
			--	11-04-24	CRISIL A+/Stable	28-06-23	CRISIL A+/Stable	03-03-22	CRISIL A+/Stable	--	--	--
			--	02-02-24	CRISIL A+/Stable	--	--	--	--	--	--	
			--	04-01-24	CRISIL A+/Stable	--	--	--	--	--	--	
Non-Fund Based Facilities	LT	7.0	CRISIL A+/Stable	30-10-24	CRISIL A+/Stable	--	--	--	--	--	--	--
			--	12-09-24	CRISIL A+/Stable	--	--	--	--	--	--	
Commercial Paper	ST	100.0	CRISIL A1+	30-10-24	CRISIL A1+	--	--	--	--	--	--	
Non Convertible Debentures	LT	100.0	CRISIL A+/Stable	30-10-24	CRISIL A+/Stable	04-12-23	CRISIL A+/Stable	03-11-22	CRISIL A+/Stable	21-09-21	CRISIL A+/Stable	CRISIL A-/Stable
			--	12-09-24	CRISIL A+/Stable	27-10-23	CRISIL A+/Stable	19-10-22	CRISIL A+/Stable	16-03-21	CRISIL A+/Stable	--

			--	11-04-24	CRISIL A+/Stable	28-06-23	CRISIL A+/Stable	03-03-22	CRISIL A+/Stable		--	--
			--	02-02-24	CRISIL A+/Stable		--		--		--	--
			--	04-01-24	CRISIL A+/Stable		--		--		--	--
<b>Subordinated Debt</b>	LT	100.0	CRISIL A+/Stable		--		--		--		--	--

All amounts are in Rs.Cr.

#### Annexure - Details of Bank Lenders & Facilities

Facility	Amount (Rs.Crore)	Name of Lender	Rating
Cash Credit	3.49	Axis Bank Limited	CRISIL A+/Stable
Non-Fund Based Limit	7	State Bank of India	CRISIL A+/Stable
Proposed Long Term Bank Loan Facility	331.62	Not Applicable	CRISIL A+/Stable
Proposed Long Term Bank Loan Facility	67.65	Not Applicable	CRISIL A+/Stable
Term Loan	113.2	Indian Bank	CRISIL A+/Stable
Term Loan	19.1	YES Bank Limited	CRISIL A+/Stable
Term Loan	59.47	Axis Bank Limited	CRISIL A+/Stable
Term Loan	4.14	IDBI Bank Limited	CRISIL A+/Stable
Term Loan	91.66	The Federal Bank Limited	CRISIL A+/Stable
Term Loan	151.71	LIC Housing Finance Limited	CRISIL A+/Stable
Term Loan	305.51	National Housing Bank	CRISIL A+/Stable
Term Loan	43.18	Poonawalla Fincorp Limited	CRISIL A+/Stable
Term Loan	300.63	State Bank of India	CRISIL A+/Stable
Term Loan	18.24	DCB Bank Limited	CRISIL A+/Stable
Term Loan	150	Bank of Maharashtra	CRISIL A+/Stable
Term Loan	226.51	Punjab National Bank	CRISIL A+/Stable
Term Loan	42.49	The Karnataka Bank Limited	CRISIL A+/Stable
Term Loan	6.15	Vijaya Bank	CRISIL A+/Stable
Term Loan	118.03	Union Bank of India	CRISIL A+/Stable
Term Loan	16.67	Andhra Bank	CRISIL A+/Stable
Term Loan	87.48	Bank of India	CRISIL A+/Stable
Term Loan	34.65	Nabsamruddhi Finance Limited	CRISIL A+/Stable
Term Loan	81.25	Bank of Baroda	CRISIL A+/Stable
Term Loan	50	CSB Bank Limited	CRISIL A+/Stable
Term Loan	8.3	The Karur Vysya Bank Limited	CRISIL A+/Stable
Term Loan	152.97	Canara Bank	CRISIL A+/Stable
Term Loan	8.9	United Bank of India	CRISIL A+/Stable

#### Criteria Details

Links to related criteria
<a href="#">CRISILs Bank Loan Ratings - process, scale and default recognition</a>
<a href="#">Rating Criteria for Finance Companies</a>
<a href="#">Criteria for Notching up Stand Alone Ratings of Companies based on Parent Support</a>

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**EXTRACT FROM THE MINUTES OF THE MEETING OF THE DEBENTURE ISSUE COMMITTEE (THE “COMMITTEE”) OF MUTHOOT HOUSING FINANCE COMPANY LIMITED (THE “COMPANY”) AT THEIR MEETING HELD ON THURSDAY, JANUARY 30, 2025, AT MUTHOOT CENTRE, PUNNEN ROAD, TRIVANDRUM**

**Issue of Rated, Listed, Unsecured, Redeemable, Taxable, Subordinated, Non-Convertible Debentures for inclusion as Tier 2 Capital on a private placement basis**

The Committee noted the Company’s proposal for raising of subordinated debt by way of private placement of up to Rs. 50,00,00,000/- Rupees Fifty Crores only) Rated, Listed, Unsecured, Redeemable, Taxable, Subordinated, Non-Convertible Debentures for inclusion as Tier 2 Capital having a face value of Rs. 1,00,000/- (Rupees One Lakh. only) each, of the aggregate nominal value of up to Rs. 50,00,00,000/- Rupees Fifty Crores only), in multiple series, in dematerialised form, to raise funds for the purpose of augmentation of Tier 2 Capital of the Company to be utilised *inter alia* to meet the capital requirements of the Company, for its general corporate purposes, for various financing activities of the Company, for retail finance and onward lending, for repayment/re-financing of its financial indebtedness in the ordinary course of business and for its business operations including working capital requirements and pursuant to the approval of the Board of Directors of the Company in their meeting held on May 7, 2024, and members at their meeting held on June 3, 2024.

The Chairman informed the Committee that:

1. In order for the Company to raise funds for the purpose of augmentation of Tier 2 Capital of the Company to be utilised *inter alia*, to meet the capital requirements of the Company, for its general corporate purposes, for various financing activities of the Company, for retail finance and onward lending, for repayment/re-financing of its financial indebtedness in the ordinary course of business and for its business operations including working capital requirements, and pursuant to the approval of the Board of Directors of the Company at their meeting held on May 7, 2024, and pursuant to the approval of the members of the Company at their meeting held on June 3, 2024, the Company is planning to raise subordinated debt and for that purpose to make a private placement of non-convertible debentures, by way of an issue of up to Rs. 50,00,00,000/- Rupees Fifty Crores only) Rated, Listed, Unsecured, Redeemable, Taxable, Subordinated, Non-Convertible Debentures for inclusion as Tier 2 Capital having a face value of Rs. 1,00,000/- (Rupees One Lakh. only) each, of the aggregate nominal value of up to Rs. 50,00,00,000/- Rupees Fifty Crores only), in multiple series (the “**Debentures**”) to be issued and allotted in dematerialised form, to identified categories of investors, being Qualified Institutional Buyers including mutual fund, venture capital fund, alternative investment fund, foreign venture capital investor, foreign portfolio investor (other than individuals, corporate bodies and family offices), public financial institutions, scheduled commercial banks, multilateral and bi-lateral development financial institution, state industrial development corporation, insurance companies, provident fund with minimum corpus of Rs. 25 crores, pension fund with

minimum corpus of Rs. 25 Crores, national investment fund, insurance fund set up and managed by Army, Navy / Air Force of the Union of India, insurance funds set up and managed by the Department of Posts, systemically important non-banking financial companies and Non Qualified Institutional Buyers, who shall be successful bidders on the electronic book platform as per the applicable regulations issued by the Securities and Exchange Board of India in relation to the EBP mechanism and who shall meet the eligibility criteria as set out in the general information document / key information document, on such terms and conditions as set out in the term sheet tabled before the Committee and do all other acts in connection with the issue of the Debentures.

2. Further, in relation to the issuance of Debentures and other acts required in connection therewith, the Company will be required to *inter alia*:
  - a. Appoint a debenture trustee to act for and on behalf of the holders of the Debentures;
  - b. Procure rating for the Debentures from an accredited rating agency;
  - c. Enter into the requisite agreements with the depository participant i.e., National Securities Depository Limited and/or Central Depository Services (India) Limited for the issue of the Debentures in a dematerialized form;
  - d. Execute the debenture trust deed, debenture trustee agreement, general information document, key information document, powers of attorney, and such other documents as may be required to be executed in relation to the Debentures.

The Committee discussed the matter and thereafter unanimously passed the following resolution:

**“RESOLVED THAT** pursuant to the powers conferred upon the Committee in terms of the resolution of the Board of Directors of the Company dated May 7, 2024, and as approved by the Board of Directors of the Company by way of the said resolution and members of the Company in the general meeting held on June 3, 2024 and pursuant to the provisions of the Memorandum and Articles of Association of the Company, Sections 42, 71 and other applicable provisions, if any of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules 2014 and Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations 2008, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the regulations issued by the Reserve Bank of India/National Housing Bank as applicable to Non-Banking Financial Companies from time to time and other applicable laws, if any, the Committee hereby approves the issuance of up to Rs. 50,00,00,000/- Rupees Fifty Crores only) Rated, Listed, Unsecured, Redeemable, Taxable, Subordinated, Non-Convertible Debentures for inclusion as Tier 2 Capital having a face value of Rs. 1,00,000/- (Rupees One Lakh only) each, of the aggregate nominal value of up to Rs. 50,00,00,000/- Rupees Fifty Crores only), in multiple series (the **“Debentures”**) on a private placement basis to identified categories of investors, being, Qualified Institutional Buyers including mutual fund, venture capital fund, alternative investment fund, foreign venture capital investor, foreign portfolio investor (other than individuals, corporate bodies and family offices), public financial institutions, scheduled commercial banks, multilateral and bi-lateral development financial institution, state industrial development corporation, insurance companies, provident fund with minimum corpus of Rs. 25 crores, pension fund with minimum corpus of Rs. 25 Crores, national investment fund, insurance fund set up and managed by Army, Navy / Air Force of the Union of India, insurance funds set up and managed by the Department of Posts, systemically important non-banking financial companies and Non-Qualified Institutional Buyers, who shall be successful bidders on the electronic book platform as per the applicable regulations issued by the Securities and Exchange Board of India in relation to the EBP mechanism and who shall meet the eligibility criteria as set out in the general information document/key information document, on such terms and conditions such as issue size, tenor and coupon as the Committee may deem appropriate based on prevailing

market and other conditions and do all other acts as may be required in connection with the issue of the Debentures.

**RESOLVED FURTHER THAT** the Committee hereby approves the appointment of:

- a. One or more entity as the trustee to act for and on behalf of the holders of the Debentures;
- b. One or more entity as the arranger to the issue of Debentures;
- c. National Securities Depository Limited (“**NSDL**”) or Central Depository Services Limited (“**CDSL**”) or both, as determined by any authorised signatory as the depository for the issue of Debentures; and
- d. Link Intime India Pvt. Ltd as the registrar to the issue of Debentures.

**RESOLVED FURTHER THAT** Mrs Suzannah Muthoot, Whole Time Director (DIN:- 09792874) and Mr. S. Sumesh, Chief Compliance Officer and Company Secretary or Mr Yogesh Ratnakar Udhoji, Chief Financial Officer and Mr. S. Sumesh, Chief Compliance Officer and Company Secretary or any two Key Managerial Personnel be and are hereby authorized to sign and attest the Key Information Document (KID) as and when placed.

**RESOLVED FURTHER THAT** Mrs Suzannah Muthoot, Whole Time Director(DIN:- 09792874) , Mr Yogesh Ratnakar Udhoji, Chief Financial Officer, Mr. S. Sumesh, Chief Compliance Officer and Company Secretary , Mrs Devanshi Sheth AVP, Finance and Accounts, Mr Vinodh Kumar Nekhiladi, DVP, Finance and Accounts and Mr Rajesh Chalke, Manager, Finance and Accounts be and are hereby severally authorized on behalf of the Company, to negotiate, finalise, sign and execute the necessary definite agreements including debenture trust deed, debenture trustee agreement, powers of attorney, and other agreements, documents, papers, writing, amendments, general information document, key information document, on behalf of the Company with respect to the Debentures and to take such steps as may be necessary for filing of the said documents with the respective authority and to obtain approvals, statutory, contractual or otherwise, in relation to the above if required and to settle all matters arising out of and incidental thereto, on behalf of the Company and generally to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution.

**RESOLVED FURTHER THAT** the Authorised Signatories of the Company, be and are hereby severally authorised to do all such acts, deeds, things and execute or ratify all such documents whatsoever as may be required in connection with the issue of the Debentures including without limitation execution or ratification of the requisite agreement(s) with the National Securities Depository Limited and/ or the Central Depository Services (India) Limited, the opening of bank accounts and opening of demat accounts, appointment of the trustees, appointment of legal counsel, the registrar and transfer agent to the issue, credit rating company and other advisors as may be required and making payment of their fees.

**“RESOLVED FURTHER THAT** pursuant to all applicable regulations (as amended from time to time) in connection with the aforesaid issuance , consent of the Committee be and is hereby accorded to list on BSE Limited (“**BSE**”) and/or National Stock Exchange of India Limited (“**NSE**”) [collectively referred to as Exchange(s)] and the aforementioned persons be and are hereby severally authorised to make an application to the Exchange(s) for the listing of such issuance, to execute, sign and certify the listing agreement, disclosure documents, annexures, documents, deeds, undertakings, declarations and to do all such acts, deeds and things as may be required to make the aforesaid listing application to the Exchanges along with post listing procedures/compliances if any.

**RESOLVED FURTHER THAT** any of the Directors, and the Authorised Signatories of the Company, be and are hereby severally authorised to do all such acts, deeds and things as are necessary for registering any of the documents, being executed by the Company, and for filing of necessary forms, returns and such other documents pertaining to the aforesaid issuance of Debentures with the relevant registrar of companies or any other authority.

**RESOLVED FURTHER THAT** the Committee hereby authorizes the issuance of power of attorney authorizing the Authorised Signatories to execute or ratify all documents required to be executed or ratified as aforesaid and do all such acts and deeds as may be required in relation to the issue of Debentures.

**RESOLVED FURTHER THAT** the approval of the Committee be and is hereby given to affix the Common Seal of the Company on any or all documents in terms of the Articles of Association of the Company if any.

**RESOLVED FURTHER THAT** any one of the Directors and the Chief Compliance Officer and Company Secretary of the Company be and are hereby severally authorized to certify and forward the true copy of these resolutions to any person or authority for their record and necessary action.”

**//Certified True Copy//**

**For Muthoot Housing Finance Company Limited**

**SUMES** Digitally signed  
by SUMESH S  
**H S** Date: 2025.02.12  
15:02:47 +05'30'

**S. Sumesh**

Company Secretary and Compliance Officer

**Extract from the Minutes of the Extra-Ordinary General Meeting of Muthoot Housing Finance Company Limited held on Monday 3<sup>rd</sup> June, 2024 at Trivandrum.**

**1. Enhancement of Borrowing power from Rs.2,000 crores to 3,500 crores.**

**“RESOLVED THAT** in supersession of all the previous resolution passed in this regard and pursuant to Section 180 (1) (c) of the Companies Act 2013 and other enabling provisions if any, the consent of the Company be and is hereby accorded to the Board of Directors of the Company for borrowing from time to time any sum or sum of money which, together with the moneys already borrowed by the Company (apart from Temporary Loans obtained from the Company’s Bankers in the ordinary course of the business) may exceed the aggregate for the time being of the paid up capital of the Company and its Free Reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount of money/moneys so borrowed by the Board shall not at any time exceed the limit of Rs.3,500 Crores (Rupees Three Thousand Five Hundred Crores only).

**“RESOLVED FURTHER THAT** Mr. Thomas John Muthoot, Director (DIN-00011618) and Mr.Sumesh.S, Chief Compliance Officer and Company Secretary be and are hereby authorized severally to file all necessary papers, forms, documents and do all such things deemed necessary to give effect to the above decisions.

**“RESOLVED FURTHER THAT** Mr.Thomas Muthoot, Managing Director (DIN 00082099) and Mr.Sumesh.S, Chief Compliance Officer and Company Secretary be and are hereby authorized severally to furnish necessary certified copies of the above resolution ”.

**2. Creation of charge on the Assets of the Company.**

**“RESOLVED THAT** in supersession of all the previous resolution passed in this regard and pursuant to the provisions of Section 180 (1) (a) of the Companies Act, 2013 and all other applicable provisions thereto, the Board of Directors are hereby authorized to mortgage, hypothecate and/or charge the immovable and movable properties of the Company, present and future and the whole of the undertaking of the Company to or in favour of banks/financial institutions for an aggregate amount not exceeding Rs.3,500 Crores (Rupees Three Thousand Five Hundred Crores Only) over and above the aggregate paid up capital of the Company and its free reserves in respect of the loan availed by the Company, and interest at an agreed rate, compound/additional interest, cost, charges, expenses, and all other moneys payable by the Company in respect thereof .

**“RESOLVED FURTHER THAT** Mr. Thomas John Muthoot, Director (DIN-00011618) and Mr.Sumesh.S, Chief Compliance Officer and Company Secretary be and are hereby authorized severally to file all necessary papers, forms, documents and do all such things deemed necessary to give effect to the above decisions.



**Muthoot Housing Finance Company Limited.**

Corporate Identity Number (CIN) U65922KL2010PLC025624

Registered Office : TC No. 14/2074-7, Muthoot Centre, Punnen Road, Thiruvananthapuram 695034, Kerala

Corporate Office : 12A 01, 13th Floor, Parinee Crescenzo, Plot No. C-38 & C-39, Bandra Kurla Complex - G Block, Bandra (East), Mumbai - 400 051. India.

T : +91-22-30941400 e-mail : muthoot@muthoot.com

[www.muthoothousing.com](http://www.muthoothousing.com)

**“RESOLVED FURTHER THAT** Mr.Thomas Muthoot, Managing Director (DIN 00082099) and Mr.Sumesh.S, Chief Compliance Officer and Company Secretary be and are hereby authorized severally to furnish necessary certified copies of the above resolution ”.

**3. Issue of Non-Convertible Debentures on Private Placement.**

**“RESOLVED THAT** pursuant to the provisions of Section 42, 71 of the Companies Act, 2013 (“the Act”), read with Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014 and other applicable provisions, if any, of the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and in accordance with the provisions of the Memorandum and Articles of Association of the Company and subject to such other applicable laws, rules, regulations, directions and guidelines, approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board”), for making offer(s) or invitation(s) to subscribe to secured/unsecured/subordinated, rated/unrated, listed/unlisted non-convertible debentures (“NCDs”) or any other instrument on a private placement basis, in one or more tranches, to any category of investor(s) eligible to invest in the NCDs/any other instruments and on such terms and conditions as may be decided by the Board to such person or persons, as the case may be for a period of 1 (one) year from the date of passing of the Special Resolution by the Members, up to an amount of not exceeding in aggregate Rs.100,00,00,000/- (One Hundred Crores Only) within the existing overall borrowing limits of Rs.3500,00,00,000/- (Rupees Three Thousand Five Hundred Crores Only) of the Company, in conformity and in compliance with the all applicable rules, regulation, directions made in this regard, as amended from time to time.

**“RESOLVED FURTHER THAT** the Debenture Issue Committee be constituted comprising of the following Directors of the Company namely Mr. Thomas John Muthoot, Mr. Thomas George Muthoot and Mr. Thomas Muthoot and the Board /Debenture Issue Committee be and are hereby severally authorised to determine the terms of issue including the class of investors to whom NCDs)/any other instruments are to be issued, time, securities to be offered, the number of NCDs)/any other instruments, tranches, issue price, tenor, interest rate, premium/discount, listing and to do all such acts and things and deal with all such matters and take all such steps as may be necessary and to sign and execute any deeds/documents/undertakings/ agreements/ papers/ writings, as may be required in this regard.

**“RESOLVED FURTHER THAT** the Debenture Issue Committee be and is hereby authorized to use and affix the Common Seal of the Company in accordance with the Articles of Association of the Company on all relevant necessary agreements, undertakings, deeds or other documents, certificates, and paper documents if any required to be executed under the Common Seal of the Company in connection with the Issue of the Debentures.

**“RESOLVED FURTHER THAT** Mr. Thomas John Muthoot, Director (DIN-00011618) and Mr.Sumesh.S,Chief Compliance Officer and Company Secretary be and are hereby severally authorized to file all necessary papers, forms, documents and do all such things deemed necessary to give effect to the above decisions”.



#### 4. Preferential issue and Allotment of Equity Shares.

**“RESOLVED THAT** in terms of Section 62 and all other applicable provisions, if any, of the Companies Act, 2013 and Rule 13 of The Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification thereto or re-enactment thereof for the time being in force), the guidelines and clarifications issued by any statutory/regulatory authorities and subject to all such other approvals, permissions, consents and sanctions of any authorities, as may be necessary, and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions, consents and sanctions if any, and which may be agreed to by the Board of Directors of the Company ( the “Board”) and subject to such conditions and modifications as may be considered appropriate by the Board, consent of the Company be and is hereby accorded to the Board to issue and allot 75,75,755 (Seventy Five Lakh Seventy Five Thousand Seven Hundred and Fifty Five ) Equity Shares of Rs. 10 (Rupees Ten only) each with a premium of Rs.56 per share to the following on preferential basis (“Shares”):

Name	Address	No. of shares proposed
M/s. Muthoot Fincorp Limited	Muthoot Centre, TC No. 14/2074-7, Punnen Road, Trivandrum, Kerala – 695001	75,75,755

**“RESOLVED FURTHER THAT** the Shares to be issued and allotted shall rank pari-passu with the existing equity shares of the Company in all respects.

**“RESOLVED FURTHER THAT** for the purpose of giving effect to the aforementioned resolution, the Board and/or such other person(s) duly authorised by the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion, deem necessary, expedient and desirable for such purpose, including without limitation, issuing clarifications to appropriate authorities on the issue and allotment of the Shares, resolving any difficulties, effecting any modification to the foregoing, preparing, signing and filing applications with the appropriate authorities for obtaining requisite approvals and co-ordinating with appropriate authorities to obtain the requisite approvals as may be required from time to time for the issuance of the Shares and to take all steps which are incidental and ancillary in this connection.

**“RESOLVED FURTHER THAT** Mr. Thomas John Muthoot, Director (DIN-00011618) be and is hereby authorized to file all necessary papers, forms, documents and do all such things deemed necessary to give effect to the above decisions”.

*//Certified Copy//*

**For Muthoot Housing Finance Company Limited**

**S. Sumesh**  
Chief Compliance Officer & Company Secretary





**Extract from the Minutes of the Extra-Ordinary General Meeting of Muthoot Housing Finance Company Limited held on Monday 3<sup>rd</sup> June, 2024 at Trivandrum.**

**1. Enhancement of Borrowing power from Rs.2,000 crores to 3,500 crores.**

**“RESOLVED THAT** in supersession of all the previous resolution passed in this regard and pursuant to Section 180 (1) (c) of the Companies Act 2013 and other enabling provisions if any, the consent of the Company be and is hereby accorded to the Board of Directors of the Company for borrowing from time to time any sum or sum of money which, together with the moneys already borrowed by the Company (apart from Temporary Loans obtained from the Company’s Bankers in the ordinary course of the business) may exceed the aggregate for the time being of the paid up capital of the Company and its Free Reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount of money/moneys so borrowed by the Board shall not at any time exceed the limit of Rs.3,500 Crores (Rupees Three Thousand Five Hundred Crores only).

**“RESOLVED FURTHER THAT** Mr. Thomas John Muthoot, Director (DIN-00011618) and Mr.Sumesh.S, Chief Compliance Officer and Company Secretary be and are hereby authorized severally to file all necessary papers, forms, documents and do all such things deemed necessary to give effect to the above decisions.

**“RESOLVED FURTHER THAT** Mr.Thomas Muthoot, Managing Director (DIN 00082099) and Mr.Sumesh.S, Chief Compliance Officer and Company Secretary be and are hereby authorized severally to furnish necessary certified copies of the above resolution ”.

*//Certified Copy//*

**For Muthoot Housing Finance Company Limited**

**S. Sumesh**  
**Chief Compliance Officer & Company Secretary**



Muthoot Housing Finance Company Limited.

Corporate Identity Number (CIN) U65922KL2010PLC025624

Registered Office : TC No. 14/2074-7, Muthoot Centre, Punnen Road, Thiruvananthapuram 695039, Kerala, India.

Corporate Office : 12A 01, 13th Floor, Parinee Crescenzo, Plot No. C-38 & C-39, Bandra Kurla Complex - G Block, Bandra (East), Mumbai - 400 051, India.

T : +91-22-62728500 e-mail : muthoot@muthoot.com

[www.muthoothousing.com](http://www.muthoothousing.com)



**Extract from the Minutes of the Extra-Ordinary General Meeting of Muthoot Housing Finance Company Limited held on Monday 3<sup>rd</sup> June, 2024 at Trivandrum.**

**1. Enhancement of Borrowing power from Rs.2,000 crores to 3,500 crores.**

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**“RESOLVED FURTHER THAT** Mr. Thomas John Muthoot, Director (DIN-00011618) and Mr.Sumesh.S, Chief Compliance Officer and Company Secretary be and are hereby authorized severally to file all necessary papers, forms, documents and do all such things deemed necessary to give effect to the above decisions.

**“RESOLVED FURTHER THAT** Mr.Thomas Muthoot, Managing Director (DIN 00082099) and Mr.Sumesh.S, Chief Compliance Officer and Company Secretary be and are hereby authorized severally to furnish necessary certified copies of the above resolution ”.

**2. Creation of charge on the Assets of the Company.**

**“RESOLVED THAT** in supersession of all the previous resolution passed in this regard and pursuant to the provisions of Section 180 (1) (a) of the Companies Act, 2013 and all other applicable provisions thereto, the Board of Directors are hereby authorized to mortgage, hypothecate and/or charge the immovable and movable properties of the Company, present and future and the whole of the undertaking of the Company to or in favour of banks/financial institutions for an aggregate amount not exceeding Rs.3,500 Crores (Rupees Three Thousand Five Hundred Crores Only) over and above the aggregate paid up capital of the Company and its free reserves in respect of the loan availed by the Company, and interest at an agreed rate, compound/additional interest, cost, charges, expenses, and all other moneys payable by the Company in respect thereof .

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[www.muthoothousing.com](http://www.muthoothousing.com)

**“RESOLVED FURTHER THAT** Mr. Thomas John Muthoot, Director (DIN-00011618) and Mr.Sumesh.S, Chief Compliance Officer and Company Secretary be and are hereby authorized severally to file all necessary papers, forms, documents and do all such things deemed necessary to give effect to the above decisions.

**“RESOLVED FURTHER THAT** Mr.Thomas Muthoot, Managing Director (DIN 00082099) and Mr.Sumesh.S, Chief Compliance Officer and Company Secretary be and are hereby authorized severally to furnish necessary certified copies of the above resolution ”.

**For Muthoot Housing Finance Company Limited**

SUMESH S  Digitally signed by  
SUMESH S  
Date: 2024.07.23  
13:54:24 +05'30'

**Name:Sumesh.S**

**Designation:Chief Compliance Officer and Company Secretary**



# CHATURVEDI & CO. LLP

CHARTERED ACCOUNTANTS

81, Mittal Chambers, 228, Nariman Point, Mumbai - 400 021.

Phone : 2288 0465 / 66, 2204 1086 / 2287 2457

E-mail : mumbai@chaturvedica.in • Web.: www.chaturvedica.in

Ref. No.: 2024/11/162/R

## INDEPENDENT AUDITOR'S LIMITED REVIEW REPORT ON UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2024.

To the Board of Directors,  
Muthoot Housing Finance Company Limited

### Introduction

1. We have reviewed the accompanying Statement of Unaudited Financial Results of Muthoot Housing Finance Company Limited ("the Company") for the Quarter and half year ended September 30, 2024 ("the Statement") attached herewith, being submitted by the Company pursuant to requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the regulations").
2. Management is responsible for preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 ("Ind AS 34") "Interim Financial Reporting" as prescribed under Section 133 of Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India and in Compliance with the Listing Regulations.
3. Our responsibility is to express a conclusion on the Statement based on our review.

### Scope of Review

4. We conducted our review in accordance with Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. A review consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

5. Based on our review conducted as stated in paragraph 4 above, nothing has come to our attention that causes us to believe that the accompanying Statement is not prepared, in all material respects, in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" as prescribed under Section 133 of Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India, has not disclosed the

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information required to be disclosed in terms of the Listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. The Statement includes comparative figures for the quarter and half year ended September 30, 2023 which were not subject to limited review.

The Statement also includes figures for the year ended March 31, 2024 audited by the predecessor audit firm, where they have issued an unmodified opinion on such financial statement vide their report dated May 07, 2024.

Our Conclusion on the Statement is not modified in respect of this matter.

**For Chaturvedi & Co. LLP**

*Chartered Accountants*

(Firm Registration No. 302137E/ E300286)

**S.N. Chaturvedi**

(Partner)

Membership No. 040479

ICAI UDIN: 24040479BKKL4834

Place: Mumbai

Date: November 07, 2024

**Muthoot Housing Finance Company Limited**

CIN: U65922KL2010PLC025624

Statement Of Unaudited Standalone Financial Results for the Quarter and Half Year ended 30th September, 2024

**Statement Of Profit & Loss**

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Quarter Ended			Half Year Ended		Year ended
	30-Sep-2024	30-Jun-2024	30-Sep-2023	30-Sep-2024	30-Sep-2023	31-Mar-2024
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>I. Revenue from operations</b>						
Interest income	8,732.47	8,393.24	6,827.58	17,125.71	13,087.80	28,378.67
Net gain on fair value changes	148.95	129.83	(0.50)	278.78	63.21	373.34
Fees and Commission income	402.12	166.05	0.08	568.17	0.17	0.32
Other financial services	145.98	167.22	117.06	313.20	188.95	520.49
<b>Total Revenue from operations</b>	<b>9,429.52</b>	<b>8,856.34</b>	<b>6,944.22</b>	<b>18,285.86</b>	<b>13,340.13</b>	<b>29,272.82</b>
Other income	-	7.06	-	7.06	-	-
<b>Total Income (I)</b>	<b>9,429.52</b>	<b>8,863.40</b>	<b>6,944.22</b>	<b>18,292.92</b>	<b>13,340.13</b>	<b>29,272.82</b>
<b>II. Expenses</b>						
Finance costs	4,766.75	4,435.56	3,190.82	9,202.31	6,191.02	13,839.89
Impairment on financial instruments	129.84	99.95	11.26	229.79	213.84	128.39
Employee benefits expenses	2,510.48	2,465.63	1,865.94	4,976.11	3,405.77	7,572.19
Depreciation, amortisation and impairment	153.81	130.60	88.52	284.41	166.09	409.41
Other expenses	693.65	573.49	588.31	1,267.14	1,094.83	2,652.63
<b>Total expenses (II)</b>	<b>8,254.53</b>	<b>7,705.23</b>	<b>5,744.85</b>	<b>15,959.76</b>	<b>11,071.55</b>	<b>24,602.51</b>
<b>III. Profit before tax (I - II)</b>	<b>1,174.99</b>	<b>1,158.17</b>	<b>1,199.37</b>	<b>2,333.16</b>	<b>2,268.58</b>	<b>4,670.31</b>
<b>IV. Tax Expenses</b>						
Current tax	329.55	300.14	362.48	629.69	667.54	1,125.27
Deferred tax charge/(credit)	(33.86)	(8.69)	(60.66)	(42.55)	(96.65)	72.43
<b>Total tax expenses (IV)</b>	<b>295.69</b>	<b>291.45</b>	<b>301.82</b>	<b>587.14</b>	<b>570.89</b>	<b>1,197.70</b>
<b>V. Profit for the year (III-IV)</b>	<b>879.30</b>	<b>866.72</b>	<b>897.55</b>	<b>1,746.02</b>	<b>1,697.69</b>	<b>3,472.61</b>
<b>VI. Other comprehensive income</b>						
<b>A. Items that will not be reclassified to profit and loss</b>						
Remeasurements gain/(loss) on defined benefit plan	-	-	-	-	-	(39.81)
Changes in value of forward element of forward contract	29.56	-	-	29.56	-	8.50
Income tax relating to items that will not be reclassified to profit or loss	(7.44)	-	-	(7.44)	-	7.88
<b>Subtotal (A)</b>	<b>22.12</b>	<b>-</b>	<b>-</b>	<b>22.12</b>	<b>-</b>	<b>(23.43)</b>
<b>B. Items that will be reclassified to profit and loss</b>						
The effective portion of gain/(loss) on hedging instruments in cash flow hedges	-	-	-	-	-	2.06
Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	(0.52)
<b>Subtotal (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.54</b>
<b>Other Comprehensive Income (A + B)</b>	<b>22.12</b>	<b>-</b>	<b>-</b>	<b>22.12</b>	<b>-</b>	<b>(21.89)</b>
<b>VII. Total comprehensive income/ (Loss) for the year (V + VI)</b>	<b>901.42</b>	<b>866.72</b>	<b>897.55</b>	<b>1,768.14</b>	<b>1,697.69</b>	<b>3,450.72</b>
<b>VIII. Paid-up Equity Share Capital (face value INR 10 each)</b>	<b>8,160.62</b>	<b>8,160.62</b>	<b>7,781.84</b>	<b>8,160.62</b>	<b>7,781.84</b>	<b>7,781.84</b>
<b>IX. Earning per equity share of INR 10 each *</b>						
Basic (INR)	1.12	1.12	1.17	2.22	2.31	4.63
Diluted (INR)	1.11	1.12	1.17	2.21	2.29	4.60
<b>X. Reserves excluding Revaluation Reserves as at March 31, 2024</b>						<b>24,489.97</b>

\* Earning per shares for interim period is not annualised

For Muthoot Housing Finance Company Limited

**Thomas Muthoot**

Managing Director

DIN: 00082099

Place: Kochi

Date: 7th November, 2024

## Notes to the Standalone Financial Results

### 1. Statement of Standalone Assets and Liabilities for the half year ended 30 September, 2024

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	As at	As at
	30 September, 2024	31 March, 2024
	Unaudited	Audited
<b>ASSETS</b>		
<b>1. Financial assets</b>		
(a) Cash and cash equivalents	18,668.82	18,266.12
(b) Bank balance other than cash and cash equivalents	1,565.73	1,472.08
(c) Loans	224,990.54	200,922.41
(d) Investments	3,994.95	3,841.91
(e) Other financial assets	1,083.13	603.82
	<b>250,303.17</b>	<b>225,106.34</b>
<b>2. Non-financial assets</b>		
(a) Current tax assets (net)	509.94	185.76
(b) Deferred tax assets (net)	525.48	490.37
(c) Property, plant and equipment	770.14	582.95
(d) Intangible assets under development	29.98	-
(d) Other intangible assets	4.54	11.67
(e) Right of use assets	646.44	512.22
(f) Assets held for sale	296.73	354.59
(g) Other non-financial assets	724.72	556.70
	<b>3,507.96</b>	<b>2,694.26</b>
<b>Total Assets</b>	<b>253,811.13</b>	<b>227,800.60</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Liabilities</b>		
<b>1. Financial liabilities</b>		
(a) Derivative financial instruments	0.00	8.47
(b) Payables:		
(I) Trade payables		
(i) total outstanding dues of micro enterprises and small enterprises	15.62	1.83
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	511.87	419.70
(II) Other payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises.	361.14	519.52
(c) Borrowings (other than debt securities)	208,786.24	182,060.69
(d) Lease liabilities	697.28	557.50
(e) Other financial liabilities	6,309.37	11,432.61
	<b>216,681.52</b>	<b>195,000.32</b>
<b>2. Non-financial liabilities</b>		
(a) Provisions	400.65	366.12
(b) Other non-financial liabilities	164.35	162.35
	<b>565.00</b>	<b>528.47</b>
<b>Total liabilities</b>	<b>217,246.52</b>	<b>195,528.79</b>
<b>3. Equity</b>		
(a) Equity share capital	8,160.62	7,781.84
(b) Other equity	28,403.99	24,489.97
	<b>36,564.61</b>	<b>32,271.81</b>
<b>Total Liabilities and Equity</b>	<b>253,811.13</b>	<b>227,800.60</b>

**Muthoot Housing Finance Company Limited**
**2. Statement of Cash flow for the half year ended 30 September, 2024**

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Half Year ended 30 September, 2024	Half Year ended 30 September, 2023
<b>1. Cash flow from operating activities</b>		
<b>Profit before tax</b>	2,333.16	2,268.58
<b>Adjustments to reconcile profit before tax to net cash flows:</b>		
Depreciation, amortisation and impairment	284.41	166.09
Impairment on financial instruments/assets held for sale	235.63	204.69
Staff gratuity and leave encashment expenses	59.57	23.96
Provision for share based payment to employees	24.67	5.42
Income from investment in mutual fund	(278.78)	(63.21)
Loss on sale of property, plant and equipment	0.31	0.14
Finance Cost	9,170.69	6,171.13
Adjustments towards effective interest rate in respect of loan assets	219.14	382.28
Unwinding of prepaid rent and security deposit	(11.43)	(5.71)
Interest cost on lease liability	31.62	19.89
Adjustment on account of consolidation of ESOP trust	(0.10)	(0.10)
<b>Operating profit before working capital changes</b>	<b>12,068.89</b>	<b>9,173.17</b>
<b>Adjustments in working capital:</b>		
(Increase)/ Decrease in bank balances other than cash and cash equivalents	(93.65)	(4,042.09)
(Increase)/Decrease in loans	(29,433.47)	(21,855.12)
(Increase)/Decrease in other financial assets	(467.88)	107.13
(Increase)/Decrease in other non-financial assets and Assets held for sale	(116.00)	(22.96)
Increase/(Decrease) in trade payables	(52.42)	199.38
Increase/(Decrease) in other financial liabilities	(206.83)	(393.76)
Increase/(Decrease) in provisions	(25.04)	(6.74)
Increase/(Decrease) in other non-financial liabilities	2.00	58.92
<b>Cash generated from/(used in) operations</b>	<b>(18,324.40)</b>	<b>(16,782.08)</b>
Finance cost paid	(8,575.77)	(6,265.37)
Income tax paid (net)	(953.87)	(232.40)
<b>Net cash generated from/(used in) operating activities</b>	<b>(27,854.04)</b>	<b>(23,279.85)</b>
<b>2. Cash flow from investing activities</b>		
Purchase of property, plant and equipment/intangible assets	(361.05)	(167.36)
Net proceeds from purchase /sale of investments (short term debt mutual fund)	(19.50)	(1,187.30)
Redemption of Security Receipts	145.24	370.51
Proceeds from sale of property, plant and equipment	0.23	0.04
<b>Net cash generated from / (used in) investing activities</b>	<b>(235.08)</b>	<b>(984.11)</b>
<b>3. Cash flow from financing activities</b>		
Proceeds from equity shares issued	2,500.00	2,500.00
Payment towards lease liabilities	(148.17)	(61.98)
Proceeds from borrowings other than debt security	40,705.00	29,485.00
Repayments of borrowings other than debt security	(14,565.00)	(13,282.55)
<b>Net cash generated from / (used in) financing activities</b>	<b>28,491.83</b>	<b>18,640.47</b>
<b>Net increase / (decrease) in cash and cash equivalents during the year (1+2+3)</b>	<b>402.70</b>	<b>(5,623.50)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>18,266.12</b>	<b>6,916.12</b>
<b>Total cash and cash equivalents at the end of the year</b>	<b>18,668.82</b>	<b>1,292.62</b>
<b>Cash and cash equivalents</b>		
Cash in hand	100.98	68.49
Balances with banks	1,267.84	1,224.13
Fixed deposits with banks having original maturity of less than 3 months	17,300.00	-
<b>Cash and cash equivalents at the end of the year</b>	<b>18,668.82</b>	<b>1,292.62</b>

## Muthoot Housing Finance Company Limited

### Notes:

- The financial results have been prepared in accordance with applicable Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013 read with Indian Accounting Standard Rules 2015 (Ind AS) as amended from time to time.
- The above financial results includes comparative figures for the quarter and half year ended September 30, 2023, which were not subject to limited review and for the year ended March 31, 2024 were audited by the predecessor statutory auditor, where they have issued an unmodified opinion vide their report dated May 07, 2024.
- The above unaudited financial results for the period ended September 30, 2024 have been approved by the Board of Directors at its meeting held on November 07, 2024 and have been subjected to a limited review by the Statutory Auditor of the Company M/s Chaturvedi & Co. LLP, Chartered Accountants.
- The result were prepared pursuant to the requirement of proposed debt (Commercial papers) listing in compliance to the Regulation 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.
- Disclosures in compliance with Regulation 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the half year ended September 30, 2024 is attached as Annexure 1.
- Information as required by Reserve Bank of India vide circular DOR.STR.REC.11/21.04.048/2021-22 dated May 5, 2021, Pursuant of Resolution Framework – 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses. Company has created adequate provision in relation to these customers as per the directions.

(Rs. Lakhs)

Type of Borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year
Personal Loans	262.35	6.29	-	21.35	234.71

- The Company is a housing finance company registered with the National Housing Bank.
- The Company is principally engaged in the business of providing loans for purchase or construction of residential houses. All other activities of the Company revolve around the main business and accordingly, there are no separate reportable segments, as per the Ind AS 108 "Operating Segment" specified under section 133 of the Companies Act. 2013.

11. During the period ended September 30, 2024, the Company has allotted 37,87,875 no of Equity Shares at Rs. 66 per share including premium of Rs. 56 per share on infusion of capital to holding company Muthoot Fincorp Limited (MFL).
12. Figures for the previous periods have been regrouped wherever necessary, in order to make them comparable.

For **Muthoot Housing Finance Company Limited**

Place: Kochi  
Date: November 07, 2024

**Thomas Muthoot**  
Managing Director  
DIN: 00082099

## Annexure 1

### Disclosures in compliance with Regulations 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the period ended September 30, 2024.

(in ₹ lakh)

Particulars	As at	
	30-Sep-2024	30-Sep-2023
<b>Debt Equity Ratio</b> = [Debt Securities + Borrowings (other than debt securities) + Subordinated Liabilities + Deposits) - Cash and cash equivalents] / (Equity share Capital + Other Equity - Impairment Reserve - Deferred Revenue Expenditure - Intangible Assets - Unrealised Gain - Deferred Tax)	5.35	4.54
Outstanding redemption preference shares (quantity and value)	NA	NA
Debenture Redemption Reserve/ Capital redemption reserve	NA	NA
Net worth (in ₹ lakh)	36,039.15	30061.91
Net profit after tax (in ₹ lakh)	1746.3	1697.69
Earnings per share (of ₹10/- each)		
- Basic	2.22	2.31
- Diluted	2.21	2.29
Total debts to total assets (%) = (Debt Securities + Borrowings (other than debt securities) + Subordinated Liabilities + Deposits) /	82.26	77.37
Operating margin (%) = Profit before Tax / Revenue from Operations.	12.76	17.01
Net profit margin (%) = Profit after Tax / Total Revenue.	9.54	12.73
<b>Sector specific equivalent ratios, as applicable.</b>		
i) Provision Coverage Ratio ("PCR") (%) = Total Impairment loss allowance for stage III / Gross Stage III Loans.	48.13	66.88
ii) Gross Non-Performing Assets ("GNPA") (%) = Gross Stage III Loans / Gross Loans.	0.98	0.94
iii) Net Non-Performing Assets ("NNPA") (%) = (Gross Stage III Loans - Impairment loss allowance for Stage III) / (Gross Loans - Impairment loss allowance for Stage III)	0.51	0.31
iv) Liquidity coverage ratio (%)	NA	NA

Note 1: The Company, being a Housing Finance Company ('HFC'), disclosure of Debt service coverage ratio, Interest service coverage ratio, current ratio, Long term debt to working capital, Bad debts to Accounts receivable ratio, Current liability ratio, Debtors turnover, Inventory turnover ratio are not relevant as the Company is engaged in financing activities.

## INDEPENDENT AUDITOR'S REPORT

**To The Members of Muthoot Housing Finance Company Limited**

**Report on the Audit of the Standalone Financial Statements**

### **Opinion**

We have audited the accompanying standalone financial statements of Muthoot Housing Finance Company Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and notes to the standalone 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 standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### **Basis for Opinion**

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

### **Information Other than the Standalone Financial Statements and Auditor's Report thereon (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 of the Company for the financial year ended March 31, 2022 but does not include the standalone financial statements and our auditor's report thereon.



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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone 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 Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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.

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

**Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone 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



# Varma & Varma

Chartered Accountants

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 standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and



in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

## Other Matter

The standalone financial statements of the Company for the year ended March 31, 2021 were audited by the predecessor auditors whose report dated June 21, 2021 expressed an unmodified opinion on those financial statements.

Our opinion is not modified in respect of the above matter.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
  - (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.
  - (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.



- (f) With respect to the adequacy of the internal financial controls over financial statement reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Section 197(16) of the Act, the Company has not paid or provided any remuneration to its directors during the year and hence reporting requirement under section 197 (16) is not applicable.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position as on March 31, 2022.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31,2022.
  - iv.
    - a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the Note No.78 to the standalone financial statements, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the Note No.78 to the standalone financial statements, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company



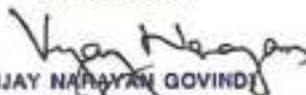
*Varma & Varma*  
Chartered Accountants

shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(c), as provided under (a) and (b) above, contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year. Hence, the compliance with the provisions of Section 123 of the Act is not applicable to the Company for the financial year.

Place: Kochi  
Date: May 16, 2022

For VARMA & VARMA  
(FRN:0049325)

  
(VIJAY NARAYAN GOVINDI)  
Partner  
CHARTERED ACCOUNTANTS  
Membership No. 203094

UDIN: 22203094AJNGISM4587

**ANNEXURE A REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF MUTHOOT HOUSING FINANCE COMPANY LIMITED FOR THE YEAR ENDED MARCH 31, 2022.**

1. a) i) According to the information and explanations given to us and the records of the Company examined by us, the Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.  
  
ii) According to the information and explanations given to us and the records of the company examined by us, the Company has maintained proper records showing full particulars of intangible assets.
- b) According to the information and explanations given to us and the records of the Company examined by us, the Company has a regular program of physical verification of its Property Plant and Equipment in a phased manner over a period of three years which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with the program, certain Property Plant and Equipment were verified during the year and no material discrepancies were noticed on such verification.
- c) According to the information and explanations given to us and the records of the Company examined by us, there are no immovable properties held by the Company and included under Property, Plant & Equipment and hence the reporting requirements under the Clause (i)(c) of Para 3 of the Order are not applicable at this stage.
- d) According to the information and explanations given to us and the records of the Company examined by us, the Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year and hence the reporting requirements under the Clause (i)(d) of Para 3 of the Order is not applicable at this stage.
- e) According to the information and explanations given to us and the records of the Company examined by us, there are no proceedings initiated or pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.



2.
  - a) The Company does not hold any inventory and hence the reporting requirements under Clause (ii)(a) of Para 3 of the Order are not applicable to the Company at this stage.
  - b) The company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks and financial institutions during the year on the basis of security of current assets. In our opinion, based on a comparison, the quarterly statements of receivables filed by the company with such banks and financial institutions are seen to be in agreement with the books of account of the Company (which have not been audited as at the quarters ended June 30, 2021, September 30, 2021 and December 31, 2021)
3. The Company has made investment in equity shares in an earlier year and has made investments in mutual funds including during the current financial year. The Company has not provided any guarantee or security or granted any loan, secured or unsecured to Companies, Firms, Limited Liability Partnerships (LLPs) during the year. The Company has granted secured loans to other parties. In respect of the investments made and secured loans granted to other parties;
  - a) The Company is a Systemically Important Non-Banking Financial Company – Housing Finance Company (HFC) engaged in the business of granting housing/property loans and hence the reporting under clause (iii)(a) of Para 3 the Order is not applicable.
  - b) In our opinion, the terms and conditions of the investments made, grant of loans, during the year are, prima facie, not prejudicial to the Company's interest.
  - c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest have been stipulated. Being a Non-Banking Finance company engaged in the business of granting housing/property loans, there are instances of irregularities in repayment of principal amounts and receipt of interest as per stipulated terms. Having regard to the nature of business undertaken by the company, specific details of the irregularities are not reported, although particulars of overdue for more than ninety days as per books of accounts as at Balance Sheet date have been reported in Para (d) below.



- d) In respect of loans granted by the Company, the total amount overdue for more than ninety days as per books of account as at the balance sheet date is as under:

No. of cases	Principal Amount Overdues	Interest Overdues	Total Overdues
847	Rs. 772.03 Lakhs	Rs. 457.09 Lakhs	Rs. 1229.12 Lakhs

In our opinion and according to the information and explanations given to us, reasonable steps have been taken by the Company for recovery of the principal and interest.

- e) The Company is a Systemically Important Non-Banking Financial Company – Housing Finance Company (HFC) engaged in the business of granting housing/property loans and hence the reporting under clause (iii)(e) of Para 3 of the Order is not applicable.
- f) The Company has not granted any loans or advances in the nature of loans to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013 and hence the reporting under clause (iii)(f) of Para 3 of the Order is not applicable.
4. According to the information and explanations given to us and the records of the Company examined by us, the Company has not given any loans, or provided any guarantee or security as specified under section 185 of the Companies Act, 2013. The provisions of section 186 of the Act with respect of loans, guarantee and security is not applicable to the Company being a Housing Finance Company and the investments made by the Company are in compliance with the provisions of section 186 of the Act.
5. The Company has not accepted any deposits or any amounts deemed to be deposits from the public during the year which attracts the directives issued by the Reserve Bank of India. Being a Non-Banking Finance Company in terms of the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, the provisions of Sections 73 to 76 or any other relevant provision of the Act and the rules framed thereunder are not applicable to the Company.
6. To the best of our knowledge 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 Act for any of the services rendered by the Company at this stage.



7.

- a) As per the information and explanations furnished to us and according to our examination of the records of the Company, the Company has been generally regular in depositing undisputed statutory dues including Goods and Service Tax, provident fund, employee's state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable to the Company to the appropriate authorities during the year.

According to the information and explanations given to us and according to our examination of the records of the Company, there are no arrears of undisputed statutory dues outstanding as at the last day of the financial year for a period of more than six months from the date on which they become payable.

- b) According to the information and explanations given to us and the records of the Company examined by us, there are no disputed amounts of Goods and Service Tax, provident fund, employee's state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues due to be deposited as at March 31, 2022.

8. According to the information and explanations given to us and the records of the Company examined by us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961

9. According to the information and explanations given to us and on the basis of our examination of the records of the Company:

- a) The Company has not defaulted in repayment of loans or other borrowings or in payment of interest to any lender.
- b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- c) In our opinion and according to the information and explanations given to us, the Company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.
- d) On an overall examination of the Financial Statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company did not have any



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- f) subsidiaries or joint ventures or associates during the year hence reporting under clause (ix)(c) of Para 3 of the Order is not applicable.
- g) According to the information and explanations given to us and on an overall examination of the Standalone financial statements of the Company, we report that the Company did not have any subsidiaries or joint ventures or associates during the year hence reporting under clause (ix)(f) of Para 3 of the Order is not applicable.

10.

- a) According to the information and explanations given to us and the records of the Company examined by us, no moneys were raised by way of initial public offer or further public offer (including debt instruments) and accordingly the reporting requirement under the clause (x)(a) of Para 3 of the Order is not applicable to the Company at this stage.
- b) According to the information and explanations given to us and the records of the Company examined by us, the Company has not made any preferential allotment or private placement of shares or fully or partly or optionally convertible debentures during the year and hence, the reporting requirements under clause (x)(b) of Para 3 of the Order are not applicable.

11.

- a) During the course of our examination of the books and records of the Company carried out in accordance with generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instances of material fraud by the Company or on the Company, noticed or reported during the year, nor have been informed of such case by the Management.
- b) No report under Section 143(12) of the Act has been filed in Form ADT-4 regarding any frauds, as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- c) According to the information and explanations given to us and the records of the Company examined by us, the Company has not received whistle-blower complaints during the year and accordingly the reporting requirements under clause (xi)(c) of Para 3 of the Order is not applicable to the Company at this stage.

12. The Company is not a Nidhi Company. Accordingly, the reporting requirements under clause (xii) (a), (b) and (c) of Para 3 of the Order are not applicable.



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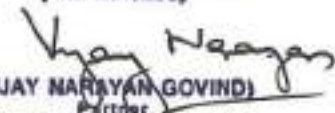
13. According to the information and explanations given to us and the records of the Company examined by us, all transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and the details of such transactions have been disclosed in Note No.42 to the standalone financial statements as required by the applicable Ind AS.
- 14.
- a) The Company has an internal audit system, which, in our opinion is commensurate with the size and nature of its business.
  - b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
15. According to the information and explanations given to us and the records of the Company examined by us, the Company has not entered into any non-cash transactions with directors or persons connected with the directors. Accordingly, the reporting requirement under clause (xv) of Para 3 of the Order is not applicable.
- 16.
- a) According to the information and explanations given to us and the records of the Company examined by us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting requirement under clause (xvi) (a) of Para 3 of the Order is not applicable.
  - b) According to the information and explanations given to us and the records of the Company examined by us, the Company has not conducted any Non-Banking financial or Housing Finance Activities without a valid Certificate of Registration (CoR) from the National Housing Bank as per NHB Act, 1987, as applicable for Housing Finance Companies
  - c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and hence the reporting requirements under clause (xvi) (c) of Para 3 of the Order is not applicable.
  - d) According to the information and explanations given to us, there is no core investment Company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016). Accordingly, the reporting requirement under clause (xvi) (d) of Para 3 of the Order is not applicable.
17. The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year



18. There has been resignation of the statutory auditors during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.
19. According to the information and explanations given to us and the records of the Company examined by us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets, payment of financial liabilities and other information accompanying the standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- 20.
- a) According to the information and explanations given to us and the records of the Company examined by us, there are no unspent amounts towards Corporate Social Responsibility (CSR) other than on ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, the reporting requirement under clause (xx) (a) of Para 3 of the Order is not applicable
- b) In respect of ongoing projects, the Company has transferred the unspent Corporate Social Responsibility (CSR) amount as at the Balance Sheet date out of the amounts that was required to be spent during the year, to a Special Account within a period of thirty days from the end of the financial year in compliance with the provision of sub-section (6) of section 135 of the said Act. There are no such unspent CSR amounts as at the end of the previous financial year.
21. The Company is not required to prepare consolidated financial statements and accordingly, the reporting requirement under clause (xxi) of Para 3 of the Order is not applicable.

Place: Kochi  
Date: May 16, 2022

**For VARMA & VARMA**  
(FRN:004532S)

  
(VIJAY NARAYAN GOVIND)  
Partner  
CHARTERED ACCOUNTANTS  
Membership No. 203094

UDIN: 22203094AJNGSM4587

**ANNEXURE B' REFERRED TO IN PARAGRAPH 2(f) UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF MUTHOOT HOUSING FINANCE COMPANY LIMITED FOR THE YEAR ENDED MARCH 31, 2022**

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

We have audited the internal financial control systems with reference to standalone financial statements reporting of Muthoot Housing Finance Company Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls with reference to standalone financial statements 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls systems with reference to financial statements reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls system with reference to financial statements 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 with reference to financial statements reporting and their operating effectiveness. Our audit of internal financial controls system with reference to financial statements reporting included obtaining an understanding of internal financial controls system



with reference to financial statements reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

**Meaning of Internal Financial Controls with reference to Financial Statements reporting**

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

**Inherent Limitations of Internal Financial Controls with reference to Financial Statements reporting**

Because of the inherent limitations of internal financial controls system with reference to financial statements 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 system with reference to financial statements reporting to future periods are subject to the risk that the internal financial controls system with reference to financial statements reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



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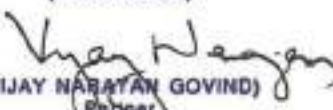
**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements reporting and such internal financial controls system with reference to financial statements reporting were operating effectively as at March 31, 2022, based on the internal control with reference to financial statements 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 ICAI.

Place: Kochi

Date: May 16, 2022

For VARMA & VARMA  
(FRN: 0045325)

  
(VIJAY NARAYAN GOVIND)  
Chartered  
CHARTERED ACCOUNTANTS  
Membership No: 203084

UDIN: 22203094AJNGISM4587

Muthoot Housing Finance Company Limited  
Balance sheet as at 31 March 2022  
(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Note	As at 31 March 2022	As at 31 March 2021
<b>Assets</b>			
<b>1. Financial assets</b>			
(a) Cash and cash equivalents	3	8,538.98	5,855.11
(b) Bank balance other than cash and cash equivalents	4	1,120.70	1,270.88
(c) Receivables:	5		
(i) Trade receivables		5.08	5.92
(d) Loans	6	1,25,075.07	1,15,783.64
(e) Investments	7	4,080.89	294.52
(f) Other financial assets	8	928.87	1,533.46
		<b>1,39,749.59</b>	<b>1,24,743.53</b>
<b>2. Non-financial assets</b>			
(a) Current tax assets (net)		-	37.34
(b) Deferred tax assets (net)	9	672.97	450.29
(c) Property, plant and equipment	10	220.28	169.89
(d) Intangible assets under development	11	-	114.45
(e) Other intangible assets	11	81.79	0.03
(f) Right of use assets	32	378.85	232.85
(g) Assets held for sale		1,452.46	911.56
(h) Other non-financial assets	12	333.93	251.28
		<b>3,140.28</b>	<b>2,167.69</b>
<b>Total assets</b>		<b>1,42,889.87</b>	<b>1,26,911.22</b>
<b>Liabilities and equity</b>			
<b>Liabilities</b>			
<b>3. Financial liabilities</b>			
(a) Payables:	13		
(i) Trade payables			
-total outstanding dues of micro enterprises and small enterprises		6.05	1.39
-total outstanding dues of creditors other than micro enterprises and small enterprises		286.53	189.77
(ii) Other payables			
-total outstanding dues of micro enterprises and small enterprises		-	-
-total outstanding dues of creditors other than micro enterprises and small enterprises		245.41	135.02
(b) Debt securities	14	499.30	997.73
(c) Borrowings (other than debt securities)	15	1,13,323.31	98,976.52
(d) Lease liabilities	32	402.24	268.22
(e) Other financial liabilities	16	3,977.74	4,016.07
		<b>1,18,740.58</b>	<b>1,04,534.72</b>
<b>4. Non-financial liabilities</b>			
(a) Current Tax Liabilities (net)		58.26	-
(b) Provisions	17	249.52	193.84
(c) Other non-financial liabilities	18	120.01	213.96
		<b>427.79</b>	<b>407.80</b>
<b>Total liabilities</b>		<b>1,19,168.37</b>	<b>1,04,942.52</b>
<b>5. Equity</b>			
(a) Equity share capital	19	7,358.11	7,358.11
(b) Other equity	20	16,363.39	14,610.59
		<b>23,721.50</b>	<b>21,968.70</b>
<b>Total liabilities and equity</b>		<b>1,42,889.87</b>	<b>1,26,911.22</b>

Significant accounting policies

2

Notes forming an integral part of these financial statements

1 to 81

This is the balance sheet referred to in our report of even date.

For VARMA & VARMA

Chartered Accountants

Firm's Registration No.: 004532S

For and on behalf of the Board of Directors of

Muthoot Housing Finance Company Limited

Vijay Narayan Govind  
Partner

Membership No: 20,094

Place : Kochi

Thomas Muthoot

Managing Director

DIN: 00082099

Place : Kochi

Thomas George Muthoot

Director

DIN: 00011552

Place : Kochi

Thomas John Muthoot

Director

DIN: 00011618

Place : Trivandrum

Pavan Kumar Gupta

Chief Executive Officer

Place : Mumbai

Vikas Srivastava

Chief Financial Officer

Place : Mumbai

S. Sumesh

Company Secretary

Place : Trivandrum

Date : 16th May 2022

**Muthoot Housing Finance Company Limited**  
**Statement of profit and loss for the year ended 31 March 2022**

(All amounts are in INR Lakhs, unless otherwise stated)

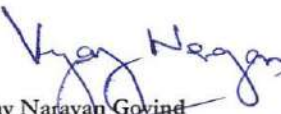
Particulars	Note	Year ended 31 March 2022	Year ended 31 March 2021
<b>I. Revenue from operations</b>			
Interest income	21	18,426.14	17,379.85
Net gain on fair value changes	22	110.57	76.69
Sale of services	23	5.38	13.23
Other financial services	24	467.07	282.71
<b>Total Income (I)</b>		<b>19,009.16</b>	<b>17,752.48</b>
<b>II. Expenses</b>			
Finance costs	25	9,745.86	9,483.70
Impairment on financial instruments	26	793.87	801.04
Employee benefits expenses	27	4,411.68	3,560.04
Depreciation, amortisation and impairment	28	231.95	222.58
Other expenses	29	1,532.26	1,008.76
<b>Total expenses (II)</b>		<b>16,715.62</b>	<b>15,076.12</b>
<b>III. Profit before tax (I - II)</b>		<b>2,293.54</b>	<b>2,676.36</b>
<b>IV. Tax Expenses</b>			
Current tax		820.38	851.94
Deferred tax charge/(credit)	9	(226.65)	(186.71)
Income tax relating to earlier years		-	0.19
<b>Total tax expenses (IV)</b>		<b>593.73</b>	<b>665.42</b>
<b>V. Profit for the year (III-IV)</b>		<b>1,699.81</b>	<b>2,010.94</b>
<b>VI. Other comprehensive income</b>			
<b>A. Items that will not be reclassified to profit and loss</b>			
Remeasurements gain/(loss) on defined benefit plan		15.77	(13.87)
Income tax impact on above		(3.97)	3.49
<b>Total other comprehensive income (VI)</b>		<b>11.80</b>	<b>(10.38)</b>
<b>Total comprehensive income for the year (V + VI)</b>		<b>1,711.61</b>	<b>2,000.56</b>
<b>Earning per equity share of INR 10 each</b>			
Basic (INR)	33	2.35	2.78
Diluted (INR)	33	2.34	2.78
Significant accounting policies	2		
Notes forming an integral part of these financial statements	1 to 81		

This is the statement of profit and loss referred to in our report of even date.


**For VARMA & VARMA**

Chartered Accountants  
Firm's Registration No.: 004532S

For and on behalf of the Board of Directors of  
**Muthoot Housing Finance Company Limited**

  
**Vijay Narayan Govind**  
Partner  
Membership No: 203094  
Place : Kochi

  
**Thomas Muthoot**  
Managing Director  
DIN: 00082099  
Place : Kochi

  
**Thomas George Muthoot**  
Director  
DIN: 00011552  
Place : Kochi

  
**Thomas John Muthoot**  
Director  
DIN: 00011618  
Place : Trivandrum

  
**Pavan Kumar Gupta**  
Chief Executive Officer  
Place : Mumbai

  
**Vikas Srivastava**  
Chief Financial Officer  
Place : Mumbai

  
**S. Sumesh**  
Company Secretary  
Place : Trivandrum

Date : 16th May 2022

**Muthoot Housing Finance Company Limited**  
**Cash flow statement for the year ended 31 March 2022**  
(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
<b>1. Cash flow from operating activities</b>		
Profit before tax	2,293.54	2,676.36
<b>Adjustments to reconcile profit before tax to net cash flows:</b>		
Depreciation, amortisation and impairment	231.95	222.58
Impairment on financial instruments/assets held for sale	932.25	843.72
Staff gratuity and leave encashment expenses	41.84	44.10
Provision for share based payment to employees	41.29	90.54
Income from investment in mutual fund	(110.57)	(76.69)
Loss on sale of property, plant and equipment	0.60	4.18
Finance Cost	9,714.46	9,443.54
Adjustments towards effective interest rate in respect of loan assets	148.81	78.32
Unwinding of prepaid rent and security deposit	(9.46)	(9.57)
Ind AS Adjustments for leases	(12.20)	-
Interest cost on lease liability	31.40	40.14
Adjustment on account of consolidation of ESOP trust	(0.10)	(0.21)
<b>Operating profit before working capital changes</b>	<b>13,303.81</b>	<b>13,357.01</b>
<b>Adjustments in working capital:</b>		
(Increase)/ Decrease in bank balances other than cash & cash equivalents	150.18	(503.12)
(Increase)/Decrease in loans	(11,456.38)	(9,210.72)
(Increase)/Decrease in trade receivables	0.84	77.25
(Increase)/Decrease in other financial assets	614.05	27.29
(Increase)/Decrease in other non-financial assets	215.99	200.40
Increase/(Decrease) in trade payables	211.81	145.80
Increase/(Decrease) in other financial liabilities	59.14	(29.25)
Increase/(Decrease) in provisions	29.61	(1.98)
Increase/(Decrease) in other non-financial liabilities	52.94	(49.56)
<b>Cash generated from/(used in) operations</b>	<b>3,181.99</b>	<b>4,013.12</b>
Finance cost paid	(10,044.21)	(9,527.94)
Income tax paid (net)	(724.78)	(696.06)
<b>Net cash generated from/(used in) operating activities</b>	<b>(7,587.00)</b>	<b>(6,210.88)</b>
<b>2. Cash flow from investing activities</b>		
Purchase of property, plant and equipment/intangible assets	(130.05)	(30.98)
Purchase of investment (short term debt mutual fund)	(39,850.00)	(24,924.37)
Proceeds from sale of investments (short term debt mutual fund)	36,174.20	27,337.43
Payment towards intangible assets under development	-	(111.06)
Proceeds from sale of property, plant and equipment	0.39	0.04
<b>Net cash generated from / (used in) investing activities</b>	<b>(3,805.46)</b>	<b>2,271.06</b>
<b>3. Cash flow from financing activities</b>		
Payment towards lease liabilities	(151.77)	(173.46)
Repayment of debt security	(500.00)	(500.00)
Proceeds from borrowings other than debt security	38,500.00	27,583.00
Repayments of borrowings other than debt security	(23,771.90)	(18,933.61)
<b>Net cash generated from / (used in) financing activities</b>	<b>14,076.33</b>	<b>7,975.93</b>
<b>Net increase / (decrease) in cash and cash equivalents during the year (1+2+3)</b>	<b>2,683.87</b>	<b>4,036.11</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>5,855.11</b>	<b>1,819.00</b>
<b>Total cash and cash equivalents at the end of the year</b>	<b>8,538.98</b>	<b>5,855.11</b>

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**Muthoot Housing Finance Company Limited**  
**Cash flow statement for the year ended 31 March 2022**

(All amounts are in INR Lakhs, unless otherwise stated)

**Cash and cash equivalents**

Cash in hand	160.99	157.51
Balances with banks	467.83	1,194.51
Fixed deposits with banks having original maturity of less than 3 months	7,910.16	4,503.09
<b>Cash and cash equivalents at the end of the year</b>	<b>8,538.98</b>	<b>5,855.11</b>

The above cash flow statement has been prepared under the indirect method as set out in the Ind AS 7 "Statement of cash flow" as specified in Companies (Indian Accounting Standards) Rules, 2015.

Significant accounting policies

2

Notes forming an integral part of these financial statements

1 to 81

This is the cash flow statement referred to in our report of even date.

**For VARMA & VARMA**

Chartered Accountants

Firm's Registration No.: 004532S

For and on behalf of the Board of Directors of

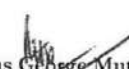
**Muthoot Housing Finance Company Limited**

  
Vijay Narayan Govind  
Partner

Membership No: 203094

Place : Kochi

  
Thomas Muthoot  
Managing Director  
DIN: 00082099  
Place : Kochi

  
Thomas George Muthoot  
Director  
DIN: 00011552  
Place : Kochi

  
Thomas John Muthoot  
Director  
DIN: 00011618  
Place : Trivandrum

  
Pavan Kumar Gupta  
Chief Executive Officer  
Place : Mumbai

  
Vikas Srivastava  
Chief Financial Officer  
Place : Mumbai

  
S. Sumesh  
Company Secretary  
Place : Trivandrum

Date : 16th May 2022

**Muthoot Housing Finance Company Limited**  
**Statement of change in equity for the year ended 31 March 2022**  
 (All amounts are in INR Lakhs, unless otherwise stated)

**a. Equity share capital:**

Particulars	No. of Shares	Amount
<b>At 1 April 2020</b>	<b>7,35,81,066.00</b>	<b>7,358.11</b>
Add: Issued during the year	-	-
<b>At 31 March 2021</b>	<b>7,35,81,066.00</b>	<b>7,358.11</b>
Add: Issued during the year	-	-
<b>At 31 March 2022</b>	<b>7,35,81,066.00</b>	<b>7,358.11</b>

**b. Other equity:**

Particulars	Reserve and surplus					Total		
	Security premium	Special reserve	Share option outstanding account	Treasury shares	General reserve		Retained earning	Other comprehensive income
<b>Balance as at 1 April 2020</b>	<b>9,294.63</b>	<b>1,266.37</b>	<b>42.22</b>	<b>(571.37)</b>	<b>-</b>	<b>2,519.10</b>	<b>(31.25)</b>	<b>12,519.70</b>
Addition / appropriation during the year	-	402.19	90.54	-	-	(402.19)	-	90.54
Profit for the year	-	-	-	-	-	2,010.94	-	2,010.94
Adjustment on account of consolidation of ESOP trust	-	-	-	-	(0.21)	-	-	(0.21)
Other comprehensive income (net of tax)	-	-	-	-	-	-	(10.38)	(10.38)
<b>Balance as at 31 March 2021</b>	<b>9,294.63</b>	<b>1,668.56</b>	<b>132.76</b>	<b>(571.37)</b>	<b>(0.21)</b>	<b>4,127.85</b>	<b>(41.63)</b>	<b>14,610.59</b>
Addition / appropriation during the year	-	400.00	41.29	-	-	(400.00)	-	41.29
Profit for the year	-	-	-	-	-	1,699.81	-	1,699.81
Adjustment on account of consolidation of ESOP trust	-	-	-	-	(0.10)	-	-	(0.10)
Other comprehensive income (net of tax)	-	-	-	-	-	-	11.80	11.80
<b>Balance as at 31 March 2022</b>	<b>9,294.63</b>	<b>2,068.56</b>	<b>174.05</b>	<b>(571.37)</b>	<b>(0.31)</b>	<b>5,427.66</b>	<b>(29.83)</b>	<b>16,363.39</b>

Significant accounting policies

Notes forming an integral part of these financial statements


1 to 81

This is the Statement of changes in equity referred to in our report of even date.

**For VARMA & VARMA**

Chartered Accountants

Firm's Registration No.: 014532S

  
**Vijay Narayan Govind**  
 Partner  
 Membership No: 203094  
 Place : Kochi


For and on behalf of the Board of Directors of  
**Muthoot Housing Finance Company Limited**

  
**Thomas Muthoot**  
 Managing Director  
 DIN: 00082099  
 Place : Kochi

  
**Favan Kumar Gupta**  
 Chief Executive Officer  
 Place : Mumbai

  
**Thomas George Muthoot**  
 Director  
 DIN: 00011552  
 Place : Kochi

  
**Vikas Srivastava**  
 Chief Financial Officer  
 Place : Mumbai

  
**Thomas John Muthoot**  
 Director  
 DIN: 00011618  
 Place : Trivandrum

  
**S. Sumesh**  
 Company Secretary  
 Place : Trivandrum

Date : 16th May 2022

## 1. Corporate Information

Muthoot Housing Finance Company Limited (the “Company”), is a public company domiciled in India and incorporated under provision of the Companies Act, 1956 having Corporate Identity Number (CIN) - U65922KL2010PLC025624.

The Company is a Housing Finance Company registered with the National Housing Bank (NHB) under section 29A of the National Housing Bank Act, 1987 and primarily engaged in housing finance activities. The Company was incorporated on 5 March 2010 and received the certificate of registration from the NHB on 11 February 2011, enabling the Company to carry on business as a Housing Finance Company without accepting public deposits. The Company received its certificate of commencement of business on 1 June 2011. The registered address of the company is Muthoot Centre, TC No.14/2074-7, Punnem Road, Thiruvananthapuram – 695 039.

## 2. Summary of significant accounting policies

### 2.1. Basis of accounting and preparation

The accompanying financial statements of the Company have been prepared in accordance with Indian Accounting Standard (Ind AS) specified under Section 133 of the Companies Act, 2013 (the “Act”) read with the Companies (Indian Accounting Standard) Rules, 2015 (as amended from time to time) and in accordance with the regulation of National Housing Bank. The Company has followed the same accounting policies in preparation of the financial statements as those followed in preparation of the annual financial statements as at and for the year ended 31 March 2021.

The financial statements have been prepared in accordance with information and disclosures mandated by Schedule III of the Act, applicable Ind AS and regulation of NHB.

The Company’s presentation and functional currency is Indian Rupees (INR). All amounts appearing in the financial statements are rounded to the nearest lakhs except where otherwise indicated.

### 2.2. Basis of measurement

The Company maintains accounts on accrual basis, except for the items disclosed separately in notes below. The financial statements have been prepared on a historical cost basis except for followings:

- Certain financial assets and liabilities which are measured at fair value;
- Defined benefit plans measured at fair value; and
- Assets held for sale are measured at fair value less cost to sell or carrying amount whichever is lower

### 2.3. Statement of compliance

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

### 2.4. Use of estimates and judgements

The presentation of financial statements in accordance with Ind AS requires management to use of certain critical accounting estimates and assumptions. It also requires management to exercise judgment in the process of applying accounting policies. However, the actual results could differ from those estimates.



The estimates and underlying assumptions are reviewed on an ongoing basis and changes are made as management becomes aware of changes in the circumstances surrounding the estimates. They are based on historical experience, industry practice and other factors, including expectation of future events that may have a financial impact on the Company and that are believed to be reasonable under circumstances. Revision to accounting estimates are recognised in the financial statements in the period in which the estimate is revised.

Wherever possible, detailed information about each of the critical estimates and judgements is included in relevant notes."

The areas involving critical estimates or judgments are:

- Estimation of defined benefit obligation;
- Impairment of financial assets such as loans, trade receivables etc;
- Estimation of tax expenses and liability; and
- Financials assets measured at amortised cost (loans).
- Estimates of share-based payment arrangement.
- Estimate regarding the behaviour /life cycle of instruments for determining EIR.

## 2.5. Recognition of income

### 2.5.1. The effective interest rate method

Under Ind AS 109 interest income is recorded using the effective interest rate (EIR) method for all financial instruments measured at amortised cost. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Company recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loan. Hence, it recognises the effect of potentially different interest rates charged at various stages, and other characteristics of the product life cycle (including prepayments, penalty interest and charges).

### 2.5.2. Interest income

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets and financial assets measured at fair value through the statement of profit and loss (FVTPL).

When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Company calculates interest income by applying the effective interest rate to the amortised cost net of provisions of the financial asset. If the financial assets are no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

### 2.5.3. Revenue from contracts

Revenue is measured at fair value of the consideration received or receivable.

The Company recognises revenue from contracts with customers based on a five-step model as set out in Ind 115:

**Step 1: Identify contract(s) with a customer:** A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.



**Step 2: Identify performance obligations in the contract:** A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

**Step 3: Determine the transaction price:** The transaction price is the amount of consideration to which the 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 the Company satisfies a performance obligation.

#### 2.5.4. Dividend income

Dividend Income is recognised when the Company's right to receive dividend is established by the reporting date.

#### 2.5.5. Investment income

The gain or loss on sale of investments are recognised in the statement of profit and loss on trade date. Gain or loss on sale of investment is determined on the basis of first in first out cost basis.

#### 2.5.6. Other income

(a) Other financial services include late payment interest, cheque bounce charges and other charges from customers are accounted on receipt basis due to uncertainty of its realisation.

(b) All other incomes are accounted on accrual basis.

### 2.6. Financial instruments

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

#### 2.6.1. Financial assets

##### (a) Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets are initially recognised when the Company becomes a party to the contractual provisions of the instrument. All financial assets other than those measured subsequently at FVTPL, are recognised initially at fair value plus transaction cost that are attributable to the acquisition of the financial asset.

##### (b) Classification and subsequent measurement

Financial assets are subsequently measured in their entirety at amortised cost or fair value depending on the classification of respective financial assets. Based on the business model for managing the financial assets and the contractual cash flow characteristic of the financial assets, the Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI) or FVTPL.

- **Debt instruments at amortised cost**

A 'debt instrument' is measured at amortised cost if both the following conditions are met:  
The assets are held within business model whose objective is:



- To hold assets for collecting contractual cash flows; and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely consisting of payments of principle and interest (SPPI) on the principle outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are integral part of EIR. The EIR amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in statement of profit and loss.

- **Debt instruments at fair value through other comprehensive income (FVTOCI)**

A 'debt instrument' is measured at fair value through other comprehensive income if both the following conditions are met:

The assets are held within business model whose objective is achieved by both

- Collecting contractual cash flows and selling financial assets; and
- Contractual terms of the asset give rise on specified dates to cash flows that are SPPI on the principle outstanding.

After initial measurement, such financial assets are subsequently measured at fair value. Interest income under EIR method and impairment losses are recognised in statement of profit and loss. Other net gain or losses are recognised as OCI.

- **Debt instruments fair value through the statement of profit and loss (FVTPL)**

FVTPL is residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization at amortised cost or as FVTOCI, is classified as FVTPL. After initial measurement, any fair value changes including any interest income, impairment losses and other net gains and losses are recognised in statement of profit and loss.

**(c) De-recognition**

A financial asset is primarily derecognised when the right to receive cash flow from assets have expired. On de-recognition, any gain or loss on debt instruments are recognised in the statement of profit and loss, except for financial assets at FVTOCI, where on de-recognition accumulated gain or losses in OCI is re-classified to profit or loss.

The Company transfers loans through assignment transactions. In accordance with the Ind AS 109, on derecognition of a financial asset under assignment transactions, the difference between the carrying amount and the consideration received shall be recognised in statement of Profit and Loss.

**(d) Impairment of financial assets**

In accordance with Ind AS 109, the Company applies Expected Credit Loss ('ECL') model for measurement and recognition of impairment loss on the financial assets measured at amortised cost and debt instruments measured at FVTOCI. However, the Company has maintained the minimum provision requirement as per NHB regulations.

Loss allowances on trade receivables are measured following 'simplified approach' at an amount equal to the lifetime ECL at each reporting date. In respect of other financial assets such as debt securities, the loss allowances are measured at 12-month ECL only if there is no significant deterioration in the credit risk since initial recognition of the assets.



## 2.6.2. Financial liabilities

### Recognition and initial measurement

- (a) Financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities, other than those measured at FVTPL, are recognised initially at fair value plus transaction cost that are attributable to the acquisition of the financial liability.

### (b) Classification and subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial liabilities.

- **Financial liabilities at FVTPL**

A financial liability is classified as FVTPL if it is classified as held-for-trading or is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and charges therein, including any interest expenses, are recognised in statement of profit and loss.

- **Financial liabilities at amortised cost**

After initial recognition, financial liabilities other than those which are classified as FVTPL are subsequently measured at amortised cost using the EIR method.

Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The amortisation done using the EIR method is included as finance cost in statement of profit and loss

### (c) De-recognition

A financial liability is derecognised when the obligation under liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised of in the statement of profit and loss.

## 2.7. Property, plant and equipment (PPE) & depreciation

PPE are stated at cost less accumulated depreciation thereon. The cost of PPE comprises purchase price and any attributable cost of bringing the asset to its working condition for its intended use. The Company provides pro-rata depreciation from the date on which asset is acquired/ put to use. In respect of assets sold, pro-rata depreciation is provided up to the date on which the asset is sold. Gains / Losses arising from sale of asset are measured at the difference between the net disposal value and the carrying amount of the assets and are recognised in the statement of profit and loss when the asset is sold. On all assets, except the cost of leasehold improvements which are amortized over the period of the lease, depreciation has been provided using the useful life as specified in Schedule II to the Act by written down value method:

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is de-recognized when replaced. All other repairs and maintenance are charged to the statement of profit and loss during the reporting period in which they are incurred. PPE are eliminated from the financial statements, either on disposal or when retired from active use. Gains or losses on disposals or retirement of assets are determined by comparing proceeds with carrying amount. These are recognized in the statement of profit and loss.



## 2.8. Intangible assets and amortization

Expenses incurred on intangible assets having enduring benefits are capitalized and amortized on straight line method (SLM) basis over a period of three years.

## 2.9. Taxation

Tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effect of timing differences between accounting income and taxable income for the period).

### 2.9.1. Current tax

Provision for current tax is made on the basis of estimated taxable income for the accounting year in accordance with the Income Tax Act, 1961. Current tax assets and liabilities are measured at the amount expected to be recovered from, or paid to, the taxation authorities. Management periodically evaluates positions taken in the tax returns with respect to situation in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets and liabilities are offset where the entity has legally enforceable right to offset and intends either to settle on net basis, or to realise the assets and settle the liability simultaneously.

### 2.9.2. Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit and is accounted for using the balance sheet liability model. Deferred tax liabilities are generally recognised for all the taxable temporary differences. In contrast, deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance sheet 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 income tax asset to be utilized. Deferred income 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 balance sheet date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

## 2.10. Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located.



The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The Company recognises the amount of the re-measurement of lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss. The Company has elected not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

## 2.11. Employee benefits

### 2.11.1. Defined contribution plans

The Company's contribution to provident fund and employee state insurance scheme is considered as defined contribution plans and is charged to the statement of Profit and Loss in the period in which they occur. The Company have no other obligation when the contribution has been paid.

### 2.11.2. Defined benefit plans

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of Profit and Loss. Remeasurements of 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. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

### 2.11.3. Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.



The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the statement of Profit and Loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

#### **2.11.4. Other long term / short term employee benefit obligation**

The Company has provided for earned leave benefits payable to its employees and is in the nature of defined benefit plan. The liability recognized in the balance sheet in respect of leave encashment is the present value of defined benefit obligation at the balance sheet date together with the adjustments for unrecognized actuarial gain or losses and the past service costs. The defined benefit obligation is calculated at or near the balance sheet date by an independent actuary using the projected unit credit method. Actuarial gains and losses comprise experience adjustment and the effects of changes in actuarial assumptions are recognised immediately in the statement of profit and loss account.

Remeasurements gains and losses arising from experience adjustments and changes in actuarial assumptions, are recognised in the year 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.

#### **2.11.5. Share-based payment arrangements**

The Stock options granted to employees pursuant to the Company's stock options schemes, are measured at the fair value of the options at the grant date using Black-Scholes Model. The fair value of the options determined at grant date is treated as discount and accounted as employee compensation cost over the vesting period on a straight-line basis over the period of option, based on the number of grants expected to vest, with corresponding increase in equity. The Company has created an Employee Stock Options Trust (ESOP) for providing share-based payment to its employees. The Company uses ESOP as a vehicle for distributing shares to employees under the employee remuneration schemes. The ESOP Trust buys shares of the company, for giving shares to employees. The Company treats ESOP as its extension and shares held by ESOP are treated as treasury shares. Treasury shares are recognized at cost of acquisition and included under other equity. No gain or loss is recognized in profit or loss on the purchase or issue of the Company's own equity shares. Share options exercised during the reporting period are deducted from treasury shares.

#### **2.11.6. Finance Cost**

Finance costs represents Interest expense recognized by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial liabilities other than financial liabilities classified as FVTPL.

The EIR in case of a financial liability is computed

- a. At the rate that exactly discounts estimated future cash payments through the expected life of the Financial Liability to the gross carrying amount of the amortised cost of a Financial Liability.
- b. By considering all the contractual terms of the Financial Instrument in estimating the cash flows.
- c. Including all fees paid between parties to the contract that are an integral part of the Effective Interest Rate, transaction costs, and all other premiums or discounts.

Interest expense includes issue costs that are initially recognized as part of the carrying value of the Financial Liability and amortized over the expected life using the effective interest method. These include fees and commissions payable to advisors and other expenses such as external legal costs, rating fee etc., provided these are incremental costs that are directly related to the issue of a Financial Liability.



## 2.12. Provisions

Provisions for legal claims are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as finance cost.

## 2.13. Contingent liabilities and contingent 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 probable that an outflow of resources will not be required to settle the obligation. However, if the possibility of outflow of resources, arising out of present obligation, is remote, it is not even disclosed as contingent liability.

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 notes to financial statements. A contingent asset is not recognized in financial statements, however, the same is disclosed where an inflow of economic benefit is probable.

## 2.14. Impairment of financial assets

The Company assesses at each balance sheet date whether there is any indication that a non-financial asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the non-financial asset. If such recoverable amount of the non-financial asset or the recoverable amount of the cash generating unit which the non-financial asset belongs to, is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed, and the non-financial asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

## 2.15. Assets held for sale

Assets possessed against the settlement of loans are carried in the balance sheet at a value of outstanding principal loan amount or fair value of asset whichever is lower. In case the fair value of the asset acquired is lower than the outstanding principal loan amount; then the shortfall is to be provided for in the books of account in such financial year.

These assets are classified as 'Assets held for sale' under 'Non-financial assets' till the asset acquired is finally disposed. The outstanding overdue interest and other charges will be accounted on realization basis.

Further, if on disposal of the assets so acquired, the sale proceed is higher than the receivable amount (including outstanding loan, outstanding overdue interest, other charges and interest), then the Company will refund the excess amount to the borrowers.



**2.16. Write offs**

Financial Assets are written off when the chances of recovery are bleak despite effective recovery initiatives.

When any amount is recovered from borrowers after write off, the amount recovered will be credited to Statement of profit and loss account.

**2.17. Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprises cash at bank and on hand and short –term deposits with an original maturity of three months or less, which are subject to an insignificant risk of change in value.

**2.18. Earnings per share (EPS)**

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares after adjustments for treasury shares, outstanding during the year.

For the purpose of 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.

**2.19. Standards Issued but not yet effective**

Ministry of Corporate Affairs (MCA) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Rules, 2022. The effective date for adoption of these amendments is annual period beginning on or after April 1, 2022. The amendments are as below.

**(i) Ind AS 16 – Property, plant and equipment**

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

**(ii) Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets**

The amendment specifies that the ‘cost of fulfilling’ a contract comprises the ‘costs that relate directly to the contract’. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of Property, plant and equipment used in fulfilling the contract). Although effective date for adoption for this amendment is April 1, 2022, early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material on its financial statements.

**(iii) Ind AS 103 - Reference to Conceptual Framework**

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities, in the ‘Conceptual Framework for Financial Reporting’ under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India, at the acquisition date. These changes do not significantly change the existing requirements of Ind AS 103. The amendment does not have impact on the Company’s financial statements.



(iv) Ind AS 109 - Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity should include when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The amendment removes the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact on its financial statements.



3 Cash and cash equivalents

Particulars	As at	As at
	31 March 2022	31 March 2021
Cash on hand	160.99	157.51
Balances with banks	467.83	1,194.51
Fixed deposits with banks having original maturity of less than 3 months	7,910.16	4,503.09
<b>Total</b>	<b>8,538.98</b>	<b>5,855.11</b>

4 Bank balance other than cash and cash equivalents

Particulars	As at	As at
	31 March 2022	31 March 2021
Fixed deposit with banks	1,120.70	1,270.88
<b>Total</b>	<b>1,120.70</b>	<b>1,270.88</b>

- Out of the above bank deposits, INR 1084.21 Lakhs (31 March 2021 : INR 865.23 Lakhs) is marked lien with certain banks as security for term loan borrowings and margin against bank guarantee. .

5 Receivables

Particulars	As at	As at
	31 March 2022	31 March 2021
<b>Trade receivables</b>		
Receivables considered good - secured	-	-
Receivables considered good - unsecured	-	5.92
Receivables which have significant increase in credit risk	5.08	-
Less : Impairment loss allowances	-	-
<b>Total trade receivables</b>	<b>5.08</b>	<b>5.92</b>

There is no unbilled revenue receivable during the year ended 31.03.2022 (Previous Year - Nil)

Trade receivables are non-interest bearing and are generally on payment terms of 30 to 90 days.

Particulars	As at	As at
	31 March 2022	31 March 2021
<b>Undisputed outstanding Considered good</b>		
Not Due	-	-
Less than 6 months	-	5.92
6 months -1 year	-	-
1-2 years	-	-
2- 3 years	-	-
More than 3 years	-	-
<b>Total trade receivables</b>	<b>-</b>	<b>5.92</b>

Particulars	As at	As at
	31 March 2022	31 March 2021
<b>Undisputed outstanding which have significant increase in credit risk</b>		
Not Due	-	-
Less than 6 months	-	-
6 months -1 year	-	-
1-2 years	5.08	-
2- 3 years	-	-
More than 3 years	-	-
<b>Total trade receivables</b>	<b>5.08</b>	<b>-</b>

Particulars	As at	As at
	31 March 2022	31 March 2021
<b>Disputed outstanding for following periods</b>		
Not Due	-	-
Less than 1 year	-	-
1-2 years	-	-
2- 3 years	-	-
More than 3 years	-	-
<b>Total trade receivables</b>	<b>-</b>	<b>-</b>



6 Loans

Particulars	As at 31 March 2022	As at 31 March 2021
<b>At amortised cost</b>		
<b>Term loans :</b>		
Housing loans & other loans	1,27,747.49	1,18,142.31
Less : Impairment loss allowances	(2,672.42)	(2,358.67)
<b>Net loans</b>	<b>1,25,075.07</b>	<b>1,15,783.64</b>
Secured by tangible assets (immovable property)	1,27,747.49	1,18,142.31
Less : Impairment loss allowances	(2,672.42)	(2,358.67)
<b>Net loans</b>	<b>1,25,075.07</b>	<b>1,15,783.64</b>
<b>Loans in India:</b>		
(i) Public sector	-	-
(ii) Others (retail loans)	1,27,747.49	1,18,142.31
<b>Total loans</b>	<b>1,27,747.49</b>	<b>1,18,142.31</b>
Less : Impairment loss allowances	(2,672.42)	(2,358.67)
<b>Net loans</b>	<b>1,25,075.07</b>	<b>1,15,783.64</b>

Particulars	Principal	Interest Outstanding	Effective Interest rate adjustment	Total
Balance as at 31 March 2022	1,28,498.73	1,190.33	(1,941.57)	1,27,747.49
Balance as at 31 March 2021	1,19,013.13	922.76	(1,793.58)	1,18,142.31

Reconciliation of Expected Credit Loss is as below:

Particulars	Stage I	Stage II	Stage III	Total
Balance as at 1 April 2020	327.12	410.40	1,180.77	1,918.29
Addition during the year	45.78	(105.71)	500.31	440.38
Balance as at 31 March 2021	372.90	304.69	1,681.08	2,358.67
Addition during the year	38.21	136.25	139.29	313.75
Balance as at 31 March 2022	411.11	440.94	1,820.37	2,672.42

Company has classified the stages as below:

- Stage I : Credit risk has not increased significantly if principal or interest is due for 30 days or less.  
Stage II : Credit risk has increased significantly if principal or interest is due from 31 days to 90 days.  
Stage III : Credit impaired if principal or interest is due for more than 90 days.

7 Investment

Particulars	As at 31 March 2022	As at 31 March 2021
<b>At fair value through profit and loss</b>		
Investments in mutual fund	4,076.39	290.02
<b>At fair value through other comprehensive income</b>		
Investments in Corporate*	4.50	4.50
Out of which:		
Investments in India	4,080.89	294.52
Investments outside India	-	-
<b>Total</b>	<b>4,080.89</b>	<b>294.52</b>

\*During the year the Company has invested NIL in equity shares of INR 10 each (31 March 2021 : 45000) in M/s Thinking Machine India Private Limited.

8 Other financial assets

Particulars	As at 31 March 2022	As at 31 March 2021
Security deposit*	109.15	100.31
EIS receivable (net)	815.25	1,144.38
Other financial assets	4.47	288.77
<b>Total</b>	<b>928.87</b>	<b>1,533.46</b>

\*Security Deposits Includes Rs 39.04 lakhs (Previous year Rs 38.83 lakhs) given to related parties. (Refer Note 42)



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Notes to financial statements for the year ended 31 March 2022

(All amounts are in INR Lakhs, unless otherwise stated)

		As at 31 March 2022					
9	Deferred tax assets (net)	Net balance 1 April 2021	Recognised in profit or loss	Recognised in OCI	Net balance 31 March 2022	Deferred tax assets	Deferred tax liabilities
(a)	Movement in deferred tax assets / (liabilities)						
	Deferred tax assets / (liabilities)						
	Provision for employee benefits	45.56	55.84	(3.97)	97.43	97.43	-
	Property, plant and equipment & intangible assets	37.12	1.00		38.12	38.12	-
	Impairment allowances on financial assets	550.94	82.27		633.21	633.21	-
	Financial assets measured at amortised cost	395.51	63.03		458.54	458.54	-
	Other financial assets	44.23	31.70		75.93	75.93	-
	Other temporary differences	2.92	12.24		15.16	15.16	-
	Special reserve	(343.52)	(100.67)		(444.19)	-	(444.19)
	EIS receivables	(289.46)	82.83		(206.63)	-	(206.63)
	Financial liabilities measured at amortised cost	(1.92)	1.41		(0.51)	-	(0.51)
	Fair value of future lease obligations in accordance with Ind AS 116	8.91	(3.00)		5.91	5.91	-
	<b>Net deferred tax assets / (liabilities)</b>	<b>450.29</b>	<b>226.65</b>	<b>(3.97)</b>	<b>672.97</b>	<b>1,324.30</b>	<b>(651.33)</b>

		As at 31 March 2021					
(b)	Movement in deferred tax assets / (liabilities)	Net balance 1 April 2020	Recognised in profit or loss	Recognised in OCI	Net balance 31 March 2021	Deferred tax assets	Deferred tax liabilities
	Deferred tax assets / (liabilities)						
	Provision for employee benefits	30.97	11.10	3.49	45.56	45.56	-
	Property, plant and equipment & intangible assets	29.71	7.41		37.12	37.12	-
	Impairment allowances on financial assets	244.30	306.64		550.94	550.94	-
	Financial assets measured at amortised cost	548.48	(152.97)		395.51	395.51	-
	Other financial assets	33.49	10.74		44.23	44.23	-
	Other temporary differences	5.43	(2.51)		2.92	2.92	-
	Special reserve	(268.02)	(75.50)		(343.52)	-	(343.52)
	EIS receivables	(366.70)	77.24		(289.46)	-	(289.46)
	Financial liabilities measured at amortised cost	(4.57)	2.65		(1.92)	-	(1.92)
	Fair value of future lease obligations in accordance with Ind AS 116	7.00	1.91		8.91	8.91	-
	<b>Net deferred tax assets / (liabilities)</b>	<b>260.09</b>	<b>186.71</b>	<b>3.49</b>	<b>450.29</b>	<b>1,085.19</b>	<b>(634.90)</b>



Notes to financial statements for the year ended 31 March 2022  
(All amounts are in INR Lakhs, unless otherwise stated)

10 Property, plant and equipment (at cost)

Particulars	Furniture & Fixtures	Office Equipments	Computers	Leasehold Improvements	Total
<b>At 1 April 2020</b>	<b>78.35</b>	<b>92.21</b>	<b>125.03</b>	<b>143.22</b>	<b>438.81</b>
Additions during the year	9.52	8.75	1.87	10.84	30.98
Disposals during the year	(0.58)	(8.82)	(5.22)	-	(14.62)
<b>At 31 March 2021</b>	<b>87.29</b>	<b>92.14</b>	<b>121.68</b>	<b>154.06</b>	<b>455.17</b>
Additions during the year	33.68	33.68	22.54	31.96	121.86
Disposals during the year	(0.63)	(2.69)	(6.17)	(5.66)	(15.15)
<b>At 31 March 2022</b>	<b>120.34</b>	<b>123.13</b>	<b>138.05</b>	<b>180.36</b>	<b>561.88</b>
<b>Accumulated Depreciation:</b>					
<b>At 1 April 2020</b>	<b>28.64</b>	<b>57.07</b>	<b>88.79</b>	<b>42.43</b>	<b>216.93</b>
Depreciation charge for the year	14.40	18.36	20.59	28.35	81.70
Reversal on disposal of assets	(0.43)	(7.95)	(4.97)	-	(13.35)
<b>At 31 March 2021</b>	<b>42.61</b>	<b>67.48</b>	<b>104.41</b>	<b>70.78</b>	<b>285.28</b>
Depreciation charge for the year	14.30	15.64	12.08	28.46	70.48
Reversal on disposal of assets	(0.38)	(2.54)	(5.86)	(5.38)	(14.16)
<b>At 31 March 2022</b>	<b>56.53</b>	<b>80.58</b>	<b>110.63</b>	<b>93.86</b>	<b>341.60</b>
<b>Net book value:</b>					
<b>At 31 March 2021</b>	<b>44.68</b>	<b>24.66</b>	<b>17.27</b>	<b>83.28</b>	<b>169.89</b>
<b>At 31 March 2022</b>	<b>63.81</b>	<b>42.55</b>	<b>27.42</b>	<b>86.50</b>	<b>220.28</b>

The company does not have any Benami property where any proceeding has been initiated or pending against the company for holding any Benami property  
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11 Intangible assets under development and other intangible assets (at cost)

Particulars	Intangible assets under development	Other intangible assets (Computer software)*
<b>At 1 April 2020</b>	87.44	0.54
Additions during the year	29.96	-
Capitalised during the year	-	-
Disposals during the year	(2.95)	-
<b>At 31 March 2021</b>	114.45	0.54
Additions during the year	-	122.64
Capitalised during the year	(114.45)	-
Disposals during the year	-	-
<b>At 31 March 2022</b>	-	123.18
<b>Amortisation:</b>		
<b>At 1 April 2020</b>	-	0.51
Depreciation charge for the year	-	-
Reversal on disposal of assets	-	-
<b>At 31 March 2021</b>	-	0.51
Depreciation charge for the year	-	40.88
Reversal on disposal of assets	-	-
<b>At 31 March 2022</b>	-	41.39
<b>Net book value:</b>		
<b>At 31 March 2021</b>	114.45	0.03
<b>At 31 March 2022</b>	-	81.79

\*The above intangible assets are other than internally generated.

Ageing Schedule of Intangible Assets under development as at 31st March, 2021

Intangible assets under development	Amount in Intangible asset under development for a period of			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress	29.97	84.48	-	-
Projects temporarily Suspended	-	-	-	-

12 Other non-financial assets

Particulars	As at 31 March 2022	As at 31 March 2021
Prepaid expenses	114.54	99.22
GST receivables	181.43	134.02
Advance to creditors*	18.44	8.22
Other receivables	19.52	9.82
<b>Total</b>	<b>333.93</b>	<b>251.28</b>

\* Includes Rs 2.16 lakhs (Previous Year Nil) due from related parties (Refer note 42)

13 Payables

Particulars	As at 31 March 2022	As at 31 March 2021
Total outstanding dues of micro enterprises and small enterprises	6.05	1.39
Total outstanding dues of creditors other than micro enterprises and small enterprises	286.53	189.77
<b>Total trade payables</b>	<b>292.58</b>	<b>191.16</b>

\*Trade payables Includes Rs 5.35 lakhs (net) (Previous year Rs 21.84 lakhs) due to related parties. (Refer note 42)



Trade payable ageing schedule as on 31st March 2022

Particulars	MSME	Others
<b>Undisputed outstanding for following periods</b>		
Unbilled	-	246.06
Not Due	-	-
Less than 1 year	6.05	27.51
1-2 years	-	5.53
2- 3 years	-	-
More than 3 years	-	7.43
<b>Total trade payables</b>	<b>6.05</b>	<b>286.53</b>

Particulars	MSME	Others
<b>Disputed outstanding for following periods</b>		
Less than 1 year	-	-
1-2 years	-	-
2- 3 years	-	-
More than 3 years	-	-
<b>Total trade payables</b>	<b>-</b>	<b>-</b>

Trade payable ageing schedule as on 31st March 2021

Particulars	MSME	Others
<b>Undisputed outstanding for following periods</b>		
Unbilled	-	128.42
Not Due	-	-
Less than 1 year	1.39	45.96
1-2 years	-	4.01
2- 3 years	-	4.36
More than 3 years	-	7.02
<b>Total trade payables</b>	<b>1.39</b>	<b>189.77</b>

Particulars	MSME	Others
<b>Disputed outstanding for following periods</b>		
Less than 1 year	-	-
1-2 years	-	-
2- 3 years	-	-
More than 3 years	-	-
<b>Total trade payables</b>	<b>-</b>	<b>-</b>

Other payables:

Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises :		
Premium payable	245.41	134.82
Creditors for capital assets	-	0.20
<b>Total other payables</b>	<b>245.41</b>	<b>135.02</b>

13.A Disclosure under Micro, Small, and Medium Enterprises Development Act, 2006 :

Dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act (MSMED), 2006 to the extent identified and information available with the Company. This has been relied upon by the auditors.

Particulars	As at 31 March 2022	As at 31 March 2021
a) Principal amount remaining unpaid	6.05	1.39
b) Interest due thereon remaining unpaid	-	-
c) Interest paid by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
d) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
e) Interest remaining accrued and unpaid at the end of the year	-	-
f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-



14 Debt securities

Particulars	As at 31 March 2022	As at 31 March 2021
<b>At amortised cost</b>		
Secured non-convertible debenture	499.30	997.73
Out of which:		
Debt securities in India	499.30	997.73
Debt securities outside India	-	-
<b>Total</b>	<b>499.30</b>	<b>997.73</b>

200 secured non-convertible debentures of face value of INR 10,00,000 each at an interest rate of 10.255% per annum aggregating to INR 2000 Lakhs repayable in 16 equal quarterly instalments of INR 125 Lakhs commencing from 20 June 2019. The date of allotment was 20 March 2018 and are secured by way of hypothecation of loan receivables of the Company equivalent to 1.1 times of the amount outstanding.

**Amounts repayable from the date of balance sheet\***

Particulars	As at 31 March 2022	As at 31 March 2021
less than 1 year	500.00	500.00
one to three years	-	500.00
three to five years	-	-
more than five years	-	-

\*All the above mentioned repayments disclosed are as per the contractual maturities of debt securities at gross carrying value.

15 Borrowings (other than debt securities)

Particulars	As at 31 March 2022	As at 31 March 2021
<b>At amortised cost</b>		
<b>Term loans (secured)</b>		
From banks	79,982.97	71,431.37
From National Housing Bank	16,385.35	12,265.70
From other parties*	8,149.58	10,241.02
<b>Term loans (unsecured)</b>		
From other parties	8,805.41	4,988.43
<b>Total</b>	<b>1,13,323.31</b>	<b>98,926.52</b>
Borrowings in India	1,13,323.31	98,926.52
Borrowings outside India	-	-

\* Includes amounts due to related parties Rs. Nil (as on 31st March 2021: Rs. 1,000 lakhs)

**a) Security details :**

**Secured loans from banks**

The loans are secured by way of hypothecation of loan receivables of the Company equivalent to security cover stipulated by respective banks. The loans aggregating to INR Lakhs 80,060.64 (31 March 2021 : INR 70,672.61 Lakhs) are guaranteed by promoter directors (Mr. Thomas Muthoot, Mr. Thomas George Muthoot and Mr. Thomas John Muthoot) of the Company.

**Secured loans from National Housing Bank**

The refinance facility from NHB is secured by way of hypothecation of loan receivables of the Company equivalent to stipulated security cover. The loans aggregating to INR Lakhs 15,790.56 (31 March 2021: INR 9,732.70 Lakhs) are further guaranteed by promoter directors (Mr. Thomas Muthoot, Mr. Thomas George Muthoot and Mr. Thomas John Muthoot) of the Company and comfort letter from holding Company.

**Secured loans from other parties**

The loans are secured by way of hypothecation of loan receivables of the Company equivalent to security cover stipulated by respective lender. The loans aggregating to INR Lakhs Nil (31 March 2021: INR 1,000 Lakhs) are further guaranteed by promoter directors (Mr. Thomas Muthoot, Mr. Thomas George Muthoot and Mr. Thomas John Muthoot) of the Company and comfort letter from holding Company.

**Unsecured loans from other parties**

The loans aggregating to INR Lakhs 8,835.32 (31 March 2021: INR 5,000 Lakhs) are guaranteed by promoter directors (Mr. Thomas Muthoot, Mr. Thomas George Muthoot and Mr. Thomas John Muthoot) of the Company and comfort letter from holding Company.

**Loan assets hypothecated as security for borrowings**

Particulars	As at 31 March 2022	As at 31 March 2021
Loan assets hypothecated as security for borrowings	1,16,786.69	1,05,373.70

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15 Borrowings (other than debt securities) (at amortised cost) (Contd.)

b) Terms of repayment

Secured loans from banks

Name of party	As at 31 March 2022	As at 31 March 2021	Terms of repayment
AU Small Finance Bank Limited	625.00	1,125.00	Repayable in 20 quarterly instalments after 1 month from the date of full disbursement
Axis Bank	1,235.29	1,500.00	Repayable in 17 quarterly instalments after 12 months from the date of first disbursement
Bank of Baroda	1,309.97	1,587.85	Repayable in 36 quarterly instalments after 12 months from the date of first disbursement
Bank of India	4,997.42	-	Repayable in 36 quarterly instalments after 12 months from the date of first disbursement
Canara Bank	2,731.48	3,287.04	Repayable in 108 monthly instalments after 13 months from the date of first disbursement
	3,024.88	4,272.88	Repayable in 48 monthly instalments after 13 months from the date of first disbursement
	1,666.67	1,962.11	Repayable in 36 equal quarterly instalments after 15 months from the date of first disbursement
DBS Bank India Limited	194.52	443.44	Repayable in 120 monthly instalments after 12 months from the date of first disbursement
Federal Bank Limited	1,833.21	-	Repayable in 36 monthly instalments after a month from the date of first disbursement
ICICI Bank Limited	267.86	625.00	Repayable in 28 quarterly instalments after 12 months from the date of first disbursement
IDBI Bank Limited	672.48	775.92	Repayable in 58 quarterly instalments after 6 months from the date of first disbursement
Indian Bank	6,879.31	8,333.25	Repayable in 29 quarterly instalments after a holiday period of 3 quarters from the date of first disbursement
	6,000.00	-	Repayable in 72 monthly instalments after a holiday period of 12 months from the date of first disbursement
Karur Vysya Bank	1,527.70	1,805.56	Repayable in 36 equal quarterly instalments after 12 months from the date of first disbursement
Punjab National Bank	2,068.16	2,627.51	Repayable in 36 equal quarterly instalments after 6 months from the date of first disbursement
	5,798.62	6,358.52	Repayable in 40 equal quarterly instalments after 15 months from the date of first disbursement
	1,584.10	1,865.98	Repayable in 36 equal quarterly instalments after 12 months from the date of first disbursement
	1,999.09	-	Repayable in 36 equal quarterly instalments after 12 months from the date of first disbursement
South Indian Bank	274.35	1,100.03	Repayable in 84 monthly instalments after 12 months from the date of first disbursement
	868.46	1,368.43	Repayable in 60 instalments from the date of first disbursement
	866.00	1,669.28	Repayable in 27 quarterly instalments after 6 months from the date of first disbursement
State Bank of India	2,789.15	3,189.42	Repayable in 36 quarterly instalments after 4 months from the date of first disbursement
	6,696.20	7,499.46	Repayable in 35 quarterly instalments after 12 months from the date of first disbursement
	7,999.64	5,500.00	Repayable in 36 quarterly instalments after 12 months from the date of first disbursement
	4,999.82	-	Repayable in 36 quarterly instalments after 12 months from the date of first disbursement
Union Bank of India	1,724.98	2,498.06	Repayable in 26 equal quarterly instalments after 6 months from the date of first disbursement
	4,164.79	4,998.37	Repayable in 24 equal quarterly instalments after 15 months from the date of first disbursement
	98.62	498.51	Repayable in 25 quarterly instalments after 9 months from the date of first disbursement
	3,049.33	3,606.33	Repayable in 36 equal quarterly instalments after 15 months from the date of first disbursement
Yes Bank Limited	2,738.56	3,097.46	Repayable in 163 monthly instalments after 6 months from the date of first disbursement
<b>Sub total</b>	<b>80,685.66</b>	<b>71,797.63</b>	
Adjustments on account of effective rate of interest	(719.93)	(432.30)	
Interest accrued on borrowings	17.24	66.04	
<b>Total</b>	<b>79,982.97</b>	<b>71,431.37</b>	

The rate of interest on borrowings is linked with respective bank's benchmark lending rate and spread varies from 80 bps to 565 bps

(31 March 2021: 100 bps to 345 bps)



15 Borrowings (other than debt securities) (at amortised cost) (Contd.)

b) Terms of repayment

Secured loans from National Housing Bank

Name of party	As at 31 March 2022	As at 31 March 2021	Terms of repayment
	234.69	300.65	Repayable in 47 quarterly instalments after quarter succeeding the disbursement
	530.00	598.00	Repayable in 59 quarterly instalments after quarter succeeding the disbursement
	52.95	71.63	Repayable in 27 quarterly instalments after quarter succeeding the disbursement
	790.50	883.70	Repayable in 59 quarterly instalments after quarter succeeding the disbursement
	1,216.20	1,319.40	Repayable in 59 quarterly instalments after quarter succeeding the disbursement
	515.60	669.20	Repayable in 27 quarterly instalments after quarter succeeding the disbursement
National Housing Bank	-	2,533.00	Repayable within one year
	193.50	216.30	Repayable in 39 quarterly instalments after quarter succeeding the disbursement
	427.79	507.60	Repayable in 39 quarterly instalments after quarter succeeding the disbursement
	891.80	996.76	Repayable in 39 quarterly instalments after quarter succeeding the disbursement
	2,078.00	2,322.80	Repayable in 39 quarterly instalments after quarter succeeding the disbursement
	973.71	1,188.97	Repayable in 39 quarterly instalments after quarter succeeding the disbursement
	500.75	657.69	Repayable in 39 quarterly instalments after quarter succeeding the disbursement
	594.79	-	Repayable within one year
	92.58	-	Repayable in 27 quarterly instalments after quarter succeeding the disbursement
	692.49	-	Repayable in 27 quarterly instalments after quarter succeeding the disbursement
	3,435.00	-	Repayable in 27 quarterly instalments after quarter succeeding the disbursement
	3,165.00	-	Repayable in 27 quarterly instalments after quarter succeeding the disbursement
<b>Total</b>	<b>16,385.35</b>	<b>12,265.70</b>	

The rate of interest on borrowings varies from 4.61% to 7.10% ((31 March 2021 : 4.61% to 9.90%))

Secured loans from other parties

Name of party	As at 31 March 2022	As at 31 March 2021	Terms of repayment
Hinduja Housing Finance Company Limited	300.00	500.00	Repayable in 120 monthly instalments after 12 months from the disbursement
LIC Housing Finance Limited	7,911.15	8,824.05	Repayable in 108 monthly instalments after 12 months from the disbursement
Muthoot Capital Services Limited	-	1,000.00	Bullet repayment at the end of 6 months from the disbursement
<b>Sub total</b>	<b>8,211.15</b>	<b>10,324.05</b>	
Adjustments on account of effective rate of interest	(61.57)	(85.99)	
Interest accrued on borrowings		2.96	
<b>Total</b>	<b>8,149.58</b>	<b>10,241.02</b>	

The rate of interest on borrowings is linked with respective agreed benchmark rates. The spread is ranging from (-) 555 bps to 225 bps.  
(31 March 2021: (-) 450 bps to 225 bps.)

Unsecured loans from other parties

Name of party	As at 31 March 2022	As at 31 March 2021	Terms of repayment
Northern Arc Capital Limited	3,333.32	5,000.00	Repayable in 12 quarterly instalments
Northern Arc Capital Limited	2,500.00	-	Repayable in 10 quarterly instalments
Northern Arc Capital Limited	3,000.00	-	Repayable in 10 quarterly instalments
<b>Sub total</b>	<b>8,833.32</b>	<b>5,000.00</b>	
Adjustments on account of effective rate of interest	(97.59)	(54.85)	
Interest accrued on borrowings	69.68	43.28	
<b>Total</b>	<b>8,805.41</b>	<b>4,988.43</b>	

The rate of interest on borrowings is linked with respective agreed benchmark rates. The spread is ranging from (-) 145 bps to (-) 125 bps.  
(31 March 2021: (-) 125 bps)

There has not been any default in repayment of borrowings and interest during financial year ended March 31, 2022



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16 Other financial liabilities

Particulars	As at	As at
	31 March 2022	31 March 2021
Employee benefit expenses payable	240.83	129.12
Security deposit	22.92	18.55
Book overdraft*	3,411.28	3,508.74
Payable under direct assignment	178.47	216.19
Others	124.24	143.47
<b>Total</b>	<b>3,977.74</b>	<b>4,016.07</b>

\*The Book overdraft represents outstanding cheques in excess of balance in current accounts with banks

17 Provisions

Particulars	As at	As at
	31 March 2022	31 March 2021
Employee benefit (refer note 35)		
Gratuity	126.26	108.64
Compensated absences	80.88	72.43
Unspent Expenditure on Corporate Social Responsibility (Refer note below)	25.04	-
Impairment on loan commitments	17.34	12.77
<b>Total</b>	<b>249.52</b>	<b>193.84</b>

The movement in Provisions for Unspent Expenditure for Corporate Social Responsibility

Particulars	Amount
As at 31st March 2020	-
Additions	-
Reversed	-
Utilised	-
<b>As at 31st March 2021</b>	<b>-</b>
Additions	25.04
Reversed	-
Utilised	-
<b>As at 31st March 2022</b>	<b>25.04</b>

18 Other non-financial liabilities

Particulars	As at	As at
	31 March 2022	31 March 2021
Statutory dues	115.32	61.27
Advance received from customers	-	146.89
Other non-financial liabilities	4.69	5.80
<b>Total</b>	<b>120.01</b>	<b>213.96</b>

19 Equity share capital

(a) Authorised share capital :

Particulars	No. of Shares	INR in Lakhs
At 1 April 2020	10,00,00,000.00	10,000.00
Add: Increased during the year	-	-
At 31 March 2021	10,00,00,000.00	10,000.00
Add: Increased during the year	-	-
At 31 March 2022	10,00,00,000.00	10,000.00

(b) Issued, subscribed and fully paid up capital :

Particulars	No. of Shares	INR in Lakhs
At 1 April 2020	7,35,81,066.00	7,358.11
Add: Issued during the year	-	-
At 31 March 2021	7,35,81,066.00	7,358.11
Add: Issued during the year	-	-
At 31 March 2022	7,35,81,066.00	7,358.11



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(c) Terms/ rights attached to equity shares :

The Company has one class of equity shares having a par value of INR 10/- per share. Each holder of equity shares is entitled to one vote per share. All shares rank pari passu with regard to dividend and repayment of capital. In the event of liquidation of Company, the holder of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

(d) Shares held by holding company :

Particulars	No. of Shares	INR in Lakhs
At 1 April 2020	5,93,48,840.00	5,934.88
Add: Issued during the year	-	-
At 31 March 2021	5,93,48,840.00	5,934.88
Add: Issued during the year	-	-
At 31 March 2022	5,93,48,840.00	5,934.88

(e) Shareholder's having more than 5% equity shareholding in the Company

Particulars	As at 31 March 2022		As at 31 March 2021	
	No. of shares	% holding	No. of shares	% holding
Thomas John Muthoot	42,97,885	5.84	42,97,885	5.84
Thomas George Muthoot	42,97,890	5.84	42,97,890	5.84
Thomas Muthoot	42,97,890	5.84	42,97,890	5.84
Muthoot Fincorp Limited	5,93,48,840	80.66	5,93,48,840	80.66
<b>Total</b>	<b>7,22,42,505</b>	<b>98.18</b>	<b>7,22,42,505</b>	<b>98.18</b>

(f) Shares held by promoters at the end of the financial year

Particulars	No of shares held		% change during the year
	As at March 2022	As at March 2021	
Thomas John Muthoot	42,97,885	42,97,885	0%
Thomas George Muthoot	42,97,890	42,97,890	0%
Thomas Muthoot	42,97,890	42,97,890	0%
Muthoot Fincorp Limited	5,93,48,840	5,93,48,840	0%
<b>Total</b>	<b>7,22,42,505</b>	<b>7,22,42,505</b>	

20 Other equity:

Particulars	As at 31 March 2022	As at 31 March 2021
Security premium	9,294.63	9,294.63
Statutory reserve	2,068.56	1,668.56
Treasury Shares	(571.37)	(571.37)
Share option outstanding account	174.05	132.76
General reserve (Adjustment on consolidation of ESOP Trust)	(0.31)	(0.21)
Retained earnings	5,427.66	4,127.85
Other comprehensive income	(29.83)	(41.63)
<b>Total</b>	<b>16,363.39</b>	<b>14,610.59</b>

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**(a) Movement in reserves:**

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Security premium</b>		
Opening balance	9,294.63	9,294.63
Add : Issuance of share capital during the year	-	-
<b>Closing balance</b>	<b>9,294.63</b>	<b>9,294.63</b>
<b>Statutory reserve</b>		
Opening balance	1,668.56	1,266.37
Add : Transfer from retained earnings (Refer note 45)	400.00	402.19
<b>Closing balance</b>	<b>2,068.56</b>	<b>1,668.56</b>
<b>Treasury Shares</b>		
Opening balance	(571.37)	(571.37)
Add : Addition during the year	-	-
<b>Closing balance</b>	<b>(571.37)</b>	<b>(571.37)</b>
<b>Share option outstanding account</b>		
Opening balance	132.76	42.22
Add : Addition during the year	41.29	90.54
<b>Closing balance</b>	<b>174.05</b>	<b>132.76</b>
<b>General reserve</b>		
Opening balance	(0.21)	-
Add : Addition during the year (Adjustment on consolidation of ESOP Trust)	(0.10)	(0.21)
<b>Closing balance</b>	<b>(0.31)</b>	<b>(0.21)</b>
<b>Retained earnings</b>		
Opening balance	4,127.85	2,519.10
Add : Net profit for the year	1,699.81	2,010.94
Less : Transfer to statutory reserve	(400.00)	(402.19)
<b>Closing balance</b>	<b>5,427.66</b>	<b>4,127.85</b>
<b>Other comprehensive income</b>		
Opening balance	(41.63)	(31.25)
Add : income for the year	11.80	(10.38)
<b>Closing balance</b>	<b>(29.83)</b>	<b>(41.63)</b>
<b>Closing balance of other equity</b>	<b>16,363.39</b>	<b>14,610.59</b>

**(b) Nature and purpose of reserves**

**Securities premium**

Securities premium represents premium received on issue of shares. The amount is utilised in accordance with the provisions of the Companies Act, 2013.

**Statutory reserve**

Statutory reserve is created in terms of Section 29C of the National Housing Bank Act, 1987 read with Section 36(1)(viii) of the Income Tax Act, 1961.

**Treasury Shares**

Treasury Shares represents Company's own equity shares held by Employee welfare trust.

**Share Option Outstanding Account**

The account is used to recognise the grant date value of options issued to employees under employee stock option plan and adjusted as and when such options are exercised or otherwise expire.

**Retained earnings**

Retained earnings represents the amount of accumulated earnings of the Company.

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21 Interest income

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
<b>On financial assets measured at amortised cost</b>		
Interest on loans	18,267.43	17,275.86
Interest on security deposit	9.46	9.57
Interest on deposits with bank	149.25	88.98
<b>Other Interest</b>		
Interest on income tax refund	-	5.44
<b>Total</b>	<b>18,426.14</b>	<b>17,379.85</b>

22 Net gain on fair value changes

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
<b>On financial assets at fair value through profit and loss</b>		
- Investments	110.57	76.69
<b>Total net gain on fair value changes</b>	<b>110.57</b>	<b>76.69</b>
<b>Fair value changes</b>		
- Realised on investment	105.59	75.82
- Unrealised on investment	4.98	0.87
<b>Total</b>	<b>110.57</b>	<b>76.69</b>

23 Sale of services

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Income from marketing and other activities	5.38	13.23
<b>Total</b>	<b>5.38</b>	<b>13.23</b>

24 Other financial services

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Other financial services	467.07	282.71
<b>Total</b>	<b>467.07</b>	<b>282.71</b>

25 Finance costs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
<b>On financial liabilities measured at amortised cost</b>		
Interest on borrowings	9,627.74	9,307.01
Interest on debt securities	86.72	136.53
Interest on lease liabilities	31.40	40.14
Other interest expenses	-	0.02
<b>Total</b>	<b>9,745.86</b>	<b>9,483.70</b>

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26 Impairment on financial instruments

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
<b>On financial assets measured at amortised cost</b>		
Impairment loss allowances on loans	311.50	440.38
Impairment on loan commitments	4.57	(1.98)
Impairment on other receivables	-	4.22
Write off (net of recoveries)*	477.80	358.42
<b>Total</b>	<b>793.87</b>	<b>801.04</b>

\* The Company has made loan loss provision based on the expected credit loss method as per Ind AS 109 "Financial Instruments". Further, based on specific identification method, the Company has prudently written off certain non-performing advances amounting to INR 477.8 Lakhs (31 March 2021: INR 358.42 Lakhs). In the opinion of management any recovery from these advances are uncertain.

27 Employee benefits expenses

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Salaries and wages	3,947.38	3,095.56
Contribution to provident and other funds (refer note 35)	256.86	220.44
Gratuity & compensated absences (refer note 35)	72.09	71.61
Share based payment to employees	41.29	90.54
Staff welfare expenses	94.06	81.89
<b>Total</b>	<b>4,411.68</b>	<b>3,560.04</b>

The Code on Social Security, 2020 (the Code) has been enacted, which would impact contribution by the Company towards Provident Fund and Gratuity. The impact of changes if any arising on enactment of the Code will be assessed by the company after the effective date of the same and the rules thereunder are notified.

28 Depreciation, amortisation and impairment

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Depreciation on property, plant and equipment	70.47	81.70
Depreciation on right of use assets	120.60	140.88
Amortisation of intangible assets	40.88	-
<b>Total</b>	<b>231.95</b>	<b>222.58</b>

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29 Other expenses

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Rent, rates & taxes	217.07	165.40
Postage & telegram	32.16	25.35
Electricity & water charges	39.97	30.59
Travelling & conveyance expenses	222.80	144.22
Communication expenses	41.53	25.79
Printing & stationery	41.60	31.92
Bank charges	55.84	55.10
Advertisement and publicity	10.54	35.12
Office expenses	80.22	63.63
Software licence and subscription charges	350.89	121.20
Professional charges	222.81	197.25
CSR expenses (Refer Note 29.1)	50.71	42.71
Auditor's fees and expenses (Refer Note 29.2)	16.00	17.60
Impairment on assets acquired	138.38	42.68
Loss on sale of fixed assets	0.60	4.18
Miscellaneous expenses	11.14	6.02
<b>Total</b>	<b>1,532.26</b>	<b>1,008.76</b>

29.1a) Details of CSR Expenditure:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
a)Gross amount required to be spent by the Company during the year	50.71	42.71
b)Amount approved by the board to be spent during the year	50.71	42.71
c)Amount spent during the year on		
i) Construction/Acquisition of any Asset		
- In cash	25.67	-
- Yet to be paid in cash	25.04	-
ii) On purposes other than i) above		
- In cash	-	42.71
- Yet to be paid in cash	-	-

29.1b) Details of CSR Unspent Amount

Particulars	2021-22	2020-21
Opening Balance	-	-
Amount deposited in Specified Fund of Schedule VII	-	-
Amount required to be spent during the year	50.71	42.71
Amount spent during the year	25.67	42.71
Closing balance (CSR Unspent Amount)	25.04	-

29.1c) Amounts Earmarked For Ongoing Projects

Particulars	2021-22		
	With Company	In Separate CSR account	Total
Opening balance	-	-	-
Amount required to be spent during the year	50.71	-	50.71
Transfer to separate CSR unspent A/c	-	-	-
Amount spent during the year	25.67	-	25.67
Closing balance*	25.04	-	25.04

\* The amount has been transferred to Separate CSR Unspent account on 25th April 2022

Particulars	2020-21		
	With Company	In Separate CSR account	Total
Opening balance	-	-	-
Amount required to be spent during the year	42.71	-	42.71
Transfer to separate CSR unspent A/c	-	-	-
Amount spent during the year	42.71	-	42.71
Closing balance	-	-	-

The company has paid Rs. 25.67 lakhs (Year ended 31st March 2021: Rs. 42.71 lakhs) for CSR expenditure to Muthoot Pappachan Foundation to build a world class training facility and self sustaining Centre of Excellence in Football and other internationally recognised sports events  
Details of related party transactions in relation to CSR expenditure is given in Note 42.2

Reason for shortfall

Approval for construction over the acquired property is pending from the regulatory authorities



29.2 Details of remuneration to auditors:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
<b>As auditor</b>		
Statutory audit fees	12.00	14.00
Tax audit fees	2.00	2.00
<b>For other services</b>		
Certification and other matters	2.00	0.15
<b>For reimbursement of expenses</b>		
Out of pocket expenses	-	-
<b>Total</b>	<b>16.00</b>	<b>16.15</b>

Above figures are exclusive of GST

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**Notes to financial statements for the year ended 31 March 2022**  
(All amounts are in INR Lakhs, unless otherwise stated)

**30 Commitments**

**A. Capital commitments**

Estimated amount of contract remaining to be executed on capital account is Nil (31 March 2021 : Nil).

**B. Other commitments**

<sup>1</sup> Loan commitment in respect of partly disbursed loans is INR 4,419.14 Lakhs (31 March 2021 : INR 4,019.10 Lakhs).

**31** Pursuant to NHF's Circular No. 65/2014-15 dated 22 August 2014, the Company has created deferred tax liability on special reserve u/s 36(1)(viii) of the Income Tax Act 1961.

**32 Lease**

**Lease related disclosures**

The Company has leases for office premises (buildings, branches and related facilities). With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right-of-use assets. The Company classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublease the asset to another party, the right-of-use asset can only be used by the Company. Some leases contain an option to extend the lease for a further term.

**Lease payments not included in measurement of lease liability**

The expense relating to payments not included in the measurement of the lease liability is as follows:

Particulars	31 March 2022	31 March 2021
Short-term leases	-	-
Leases of low value assets	-	-
Variable lease payments	-	-

Total cash outflow for leases for the year ended 31 March 2022 is INR 151.77 Lakhs (31 March 2021: INR 173.46 Lakhs).

The Company does not have any total commitment for short-term leases as at 31 March 2022 (31 March 2021: Nil).

There are no variable lease agreements.

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**Information about extension and termination options as on 31st March 2022**

Right of use assets	Number of leases	Range of remaining term	Average remaining lease term	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Office premises	8	06 to 50 months	21 months	2	-	7

**Information about extension and termination options as on 31st March 2021**

Right of use assets	Number of leases	Range of remaining term	Average remaining lease term	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Office premises	19	05 to 72 months	23 months	-	-	18

The total future cash outflows as at 31 March 2022 for leases that had not yet commenced, is Nil (31 March 2021: Nil).



**Movement in right of use assets & lease liabilities during the year**

Particulars	Right of use assets	Lease liabilities
Balance as at 1 April 2021	232.85	268.22
Addition during the year	349.32	349.32
Depreciation charged during the year	(120.60)	-
Interest on lease liabilities charged during the year	-	31.40
Actual Rent paid during the year	-	(151.77)
Other adjustment	(82.72)	(94.93)
<b>Balance as at 31 March 2022</b>	<b>378.85</b>	<b>402.24</b>
<b>Particulars</b>	<b>Right of use assets</b>	<b>Lease liabilities</b>
Balance as at 1 April 2020	385.53	413.34
Addition during the year	-	-
Depreciation charged during the year	(140.88)	-
Interest on lease liabilities charged during the year	-	40.14
Actual Rent paid during the year	-	(173.46)
Other adjustment	(11.80)	(1.80)
<b>Balance as at 31 March 2021</b>	<b>232.85</b>	<b>268.22</b>

**Maturity of Lease Liabilities**

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments after the reporting period

Period	As at 31 March 2022	As at 31 March 2021
Not later than one year	143.31	139.21
Later than one year but not later than three years	226.01	129.40
Later than three years but not later than five years	118.80	41.42
Later than five years	-	20.39
<b>Total</b>	<b>488.12</b>	<b>330.42</b>

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**Muthoot Housing Finance Company Limited**  
**Notes to financial statements for the year ended 31 March 2022**  
(All amounts are in INR Lakhs, unless otherwise stated)

**33 Earnings per share**

Basic and diluted earnings per share is calculated by dividing the profit attributable to equity share holders of the Company by weighted average of equity shares during the year.

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
<b>(a) Earnings per share</b>		
From continuing operations attributable to the equity holders of the company (in INR)	2.35	2.78
<b>(b) Diluted earnings per share</b>		
From continuing operations attributable to the equity holders of the company (in INR)	2.34	2.78
<b>(c) Reconciliation of earnings used in calculating EPS</b>		
<b>Basic EPS</b>		
Profit attributable to the equity share holders of the Company used in calculating basic earnings per share:		
From continuing operation	1,699.81	2,010.94
<b>Diluted EPS</b>		
Profit attributable to the equity share holders of the Company used in calculating diluted earnings per share:		
From continuing operation	1,699.81	2,010.94
<b>(d) Weighted average numbers of shares used in denominator</b>		
Weighted average number of equity shares (net of treasury shares) used as the denominator in calculating basic earnings per share (in numbers)	7,22,52,300	7,22,52,300
Diluted effect of outstanding stock options	2,60,847.00	2,09,171.00
Weighted average number of equity shares (net of treasury shares) used as the denominator in calculating diluted earnings per share (in numbers)	7,25,13,147	7,24,61,471

**34 Reconciliation of tax charges**

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at India's corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the years ended 31 March 2022 and 31 March 2021 are as follows:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Accounting profit before tax	2,293.54	2,676.36
Income tax @ 25.17% (31 March 2021: 25.17%)	577.24	673.59
CSR Expense	12.76	10.75
Deduction u/s 80JJAA	-	(20.33)
Income tax relating to earlier years	-	0.19
Others	3.73	1.22
<b>Income tax expenses</b>	<b>593.73</b>	<b>665.42</b>

The effective income tax rate for Financial year 2021-2022 is 25.17% (25.17%)



35 Employee benefits:

The Company has recognized the following amounts in the statement of Profit and Loss which are included under contribution to funds

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Employers contribution to Provident Fund	216.58	187.08
Employers contribution to Employee State Insurance Scheme	18.82	15.14
Employers contribution to National Pension Fund	21.46	18.22

**b) Defined benefit plan**

**Gratuity**

The Company has accounted liability in respect of gratuity obligation as on balance sheet date, as per the actuarial valuation required by Indian IND AS 19 on 'Employee benefits'.

I. Assumptions

Particulars	2021-22	2020-21
Discount rate	5.15%	4.25%
Salary escalation	10.00%	10.00%
Attrition rate :		
- Category 1 (Salary bucket upto INR 2 Lakhs)	46.00%	56.00%
- Category 2 (Salary bucket above INR 2 Lakhs to INR 4 Lakhs)	41.00%	31.00%
- Category 3 (Salary bucket of above INR 4 Lakhs)	28.00%	23.00%
Mortality	Indian Assured Lives Mortality [2012-14] Ultimate	Indian Assured Lives Mortality [2006-08] Ultimate

II. Table showing change in the present value of projected benefit obligation

Particulars	2021-22	2020-21
Present value of benefit obligation at the beginning of the current year	108.64	67.73
Interest cost	4.62	3.53
Current service cost	33.65	24.92
Actual payment made	(4.88)	(1.41)
Actuarial (gain) / losses on obligations- Due to change in demographic assumptions	(13.04)	6.64
Actuarial (gain) / losses on obligations- Due to change in financial assumptions	(3.57)	4.56
Actuarial (gain) / losses on obligations- Due to experience	0.84	2.67
Present value of benefit obligation at the end of the current year	126.26	108.64

III. Amount recognised in balance sheet

Particulars	2021-22	2020-21
Present value of benefit obligation at the end of the current year	126.26	108.64
Funded status - deficit	(126.26)	(108.64)
Net liability recognized in the balance sheet	(126.26)	(108.64)

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**Muthoot Housing Finance Company Limited**  
**Notes to financial statements for the year ended 31 March 2022**  
(All amounts are in INR Lakhs, unless otherwise stated)

IV. Net interest cost for current year		
Particulars	2021-22	2020-21
Present value of benefit obligation at the beginning of the year	108.64	67.73
Net liability at the beginning	108.64	67.73
Interest cost	4.62	3.53
Net interest cost for current year	4.62	3.53
V. Expense recognised in the statement of profit and loss for current year		
Particulars	2021-22	2020-21
Current service cost	33.65	24.92
Net interest cost	4.62	3.53
Expenses recognized	38.27	28.45
VI. Expenses recognized in the other comprehensive income (OCI) for current year		
Particulars	2021-22	2020-21
Actuarial gain/(losses) on obligation for the year	15.77	(13.87)
Net expense for the year recognized in OCI	15.77	(13.87)
VII. Balance sheet reconciliation		
Particulars	2021-22	2020-21
Opening net liability	108.64	67.73
Expenses recognized in statement of profit and loss	38.27	28.45
Expenses recognized in OCI	(15.77)	13.87
Benefit paid directly by the employer	(4.88)	(1.41)
Net liability recognized in the balance sheet	126.26	108.64
VIII. Other details		
Particulars	2021-22	2020-21
No of active members	829.00	688.00
Per month salary for active members	117.41	95.28
Weighted average duration of the projected benefit obligation (years)	4.00	6.00
Average expected future service (years)	2.00	2.00
Projected benefit obligation	126.26	108.64
IX. Net interest cost for the next year		
Particulars	2021-22	2020-21
Present value of benefit obligation at the end of the year	126.26	108.64
(Fair value of plan assets at the end of the year)	-	-
Net liability at the end of the period	126.26	108.64
Interest cost	6.47	4.62
(Interest income)	-	-
Net interest cost for next year	6.47	4.62

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X. Expenses recognized in the statement of profit and loss for next year

Particulars	2021-22	2020-21
Current service cost	27.37	33.65
Net interest cost	6.47	4.62
Expenses recognized	33.84	38.27

XI. Maturity analysis of the benefit payments: From the employer

Particulars	2021-22	2020-21
Projected benefits payable in future years from the date of reporting	-	-
First following year	22.00	8.30
Second following year	25.77	12.51
Third following year	21.53	17.83
Fourth following year	18.27	16.62
Fifth following year	14.95	14.75
Sum of following six to ten years	36.12	42.79

XII. Sensitivity Analysis

Particulars	2021-22	2020-21
Projected benefit obligation on current assumptions	126.26	108.64
Delta effect of +1% change in rate of discounting	(3.72)	(4.74)
Delta effect of -1% change in rate of discounting	3.99	5.18
Delta effect of +1% change in rate of salary increase	3.32	4.43
Delta effect of -1% change in rate of salary increase	(3.19)	(4.22)
Delta effect of +1% change in rate of employee turnover	(1.62)	(2.61)
Delta effect of -1% change in rate of employee turnover	1.69	2.74

**c) Other long term benefits**

**Compensated absences**

The company provides compensated absences benefits to the employees which can be carried forward to the future years. The actuarial liability of compensated absences of privilege and sick leave of the employees of the Company and the amount recognised in the Statement of profit and loss for compensated absences are as under:

Particulars	2021-22	2020-21
Present value of benefit obligation at the end of the current year	80.88	72.43
Funded status - deficit	(80.88)	(72.43)
Net liability recognized in the balance sheet	(80.88)	(72.43)
Expense recognised in the statement of profit and loss for current year	32.78	43.16
Assumptions		
Discount Rate	5.15%	4.25%
Salary escalation	10.00%	10.00%

**36 Segment reporting**

The Company is engaged in single business segment of providing loans for purchase / construction of residential property and other mortgage loans. Accordingly, further disclosures as per IND AS 108 "Operating segment" are not required.

**37.1 Share-Based Payments**

Under Employees Stock Option Scheme - "MHFL Employee Stock Option Plan 2019" (ESOP 2019), the Company had granted 11,54,380 options on 19th November 2019 at an exercise price of INR 43 per option representing 11,54,380 equity shares of INR 10 each to the employees of the Company to be settled in equity of the Company.

The options would vest over a period of 1-4 years from the date of grant, but not later than November 19 2023, depending upon options grantee completing continuous service with the Company. Accordingly, 254845 options (31 March 2021 : 222876 options) were vested during the year. In the current year 83500 options (Previous Year: 40000 options) lapsed. The options can be exercised over a period of 10 years from the date of grant.



**37.2 Movement during the year in Options:**

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
No. of Shares :		
Outstanding at the beginning of the year	10,94,380.00	11,34,380.00
Granted during the year	-	-
Vested during the year	2,54,845.00	2,22,876.00
Exercised during the year	-	-
Lapsed during the year	83,500.00	40,000.00
Outstanding at the end of year	10,10,880	10,94,380.00
Unvested at the end of year	5,33,159.00	8,71,504.00
Exercisable at the end of year	4,77,721.00	2,22,876.00
Weighted average price per option (in INR)	43.00	43.00

**37.3 Method used for accounting of share based payment plan:**

The stock options granted to employees pursuant to the Company's Stock Options Schemes, are measured at the fair value of the options at the grant date using Black-Scholes model. The fair value of the options determined at grant date is recognised as employee compensation cost over the vesting period on straight line basis over the period of option, based on the number of grants expected to vest, with corresponding increase in equity.

**37.4 Fair Value Methodology :**

The fair value of options have been estimated on the date of grant using Black-Scholes model as under :

Particulars	ESOP 2019
Weighted average share price (in INR)	43.00
Exercise price (in INR)	43.00
Weighted average fair value of the option	20.47
Expected volatility of share price	34.74% to 35.15%
Option Life	5.51 to 7.01 years
Expected growth in dividend (p.a.)	-
Risk free interest rate (p.a.)	6.28% to 6.52%

Volatility has been calculated based on the daily closing market price of comparable companies. Weighted average of these companies has been taken into account for the purpose of calculating fair values to reduce any company specific variations.

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**38.A Capital management**

The Company maintains an actively managed capital base to cover risks inherent in the business which includes issued equity capital, share premium and all other equity reserves attributable to equity holders of the Company.

As an Housing Finance Company, the NHB/RBI requires us to maintain a minimum capital to risk weighted assets ratio ("CRAR") consisting of Tier I and Tier II capital of 15% of our aggregate risk weighted assets. The capital management process of the Company ensures to maintain a healthy CRAR at all the times. (Refer note no. 44).

The primary objectives of the Company's capital management policy are to ensure that the Company complies with regulatory imposed capital requirements and maintains healthy capital ratios in order to support its business and to maximise shareholder value.

**38.B Risk management**

Principal financial liabilities of the Company comprises borrowings which finance the Company's operation. At the other end, principal financial assets comprises of loans and cash and cash equivalent that derive directly from it's operating and financing activities.

As a financial lending institution, Company is exposed to various risks which are related to lending business and operating environment. The principal objective in Company's risk management process is to measure and monitor the various risks that Company is subject to and follow policies and procedure 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, Audit Committee and Risk Management Committee.

Company gives due importance to prudent lending practices and have implemented suitable measures for risk mitigation, which include verification of credit history from credit information bureaus, personal verification of a customer's business and residence, technical and legal verifications and conservative loan to value ratio. The Company encourages and facilitates its customers to cover their lives through insurance. The Company also stipulates the insurance for the property funded/ mortgaged. The major types of risk Company face in businesses are credit risk, liquidity risk and market risk.

**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 higher credit impaired loans/ non-performing assets. Company addresses credit risks by using a set of credit norms and policies, which are approved by Board of directors. Company has implemented a structured and standardized credit approval process, including customer selection criteria, comprehensive credit risk assessment and cash flow analysis, which encompasses analysis of relevant quantitative and qualitative information to ascertain the credit worthiness of a potential customer. Asset quality are regularly monitored and analysed at various levels. Company has created a robust credit assessment and underwriting practice that enables to fairly price credit risks.

**Collateral Management**

**Narrative Description of Collateral**

Collateral primarily includes mortgage of property .The collateral is valued at the time of sanctioning the credit facility and loan-to-value (LTV) norms are applied as specified in the credit policies. For loan accounts classified as Stage 3, collaterals are valued on annual basis.

**Quantitative information of Collateral - Credit Impaired Assets**

The following table sets forth, for the periods indicated, quantitative information of collaterals of credit impaired assets.(Principal outstanding before adjustment of ECL and EIR)

Loan to Value (LTV) range	Gross value of loan	
	31-Mar-22	31-Mar-21
Less than 50%	1,729.81	1,253.37
51 to 70%	1,236.50	1,078.60
71 to 90%	972.64	1,769.28
91 to 100%	659.66	12.09
More than 100%	470.05	-
<b>Total</b>	<b>5,068.66</b>	<b>4,113.34</b>

**Maximum credit risk exposure**

The maximum exposure to credit risk of loans is their carrying amount without considering effect of mitigation through collateral recovery credit enhancements



#### Expected Credit Loss Measurement

Ind AS 109 outlines a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

1. A financial instrument that is not credit-impaired on initial recognition is classified in 'Stage 1' and has its credit risk continuously monitored by the Company.
2. If a significant increase in credit risk ('SICR') since initial recognition is identified, the financial instrument is moved to 'Stage 2' but is not yet deemed to be credit-impaired.
3. If the financial instrument is credit-impaired, the financial instrument is then moved to 'Stage 3'.

The Company categorised its loans into Stage 1, Stage 2, Stage 3, as described below:

**Stage 1:** When loans are first recognised, the Company recognises an allowance based on 12 month expected credit losses (upto 30 days of default)

**Stage 2:** When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the lifetime expected credit losses (ECL) (more than 30 days of default)

**Stage 3:** Loans considered credit-impaired. The Company records an allowance for the lifetime expected credit losses (more than 90 days of default)

The key judgements and assumptions adopted by the Company in addressing the requirements of the standard are discussed below:

#### Significant increase in credit risk (SICR)

The Company considers a financial instrument to have experienced a significant increase in credit risk when one or more of the following quantitative, qualitative or backstop criteria have been met:

**a. Quantitative criteria:**

When days passed dues from the borrower is more than 30 days but less than 90 days

**b. Qualitative criteria:**

If the borrower meets one or more of the following criteria:

- In short-term forbearance
- Direct debit cancellation
- Extension to the terms granted

#### Default and credit-impaired assets

The Company defines a financial instrument as in default, which is fully aligned with the definition of credit impaired, when it meets one or more of the following criteria:

**a. Quantitative criteria:**

The borrower is more than 90 days past due on its contractual payments.

**b. Qualitative criteria:**

The borrower meets unlikelihood to pay criteria, which indicates the borrower is in significant financial difficulty. These are instances where:

- The borrower is in long-term forbearance
- The borrower is insolvent
- Concessions have been made by the lender relating to the borrower's financial difficulty
- It is becoming probable that the borrower will enter bankruptcy

The criteria above have been applied to all financial instruments held by the Company and are consistent with the definition of default used for internal credit risk management purposes. The default definition has been applied consistently to model the Probability of Default (PD), Exposure at Default (EAD) and Loss given Default (LGD) throughout the Company's expected loss calculations.

#### Measuring ECL - Explanation of inputs, assumptions and estimation techniques

The Expected Credit Loss (ECL) is measured on either a 12-month basis (12M) or Lifetime basis depending on whether a significant increase in credit risk has occurred since initial recognition or whether an asset is considered to be credit-impaired. Expected credit losses are the discounted product of the Probability of Default (PD), Exposure at Default (EAD), and Loss Given Default (LGD), defined as follows:

The Probability of Default (PD) represents the likelihood of a borrower defaulting on its financial obligation (as per "Definition of default and credit-impaired" above), either over the next 12 month (12M PD), or over the remaining lifetime (Lifetime PD) of the obligation.

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation. To calculate the EAD 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, Stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments.

Loss Given Default (LGD) represents the Company's expectation of the extent of loss on a defaulted exposure. LGD varies by availability of collateral history of past losses and valuation of collateral. LGD is expressed as a percentage loss per unit of exposure at the time of default. LGD is calculated on a 12-month or lifetime basis, where 12-month LGD is the percentage of loss expected to be made if the default occurs in the next 12 months and lifetime LGD is the percentage of loss expected to be made if the default occurs over the remaining expected lifetime of the loan.



Movement of loan assets as on 31 March 2022

Particulars	Stage I	Stage II	Stage III	Total
Opening Balance	1,08,317.24	6,896.22	4,722.41	1,19,935.87
Transfer to/ (from) stage I (net)	-	6,788.12	961.18	7,749.30
Transfer to/ (from) stage II (net)	(6,788.12)	-	1,758.90	(5,029.22)
Transfer to/ (from) stage III (net)	(961.18)	(1,758.90)	-	(2,720.08)
New financial assets originated	27,446.46	5.56	-	27,452.02
Collection in normal course & de-recognised	(14,821.44)	(1,273.27)	(1,596.80)	(17,691.51)
Closing Balance	1,13,192.96	10,657.73	5,845.69	1,29,696.38

Movement of loan assets (net) as on 31 March 2021

Particulars	Stage I	Stage II	Stage III	Total
Opening Balance	96,809.46	9,328.96	3,511.73	1,09,650.15
Transfer to/ (from) stage I (net)	-	(765.65)	987.62	221.97
Transfer to/ (from) stage II (net)	765.65	-	1,202.22	1,967.87
Transfer to/ (from) stage III (net)	(987.62)	(1,202.22)	-	(2,189.84)
New financial assets originated	20,854.10	17.27	-	20,871.37
Collection in normal course & de-recognised	(9,124.35)	(482.14)	(979.16)	(10,585.65)
Closing Balance	1,08,317.24	6,896.22	4,722.41	1,19,935.87

Movement of ECL provision (net) as on 31 March 2022

Particulars	Stage I	Stage II	Stage III	Total
Opening Balance	372.90	304.69	1,681.08	2,358.67
Transfer to/ (from) stage I (net)	-	(9.74)	(34.01)	(43.75)
Transfer to/ (from) stage II (net)	9.74	-	49.34	59.08
Transfer to/ (from) stage III (net)	34.01	(49.34)	-	(15.33)
New financial assets originated	95.04	0.27	-	95.31
Additional provision/ (reversal of) provision	(63.07)	234.02	764.65	935.60
Financial assets that have been de-recognised	(37.51)	(38.96)	(640.69)	(717.16)
Closing Balance	411.11	440.94	1,820.37	2,672.42

Movement of ECL provision (net) as on 31 March 2021

Particulars	Stage I	Stage II	Stage III	Total
Opening Balance	327.12	410.40	1,180.77	1,918.29
Transfer to/ (from) stage I (net)	-	(197.15)	-	(197.15)
Transfer to/ (from) stage II (net)	197.15	-	27.06	224.21
Transfer to/ (from) stage III (net)	-	(27.06)	-	(27.06)
New financial assets originated	69.69	-	-	69.69
Additional provision/ (reversal of) provision	(193.61)	147.57	931.64	885.60
Financial assets that have been de-recognised	(27.45)	(29.07)	(458.39)	(514.91)
Closing Balance	372.90	304.69	1,681.08	2,358.67

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**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, liquidity and other market changes. The Company is exposed to two types of market risk as follows:

**a) Interest risk**

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company is subject to interest rate risk, primarily since it lends to customers at floating rates and for maturity periods that may differ from funding sources. 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.

In short run, change in interest rate affects Company's earnings (measured by net interest income or net interest margin). It is essential for the Company to not only quantify the interest rate risk but also to manage it proactively. The Company mitigates its interest rate risk by keeping a balanced portfolio of fixed and variable rate loans and borrowings.

**Interest rate risk exposure**

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	31-Mar-22	31-Mar-21
Variable rate borrowings	97,730.12	86,121.68
Fixed rate borrowings	16,885.35	14,265.70
<b>Total borrowings</b>	<b>1,14,615.47</b>	<b>1,00,387.38</b>

**Net Exposure**

Particulars	31-Mar-22	31-Mar-21
Variable borrowings	97,730.12	86,121.68
Variable loans	(96,473.42)	(87,882.03)
<b>Net Exposure</b>	<b>1,256.70</b>	<b>(1,760.35)</b>

**(b) Cash flow sensitivity analysis for variable-rate instruments**

A reasonably possible change of 25/50 basis points in interest rates at the reporting date would have increased/ (decreased) profit or loss before tax by the amounts shown below. This analysis assumes that all other variables, remain constant.

Particulars	Increase/(Decrease) in profit before tax for the year ended	
	31-Mar-22	31-Mar-21
Interest rate - increased by 25 bps	(3.14)	4.40
Interest rate - decreased by 25 bps	3.14	(4.40)
Interest rate - increased by 50 bps	(6.28)	8.80
Interest rate - decreased by 50 bps	6.28	(8.80)

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## Liquidity Risk

Liquidity risk is defined as the risk that the Company will encounter difficulty in meeting obligations. Liquidity risk arises due to the unavailability of adequate funds at an appropriate cost or tenure. The objective of liquidity risk management, is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company consistently generates sufficient cash flows from operating and financial activities to meet its financial obligations as and when they fall due. Company sources funds from multiple sources, including from banks, financial institutions and other lenders to maintain a healthy mix of sources. The Company is responsible for diversifying fund raising sources, managing interest rate risks and maintaining a strong relationship with banks, financial institutions and other lenders to ensure the liquidity risk is well addressed.

The maturity schedule for all financial liabilities and assets are regularly reviewed and monitored. Company has an asset liability management (ALM) policy and ALM Committee to review and monitor the liquidity risk and interest rate risk and ensure the compliance with the prescribed regulatory requirement. The ALM Policy prescribes the detailed guidelines for managing the liquidity risk. Refer Note 49 for Asset Liability Management.

The Table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled considering contractual terms and expected repayment behaviours. The amount disclosed below does not include EIR/ECL adjustments as they are not sensitive to maturity patterns. For "Loans" maturities within one year (i.e. Current), Company has factored the prepayments / foreclosures based upon the past trends.

### Maturity pattern of financial assets as on 31 March 2022

Particulars	Upto 12 months	More than 12 months	Total
<b>Financial Assets</b>			
Cash and cash equivalent	8,538.98	-	8,538.98
Other bank balance	994.91	125.79	1,120.70
Loans*	18,801.60	1,10,894.78	1,29,696.38
Investments	4,076.39	4.50	4,080.89
Trade and other receivables	5.08	-	5.08
Other financial assets	381.64	547.23	928.87
<b>Total</b>	<b>32,798.60</b>	<b>1,11,572.30</b>	<b>1,44,370.90</b>

Particulars	Upto 12 months	More than 12 months	Total
<b>Financial Liabilities</b>			
Trade payables	537.99	-	537.99
Debt securities**	501.97	-	501.97
Borrowings (Other than debt security)**	22,557.45	91,644.93	1,14,202.38
Lease liabilities	133.82	268.42	402.24
Other financial liabilities	3,977.74	-	3,977.74
<b>Total</b>	<b>27,708.97</b>	<b>91,913.35</b>	<b>1,19,622.32</b>

\*excludes unamortised EIR and ECL impact

\*\*excludes unamortised EIR impact

### Maturity pattern of financial assets as on 31 March 2021

Particulars	Upto 12 months	More than 12 months	Total
<b>Financial Assets</b>			
Cash and cash equivalent	5,855.11	-	5,855.11
Other bank balance	1,008.58	222.43	1,231.01
Loans	16,523.51	1,02,489.62	1,19,013.13
Investments	290.02	4.50	294.52
Trade and other receivables	5.92	-	5.92
Other financial assets	873.82	699.51	1,573.33
<b>Total</b>	<b>24,556.96</b>	<b>1,03,416.06</b>	<b>1,27,973.02</b>

Particulars	Upto 12 months	More than 12 months	Total
<b>Financial Liabilities</b>			
Trade payables	326.18	-	326.18
Debt securities	500.00	500.00	1,000.00
Borrowings (Other than debt security)	20,457.82	78,929.56	99,387.38
Lease liabilities	112.39	155.83	268.22
Other financial liabilities	4,131.49	-	4,131.49
<b>Total</b>	<b>25,527.88</b>	<b>79,585.39</b>	<b>1,05,113.27</b>



**Muthoot Housing Finance Company Limited**

Notes to financial statements for the year ended 31 March 2022

(All amounts are in INR Lakhs, unless otherwise stated)

**38.1 Public Disclosure on Liquidity Risk as on March 31, 2022 pursuant to RBI guidelines on Liquidity Risk Management Framework for Non-Banking Financial Companies dated November 4, 2019 and October 22, 2020**

**(i) Funding Concentration based on significant counterparty\***

Number of Significant Counterparties	Amount (Rs. lakhs)	% of Total Deposits	% of Total Liabilities
14	1,10,912.79	Nil	93.07%

Significant Counterparties is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFC

**(ii) Top 20 large deposits (amount in Rs. crore and % of total deposits) – Not Applicable**

**(iii) Top 10 borrowings\***

Sr. No.	Particulars	Amount (Rs. lakhs)
1	Amount (Rs. in Crores)	1,05,006.61
2	% of Total Borrowing	91.62%

**(iv) Funding Concentration based on significant instrument / product \***

Sr. No.	Name of the instrument/product	Amount (Rs. lakhs)	% of Total Liabilities
1	Bank Loans	80,685.66	67.71%
2	NHB Refinance	16,385.35	13.75%
3	NBFC/FI Loans	17,044.47	14.30%

\* excluding interest accrued

A "significant instrument/product" is defined as a single instrument/product or group of similar instruments or products which in aggregate amount to more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs

**(v) Stock Ratios**

Particulars	As a % of total public funds	As a % of total liabilities	As a % of total assets
Commercial Paper	Nil	Nil	Nil
Non-convertible debentures (original maturity of less than one year)	Nil	Nil	Nil
Other short-term liabilities*	4.64%	4.46%	3.72%

\*Other short-term liabilities includes short term borrowings (original maturity within 1 year other than CP/1 year NCDs), cash credit limits/WCDL, creditors and trade payables, statutory liabilities payable, expenses payable, employee benefit expenses (current) and book overdraft if any.

**(vi) Institutional set-up for Liquidity Risk Management**

The Liquidity Risk Management of the Company is governed by the Liquidity Risk Management Framework, Asset Liability Management (ALM) & Risk Management Policy approved by the Board of Directors. The Board of Directors of the Company has an overall responsibility and oversight for the management of all the risks, including liquidity risk, to which the Company is exposed to in the course of conducting its business. The Board of Directors of the Company has constituted the Asset Liability Management Committee and the Risk Management Committee. The Asset Liability Management Committee, inter alia, reviews the asset liability profile, liquidity risk management, funding and capital planning and preparation of contingency plans. Further, the Risk Management Committee, inter alia, monitors and measures the risk profile of the Company and oversees the integrated risk management system of the Company.

The Asset-Liability Committee (ALCO) consisting of the company's senior management is responsible for ensuring adherence to the limits set by the Board as well as for implementing the liquidity risk management strategy.

Management regularly monitors the position of cash and cash equivalents. Assessment of maturity profiles of financial assets and financial liabilities including debt financing plans, maintenance of balance sheet liquidity and investment of surplus funds is considered while reviewing the liquidity position.

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### 39 Fair value measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

#### Fair value of financial assets 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 carried at fair value in the financial statements. This table does not include the fair values of non-financial assets and non-financial liabilities.

#### Financial assets and financial liabilities

Particulars	Carrying amount as on		Fair value as on	
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
<b>Financial assets</b>				
Measured at fair value through profit and loss				
Investments	4,076.39	290.02	4,076.39	290.02
Measured at fair value through other comprehensive income				
Investments	4.50	4.50	4.50	4.50
<b>Total</b>	<b>4,080.89</b>	<b>294.52</b>	<b>4,080.89</b>	<b>294.52</b>
<b>Financial assets</b>				
Measured at amortised cost				
Cash and cash equivalent	8,538.98	5,855.11	8,538.98	5,855.11
Other bank balance	1,120.70	1,270.88	1,120.70	1,270.88
Trade and other receivables	5.08	5.92	5.08	5.92
Loans	1,25,075.07	1,15,783.64	1,25,075.07	1,15,783.64
Other financial assets	928.87	1,533.46	928.87	1,533.46
<b>Total</b>	<b>1,35,668.70</b>	<b>1,24,449.01</b>	<b>1,35,668.70</b>	<b>1,24,449.01</b>
<b>Financial Liabilities</b>				
Measured at amortised cost				
Trade and other payables	537.99	326.18	537.99	326.18
Debt securities	499.30	997.73	499.30	997.73
Borrowings (Other than debt security)	1,13,323.31	98,926.52	1,13,323.31	98,926.52
Lease liabilities	402.24	268.22	402.24	268.22
Other financial liabilities	3,977.74	4,016.07	3,977.74	4,016.07
<b>Total</b>	<b>1,18,740.58</b>	<b>1,04,534.72</b>	<b>1,18,740.58</b>	<b>1,04,534.72</b>

#### Financial assets and financial liabilities measured at fair value

Particulars	As on 31 March 2022		
	Level 1	Level 2	Level 3
<b>Financial assets</b>			
Measured at fair value through profit and loss			
Investments	4,076.39	-	-
Measured at fair value through other comprehensive income			
Investments	-	-	4.50
<b>Total</b>	<b>4,076.39</b>	<b>-</b>	<b>4.50</b>

Particulars	As on 31 March 2021		
	Level 1	Level 2	Level 3
<b>Financial assets</b>			
Measured at fair value through profit and loss			
Investments	290.02	-	-
Measured at fair value through other comprehensive income			
Investments	-	-	4.50
<b>Total</b>	<b>290.02</b>	<b>-</b>	<b>4.50</b>



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Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above table.

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 bank balances, trade receivables, contract assets, balances other than cash and cash equivalents, trade payables and contract liabilities without a specific maturity. Such amounts have been classified as Level 2 on the basis that no adjustments have been made to the balances in the balance sheet.

#### **Loans to customers**

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

#### **Borrowings from lenders**

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.

#### **Security deposits (Other financial assets)**

The fair value of security deposits are estimated on present value technique that takes in to account the future cash flow that market participant would expect to receive from holding the financial assets.

To provide indication about the reliability of the inputs used in determining fair value, the Company has classified the financial instruments into three levels prescribed under the IND AS. An explanation of each level is as follows:

**Level 1 :** It includes financial instruments using quoted price.

**Level 2 :** It includes financial instruments which are not traded in active market is determined using valuation techniques with maximise the use of observable market data and rely as little as possible on entity specific estimates

**Level 3 :** If one or more of the significant inputs is not based on the observable market data, the instrument is included in level 3 hierarchy.

There is no transfer between the levels.

For certain unquoted equity instruments, recent information is insufficient to measure fair value and cost, represents the best estimate of fair value. These investments in equity instruments are not held for trading

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#### 40 Transfer of financial assets

##### Assignment deals:

During the previous year ended 31 March 2020, the Company sold a portion of its loan portfolio measured at amortised cost, as a source of finance. As per the terms of the deals, since substantial risk and rewards related to these assets is transferred to the buyer, the assets were derecognised from the Company's balance sheet.

Based on the Company's future business plan, the business model continues to hold its loans for collecting contractual cash flows.

The table below summarises the carrying amount of the derecognised financial assets measured at amortised cost and the gain on derecognition.

Loans measured at amortised cost	As at 31 March 2022	As at 31 March 2021
Carrying amount of derecognised loans	5,009.00	6,488.73
Net gain on derecognition of loans during the year.	-	-

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**Muthoot Housing Finance Company Limited**  
**Notes to financial statements for the year ended 31 March 2022**  
 (All amounts are in INR Lakhs, unless otherwise stated)

**41 Revenue from contracts with customers**

Set out below is the revenue from contracts with customers and reconciliation to profit and loss account

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
<b>Type of service</b>		
Income from marketing and other activities	5.38	13.23
<b>Total revenue from contract with customers</b>	<b>5.38</b>	<b>13.23</b>
<b>Geographical markets</b>		
India	5.38	13.23
Outside India	-	-
<b>Total revenue from contract with customers</b>	<b>5.38</b>	<b>13.23</b>
<b>Timing of revenue recognition</b>		
Services transferred at a point in time	5.38	13.23
Services transferred over time	-	-
<b>Total revenue from contracts with customers</b>	<b>5.38</b>	<b>13.23</b>

**Contract balance**

Particulars	As at 31 March 2022	As at 31 March 2021
Trade receivables	5.08	5.92
Contract assets	-	-

Company does not have any contract assets or liability, hence disclosures related to it has not been presented.

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42.1 List of Related Party

1) Holding Company	Muthoot Fincorp Limited
2) a) Fellow Subsidiary	Muthoot Pappachan Technologies Limited
3) Key Managerial Personnel (KMP)	i. Thomas Muthoot - Managing Director ii. Thomas John Muthoot - Director iii. Thomas George Muthoot - Director iv. Kandiyoor Muralidharan - Independent Director (upto 21/06/2021) v. Santanu Mukherjee - Independent Director vi. Vasudevan Ramaswami - Non Executive Director (with effect from 01/04/2021) vii. V Ranganathan - Independent Director (w.ef. 21/06/2021) viii Pavan K. Gupta - Chief Executive Officer ix. Vikas Srivastava - Chief Financial Officer x. S. Sumesh - Company Secretary
4) Enterprises over which KMP are able to exercise or having significant influence	Muthoot Capital Services Limited Muthoot Pappachan Foundation Muthoot Pappachan Chits India Private Ltd M/s Thinking Machine Media Private Ltd (TMMPL)
5) Relatives of KMP (with whom there were transactions during the year/previous year)	None

42.2 Transactions carried out with the Related Parties in (42.1 above), in ordinary course of business

Nature	Name of Related Party	Year ended 31 March 2022	Year ended 31 March 2021
Interest paid	Muthoot Capital Services Limited	32.77	61.97
Processing fees paid	Muthoot Capital Services Limited	-	7.50
Loan availed	Muthoot Capital Services Limited	-	2,000.00
Loan repaid	Muthoot Capital Services Limited	1,000.00	1,000.00
Rent & amenities expenses	Muthoot Fincorp Limited	137.37	121.49
Business sourcing expenses paid	Muthoot Fincorp Limited	10.21	7.75
Software licence fees and server usage charges paid	Muthoot Pappachan Technologies Limited	62.89	60.97
Business sourcing income received	Muthoot Fincorp Limited	5.38	13.23
Travelling expenses incurred on our behalf	Muthoot Fincorp Limited	13.21	4.17
Security deposits for rented premises paid	Muthoot Fincorp Limited	0.86	1.48
Refund of security deposits paid for rented premises	Muthoot Fincorp Limited	0.65	0.56
Security deposits for rented premises received	Muthoot Pappachan Chits India Private Ltd	1.44	-
Rental Income	Muthoot Pappachan Chits India Private Ltd	2.88	-
CSR Expenses	Muthoot Pappachan Foundation	25.67	42.71
Investments in equity instruments	M/s Thinking Machine Media Private Ltd (TMMPL)	-	4.50
Personal guarantee extended on behalf of Muthoot Housing Finance Company Limited for borrowings	Thomas Muthoot Thomas John Muthoot Thomas George Muthoot	42,500	4,050.00
Sitting fees to directors	Kandiyoor Muralidharan	0.44	1.42
	Santanu Mukherjee	1.09	1.42
	Vasudevan Ramaswami	1.09	-
	V Ranganathan	0.65	-
Remuneration paid	Pavan K. Gupta, Vikas Srivastava, S. Sumesh	285.08	202.97

Balance at the end of year

Nature	Name of Related Party	As on 31 March 2022	As on 31 March 2021
Outstanding personal guarantee extended on behalf of Muthoot Housing Finance Company Limited for borrowings	Thomas Muthoot		
	Thomas John Muthoot	1,69,550.00	1,27,050.00
	Thomas George Muthoot		
Trade payable	Muthoot Fincorp Limited	5.49	5.58
	Muthoot Pappachan Technologies Limited	-	17.10
Advance to creditors	Muthoot Pappachan Technologies Limited	2.16	-
Trade Receivable	Muthoot Fincorp Limited	0.14	0.84
Security deposit given	Muthoot Fincorp Limited	39.04	38.83
Security deposit received	Muthoot Pappachan Chits India Private Ltd	1.44	-
Outstanding loan	Muthoot Capital Services Limited	-	1,000.00
Interest accrued but not due	Muthoot Capital Services Limited	-	3.21
Investments in equity instruments	M/s Thinking Machine Media Private Ltd (TMMPL)	4.50	4.50

Notes:

1. Remuneration to KMP does not include benefits available under gratuity and accrued compensated absences.
2. The above amounts are inclusive of GST wherever applicable.

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- 43 Disclosure as per Master Direction no. RBI/2020-21/73 - DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 dated February 17 2021 – “Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021”.

Pursuant to Master Direction of Reserve Bank of India ref. RBI/2020-21/73 - DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 dated February 17 2021 , the Company has followed the extant provisions of Housing Finance Company (Reserve Bank) Directions, 2021 including Implementation of Indian Accounting Standards and Disclosure requirement under circular Ref. RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20”.

44 **1) Capital To Risk Asset Ratio (CRAR):**

Items	Year ended 31 March 2022	Year ended 31 March 2021
CRAR (%)	32.67%	34.99%
CRAR - Tier I capital (%)	32.07%	34.35%
CRAR - Tier II Capital (%)	0.60%	0.64%
Amount of subordinate debts raised as Tier- II capital	-	-
Amount raised by issue of perpetual debt instrument	-	-

**2) Liquidity Coverage Ratio :**

The liquidity coverage ratio disclosure as per RBI circular No RBI/2019-20/88 DOR.NBFC (PD) CC. No 102/03.10.001/2019-20 dated November 4, 2019 is not applicable to the company and hence it has not been disclosed

**3) Disclosure in terms of RBI Master Direction- Non Banking Finance Company - Housing Finance Company (Reserve Bank) Directions 2021 dated February 17, 2021 as updated**

The RBI vide its circular number RBI/2020-21/60/DOR.NBFC HFC CC NO 118/03.10.136/2020-21 dated October 22, 2020 defined the principal business criteria for HFCs.

Principal Business Criteria for the Company registered as Housing Finance Company as per Paragraph 4.1.17 of the Master Direction is given below

Criteria	% As at 31st March 2022	% As at 31st March 2021
% of total assets towards housing finance	71.08%	75.59%
% of total assets towards housing finance for individuals	71.08%	75.59%

**4) Details of Crypto or Virtual Currency**

The Company has not traded or invested in crypto currency or virtual currency during the year

**5) Undisclosed Income**

For the year ended March 31, 2022 there are no instances of transactions not recorded in the books of account, which have been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

**6) Wilfull Defaulter**

The Company has not been declared willful defaulter by any bank or financial institution or other lender.

**7) Relationship with Struck off Companies**

The Company has not undertaken any transactions with companies struck off under section 248 of Companies Act, 2013 or section 560 of the Companies Act, 19

**8) Registration of charges or satisfaction with Registrar of Companies (ROC)**

There is no charge form filed beyond the statutory period.

**9) Compliance with number of layers of companies**

The company is in compliance with number of layers of companies, as prescribed under clause (87) of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

**10) Compliance with approved scheme(s) of Arrangements**

During the year, no scheme of arrangements in relation to the company has been approved by the competent authority in terms of Sections 230 to 237 of the Companies Act 2013. Accordingly, aforesaid disclosure are not applicable since there was no such transaction



## 45 Reserve Fund U/S 29C of NHB Act, 1987

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Balance at the beginning of the year:		
a) Statutory reserve u/s 29C of the National Housing Bank Act, 1987	303.59	201.40
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purpose of Statutory Reserve u/s 29C of the NHB Act, 1987	1364.97	1064.97
<b>c) Total</b>	<b>1668.56</b>	<b>1266.37</b>
Addition / Appropriation / Withdrawal during the year		
Add:		
a) Amount transferred u/s 29C of the NHB Act, 1987	10.00	102.19
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve u/s 29C of the NHB Act, 1987	390.00	300.00
Less:		
a) Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987	-	-
b) Amount withdrawn from special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve u/s 29C of the NHB Act, 1987	-	-
Balance at the end of the year:		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	313.59	303.59
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purpose of Statutory Reserve u/s 29C of the NHB Act, 1987	1754.97	1364.97
<b>c) Total</b>	<b>2068.56</b>	<b>1668.56</b>

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46 Investments

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
<b>1. Value of Investments :</b>		
(i) Gross value of investments		
(a) In India	4,080.89	294.52
(b) Outside India	-	-
(ii) Provision of depreciation		
(a) In India	-	-
(b) Outside India	-	-
(iii) Net value of investments		
(a) In India	4,080.89	294.52
(b) Outside India	-	-
<b>2. Movement of provisions held towards depreciation on investments</b>		
(i) Opening balance	-	-
(ii) Add: Provisions made during the year	-	-
(iii) Less: Write-off / Written-back of excess provisions during the year	-	-
(iv) Closing balance	-	-

47 Derivatives

47.1 Forward Rate Agreement (FRA) / Interest Rate Swap (IRS)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
(i) The notional principal of swap agreements	-	-
(ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	-	-
(iii) Collateral required by the HFC upon entering into swaps	-	-
(iv) Concentration of credit risk arising from the swaps *	-	-
(v) The fair value of the swap book **	-	-
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 HFC would receive or pay to terminate the swap agreements as on the balance sheet date.	-	-

47.2 Exchange Traded Interest Rate (IR) Derivative

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
(i) Notional principal amount of exchange traded IR derivatives undertaken during the year (instrument wise)	-	-
(ii) Notional principal amount of exchange traded IR derivatives outstanding as on (instrument-wise)	-	-
(iii) Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (instrument wise)	-	-
(iv) Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective"(instrument-wise)	-	-



**47.3 Disclosures on risk exposure in derivatives**

**(A) Qualitative disclosure**

The Company has not entered into any derivative transaction hence not applicable.

**(B) Quantitative disclosure**

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
(i) Derivatives (notional principal amount)	-	-
(ii) Marked to market positions	-	-
(a) Assets (+)	-	-
(b) Liabilities (-)	-	-
(iii) Credit exposures	-	-
(iv) Unhedged exposures	-	-

**47.4 Securitisation**

Particulars	No. / Amount
1. No of SPVs sponsored by the HFC for securitization transactions	-
2. Total amount of securitised assets as per books of the SPVs sponsored	-
3. Total amount of exposures retained by the HFC towards the MRR as on the date of balance sheet :	
(I) Off-balance sheet exposures towards credit enhancements	-
(II) On-balance sheet exposures towards credit enhancements	-
4. Amount of exposures to securitisation transactions other than MRR :	
(I) Off-balance sheet exposures towards credit enhancements	
a) Exposure to own securitisations	-
b) Exposure to third party securitisations	-
(II) On-balance sheet exposures towards credit enhancements	
a) Exposure to own securitisations	-
b) Exposure to third party securitisations	-

**47.5 Details of financial assets sold to securitisation / reconstruction company for asset reconstruction**

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
(i) No. of accounts	-	-
(ii) Aggregate value (net of provisions) of accounts sold to SC / RC	-	-
(iii) Aggregate consideration	-	-
(iv) Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v) Aggregate gain / loss over net book value	-	-

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47.6 Details of assignment transactions undertaken by HFCs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
(i) No. of accounts	-	-
(ii) Aggregate value (net of provisions) of accounts assigned	-	-
(iii) Aggregate consideration	-	-
(iv) Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v) Aggregate gain / loss over net book value	-	-

The above disclosures are in respect of assignment transactions undertaken during the respective financial years.

47.7 Details of non-performing financial assets purchased / sold

A. Details of non-performing financial assets purchased:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
(i) No. of accounts purchased during the year	-	-
(ii) Aggregate outstanding of (i) above	-	-
(iii) No. of accounts restructured during the year	-	-
(iv) Aggregate outstanding of (iii) above	-	-

B. Details of non-performing financial assets sold

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
(i) No. of accounts sold	-	-
(ii) Aggregate outstanding	-	-
(iii) Aggregate consideration received	-	-

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Disclosure as per Master Direction no. RBI/2020-21/73 - DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 dated February 17 2021 – "Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021".

## 48 Schedule to the Balance Sheet of an HFC

(₹ in Lakh)

Particulars	Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
	As at 31 March 2022	As at 31 March 2022	As at 31 March 2021	As at 31 March 2021
<b>Liabilities side</b>				
<b>1 Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:</b>				
(a) Debentures :				
Secured	499.50	-	997.73	-
Unsecured	-	-	-	-
(other than falling within the meaning of public deposits*)				
(b) Deferred Credits				
(c) Term Loans	1,13,323.31	-	98,926.52	-
(d) Inter-corporate loans and borrowing	-	-	-	-
(e) Commercial Paper	-	-	-	-
(f) Public Deposits	-	-	-	-
(g) Other Loans	-	-	-	-
<b>2 Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):</b>				
(a) In the form of Unsecured debentures	-	-	-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-	-	-
(c) Other public deposits	-	-	-	-

Particulars	Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
	As at 31 March 2022	As at 31 March 2022	As at 31 March 2021	As at 31 March 2021
<b>Assets side</b>				
<b>3 Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:</b>				
(a) Secured	1,25,075.07	-	1,15,783.64	-
(b) Unsecured	-	-	-	-
<b>4 Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities</b>				
(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	1,452.46	-	911.56	-
(iii) Other loans counting towards asset financing activities				
(a) Loans where assets have been repossessed	-	-	-	-
(b) Loans other than (a) above	-	-	-	-
<b>5 Break-up of Investments</b>				
<b>5.1 Current Investments</b>				
<b>5.1.1 Quoted</b>				
(i) Shares				
(a) Equity	-	-	-	-
(b) Preference	-	-	-	-
(ii) Debentures and Bonds	-	-	-	-
(iii) Units of mutual funds	-	-	-	-
(iv) Government Securities	-	-	-	-
(v) Others	-	-	-	-
<b>5.1.2 Unquoted</b>				
(i) Shares				
(a) Equity	-	-	-	-
(b) Preference	-	-	-	-
(ii) Debentures and Bonds	-	-	-	-
(iii) Units of mutual funds	4,076.39	-	290.02	-
(iv) Government Securities	-	-	-	-
(v) Others	-	-	-	-



Schedule to the Balance Sheet of an HFC(continued)

5.2	Long Term investments				
5.2.1	Quoted				
	(i) Shares				
	(a) Equity	-	-	-	-
	(b) Preference	-	-	-	-
	(ii) Debentures and Bonds	-	-	-	-
	(iii) Units of mutual funds	-	-	-	-
	(iv) Government Securities	-	-	-	-
	(v) Others	-	-	-	-
5.2.2	Unquoted				
	(i) Shares				
	(a) Equity	4.50	-	4.50	-
	(b) Preference	-	-	-	-
	(ii) Debentures and Bonds	-	-	-	-
	(iii) Units of mutual funds	-	-	-	-
	(iv) Government Securities	-	-	-	-
	(v) Others	-	-	-	-

6 Borrower group-wise classification of assets financed as in (3) and (4) above:

Category	Year ended 31 March 2022		
	Secured	Unsecured	Total
1 Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2 Other than related parties	1,25,075.07	-	1,25,075.07
Total	1,25,075.07	-	1,25,075.07

Category	Year ended 31 March 2021		
	Secured	Unsecured	Total
1 Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2 Other than related parties	1,15,783.64	-	1,15,783.64
Total	1,15,783.64	-	1,15,783.64

7 Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :

Category	Year ended 31 March 2022		Year ended 31 March 2021	
	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	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	4.50	4.50	4.50	4.50
(c) Other related parties	-	-	-	-
2 Other than related parties	4,076.39	4,076.39	290.02	290.02
Total	4,080.89	4,080.89	294.52	294.52

8 Other information

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
(i) Gross Non-Performing Assets	5,845.69	4,722.42
(a) Related parties	-	-
(b) Other than related parties	5,845.69	4,722.42
(ii) Net Non-Performing Assets	4,025.32	3,041.35
(a) Related parties	-	-
(b) Other than related parties	4,025.32	3,041.35
(iii) Assets acquired in satisfaction of debt	1,452.46	911.56



**Muthoot Housing Finance Company Limited**

Notes to financial statements for the year ended 31 March 2022

(All amounts are in INR Lakhs, unless otherwise stated)

**49 Assets Liability Management - maturity pattern of certain items of assets and liabilities**

Period	Liabilities				Assets		
	Deposits	Borrowing from Banks*	Market borrowing	Foreign currency liabilities	Advances**	Investments	Foreign currency assets
As at 31 March 2022							
1 day to 7 days	-	-	586.35	-	-	4,076.59	-
8 to 14 days	-	138.41	-	-	-	-	-
15 days to 30/31 days	-	755.19	50.00	-	480.18	-	-
Over one month to 2 months	-	1,187.68	80.36	-	482.13	-	-
Over 2 months up to 3 months	-	2,174.40	706.05	-	492.32	-	-
Over 3 months to 6 months	-	4,370.15	1,440.97	-	2,118.74	-	-
Over 6 months to 1 year	-	8,672.51	2,897.34	-	3,228.23	-	-
Over 1 year to 3 years	-	30,759.98	7,206.22	-	14,650.45	-	-
Over 3 to 5 years	-	24,752.18	2,869.40	-	18,159.47	-	-
Over 5 years	-	24,277.73	1,779.43	-	90,084.86	4.50	-
<b>Total</b>	-	<b>97,088.23</b>	<b>17,616.12</b>	-	<b>1,29,696.38</b>	<b>4,080.89</b>	-

Based on contractual terms. Overdue receivables are allocated to respective buckets in accordance with Appendix I of NHB guidelines for ALM.

\*Excludes unamortised EIR impact on liabilities

\*\*Excludes unamortised EIR and ECL impact on assets.

Period	Liabilities				Assets		
	Deposits	Borrowing from Banks	Market borrowing	Foreign currency liabilities	Advances	Investments	Foreign currency assets
As at 31 March 2021							
1 day to 7 days	-	92.30	416.67	-	-	290.02	-
8 to 14 days	-	69.44	-	-	-	-	-
15 days to 30/31 days	-	832.55	50.00	-	443.89	-	-
Over one month to 2 months	-	3,495.08	72.57	-	452.11	-	-
Over 2 months up to 3 months	-	1,484.63	1,198.19	-	462.01	-	-
Over 3 months to 6 months	-	3,625.86	815.00	-	1,414.72	-	-
Over 6 months to 1 year	-	7,158.06	1,647.47	-	2,930.78	-	-
Over 1 year to 3 years	-	26,174.52	6,245.89	-	13,325.28	-	-
Over 3 to 5 years	-	19,243.47	2,590.98	-	15,515.56	-	-
Over 5 years	-	21,887.42	3,287.28	-	84,448.78	4.50	-
<b>Total</b>	-	<b>84,063.33</b>	<b>16,324.05</b>	-	<b>1,19,013.13</b>	<b>294.52</b>	-



50 Muthoot Housing Finance Company Limited  
Notes to financial statements for the year ended 31 March 2022  
(All amounts are in INR Lakhs, unless otherwise stated)

50 ECL Disclosure	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 as per IRACP norms	*Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms (7)=(4)-(6)
	(2)	(3)	(4)	(5) = (3)-(4)	(6)	(7)=(4)-(6)
Asset Classification as per RBI Norms (1)						
Performing Assets	Stage 1	1,13,192.96	411.11	1,12,781.85	496.86	-85.75
	Stage 2	10,657.73	440.94	10,216.79	43.31	397.63
Standard		1,23,850.69	852.05	1,22,998.64	540.17	311.88
Subtotal			1,039.99	2,083.00	428.70	611.29
Non-Performing Assets (NPA)	Stage 3	3,122.99				
Substandard		1,595.21	492.52	1,102.69	385.83	106.69
Doubtful - up to 1 year	Stage 3	1,101.10	281.64	819.46	342.63	(60.99)
Doubtful - 1 to 3 years	Stage 3	26.39	6.22	20.17	18.36	(12.14)
More than 3 years	Stage 3	2,722.70	780.38	1,942.32	746.82	33.56
Subtotal for doubtful		5,845.69	1,820.37	4,025.32	1,175.52	644.85
Subtotal for NPA		1,13,192.96	411.11	1,12,781.85	496.86	-85.75
Total	Stage 1	10,657.73	440.94	10,216.79	43.31	397.63
	Stage 2	5,845.69	1,820.37	4,025.32	1,175.52	644.85
	Stage 3	1,29,696.38	2,672.42	1,27,023.96	1,715.69	956.73
	Total					

IRACP stands for Income Recognition, Asset Classification and Provisioning

\*The amount calculated does not include unrealised interest income recognised on non performing assets aggregating to Rs 777.05 lakhs

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51 Exposure to real estate sectors

Category	As on 31 March 2022	As on 31 March 2021
<b>A) Direct exposure</b>		
<b>i) Residential mortgages -</b>		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented;	1,28,498.73	1,19,013.13
<b>ii) Commercial real estate -</b>		
Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure including non-fund based limits;	-	-
<b>iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -</b>		
a) Residential	-	-
b) Commercial real estate	-	-
<b>B) Indirect exposure</b>		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	-	-

52 Exposure to capital market

Category	As on 31 March 2022	As on 31 March 2021
(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;	-	-
(ii) advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs /ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
(iii) advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
(iv) advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances;	-	-
(v) secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi) loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii) bridge loans to companies against expected equity flows / issues;	-	-
(viii) All exposures to Venture Capital Funds/Alternate Investment funds (both registered and unregistered)	-	-
<b>Total Exposure to Capital Market</b>	-	-

53 Details of financing of parent company products

Company during the year has not entered into any transaction of financing of parent company product.

54 Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the HFC

Company during the year has not exceeded the prudential exposure limits in case of single borrower limit and or group borrower limit in any case.

55 Unsecured advances

Company does not have any outstanding unsecured loans as at 31 March 2022.

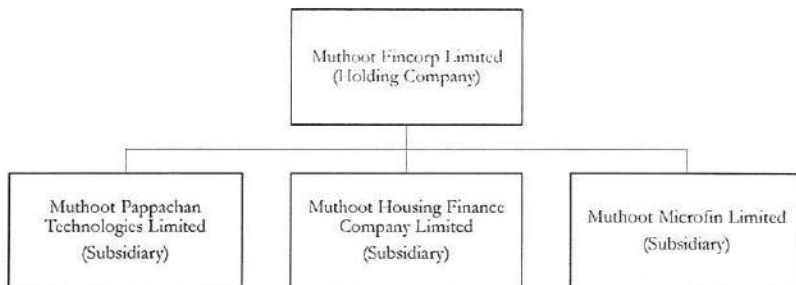
56 Exposure to group companies engaged in real estate business

Company does not have any exposure to group companies engaged in real estate businesses as at 31 March 2022.

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- 57 **Registration obtained from other financial sector regulators**  
 Company does not have any registration from other Financial Sector Regulator.
- 58 **Disclosure of penalties imposed by NHB/RBI and other regulators**  
 Company was not imposed any penalty during the year by NHB/RBI or any other regulator.
- 59 **Diagrammatic Representation of the Group Structure**



- 60 **Rating assigned by credit rating agencies and Migration of Rating during the year**  
 Company has been rated Crisil A/Stable for its long term bank loans and NCD issuance. During the year rating was upgraded from A-/Stable to A/Stable.
- 61 **Remuneration of Directors**  
 Company during the year has not paid any Remuneration of Directors.
- 62 **Changes in accounting policies**  
 During the year company has not made any major changes in accounting policy.
- 63 **Revenue Recognition**  
 Company during the year has not postponed revenue recognition pending the resolution of significant uncertainties
- 64 **Provisions and contingencies**

Break up of ' Provisions and Contingencies' shown under the head expenditure in profit and loss account	Year ended 31 March 2022	Year ended 31 March 2021
Provisions for depreciation on investment	-	-
Provision made towards income tax	820.38	851.94
Provision towards NPA	138.16	481.04
Provision for standard assets	173.34	(40.61)
Provision for diminution of assets acquired	138.38	42.68
Provision towards loan commitment	4.57	(1.98)

65 **Provisions on loans**

Break up of Loans and Advances & Provisions thereon	Housing		Non housing	
	As on 31 March 2022	As on 31 March 2021	As on 31 March 2022	As on 31 March 2021
<b>Standard Assets *</b>				
a) Total outstanding amount	97,603.67	92,730.07	26,247.02	22,483.40
b) Provision made **	781.84	590.70	70.21	86.89
<b>Sub Standard Assets</b>				
a) Total outstanding amount	2,330.95	1,861.57	792.04	640.47
b) Provision made	924.01	831.88	115.98	140.29
<b>Doubtful Assets - 1</b>				
a) Total outstanding amount	1,176.48	587.46	418.73	270.45
b) Provision made	453.82	236.82	56.70	50.05
<b>Doubtful Assets - 2</b>				
a) Total outstanding amount	699.25	925.21	401.85	437.25
b) Provision made	227.00	347.20	54.64	74.85
<b>Doubtful Assets - 3</b>				
a) Total outstanding amount	25.99	-	0.40	-
b) Provision made	6.22	-	-	-
<b>Loss Assets</b>				
a) Total outstanding amount	-	-	-	-
b) Provision made	-	-	-	-
<b>Total</b>				
a) Total outstanding amount	1,01,836.34	96,104.31	27,860.04	23,831.57
b) Provision made	2,374.89	2,006.60	297.53	352.08

\* The total outstanding amount includes principal and accrued interest, excluding EIR and ECL pertaining to performing loans without netting off.



66 Draw down from reserves  
During the year, the Company has not withdrawn any sum from its reserves.

67 Foreign currency exposure and transaction  
a) Earnings and expenditures during the year is Nil (31 March 2021: Nil)  
b) Foreign currency exposure as at 31 March 2021 is Nil (31 March 2021: Nil)

68 Concentration of loans & advances

Particulars	As on	As on
	31 March 2022	31 March 2021
Total loans & advances to twenty largest Borrowers	918.12	847.22
Percentage of loans & advances to twenty largest borrowers to total advances of the HFC	0.71%	0.71%

69 Concentration of all exposures (including off-balance sheet exposures)

Particulars	As on	As on
	31 March 2022	31 March 2021
Total exposures to twenty largest borrowers	930.14	865.38
Percentage of exposures to twenty largest borrowers to total exposures of the HFC	0.69%	0.70%

70 Concentration of NPAs

Particulars	As on	As on
	31 March 2022	31 March 2021
Total exposure to top ten NPA accounts	340.64	299.34

71 Sector wise NPAs

Sector	Percentage of NPAs to total advances in that sector
<b>A. Housing Loans</b>	
1. Individuals	4.13%
2. Builders/Project Loans	-
3. Corporates	-
4. Others	-
<b>B. Non Housing Loans</b>	
1. Individuals	5.88%
2. Builders/Project Loans	-
3. Corporates	-
4. Others	-

72 Movement of NPAs

Particulars	As on	As on
	31 March 2022	31 March 2021
(I) Net NPAs to net advances (in %)	3.17%	2.07%
(II) Movement of NPAs (Gross)		
a) Opening balance	4,722.42	3,511.73
b) Additions during the year	2,947.24	2,500.11
c) Reductions during the year	1,823.97	1,289.42
d) Closing balance	5,845.69	4,722.42
(III) Movement in Net NPAs		
a) Opening balance	3,041.35	2,330.97
b) Additions during the year	1,964.31	1,512.23
c) Reductions during the year	980.34	801.85
d) Closing balance	4,025.32	3,041.35
(IV) Movement of provisions for NPAs (excluding provisions on standard assets)		
a) Opening balance	1,681.08	1,180.77
b) Provisions made during the year	982.93	987.88
c) Write-off/write-back of excess provisions	843.63	487.57
d) Closing balance	1,820.37	1,681.08

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**73 Overseas Assets**

Company does not have any overseas assets.

**74 Off-Balance Sheet SPVs sponsored (which are required to be consolidated as per accounting norms)**

Company has not sponsored any SPV.

**75 Details of customers complaints**

Particulars	As on 31 March 2022	As on 31 March 2021
No. of complaints pending at the beginning of the year	-	-
No. of complaints received during the year	175	132
No. of complaints redressed during the year	174	132
No. of complaints pending at the end of the year	1	-

**76 Outstanding against the gold loan/Jewellery**

Particulars	As on 31 March 2022	As on 31 March 2021
Outstanding Loans granted against the collateral gold jewellery	-	-
% of above to total outstanding loans	-	-

**77 Impact of COVID-19**

The impact of COVID-19 pandemic on the Company's performance will depend on the ongoing as well as future developments, including, among other things, any new information concerning the pandemic and any measure to contain or mitigate its impact, whether mandated by the government or adopted by the company.

**Disclosure pursuant to Reserve Bank of India Circular DOR.No.BP.BC.63/21.04.048/2020-21 dated 17 April 2020 pertaining to asset classification and provisioning in terms of COVID-19 Regulatory Package**

Particulars	As on 31 March 2021
i) Respective amounts in SMA/overdue categories, where the moratorium/deferment was extended	58,092.81
ii) Respective amount where asset classification benefits is extended*	2,309.02
iii) General provision made	-
iv) General provision adjusted during the period against slippages	-
v) Residual provisions	-

**78** No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**79 Instances of fraud**

During the year management has identified no fraud. ( FY 2020-21 ₹ 581,191 through manipulation of 21 customer accounts by the employees of the Company. The Company has initiated disciplinary action against such employees, including termination of their employment from the services of the company. The Company is taking necessary steps to ensure recovery of such amounts.)

**Resolution Framework for Covid 19 related Stress**

**80** Pursuant of Resolution Framework – 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses vide DOR.STR.REC.11/21.04.048/2021-22 dated May 5, 2021, company extended resolution to 63 borrowers aggregating to Rs.433.85 Lacs under the said framework. Company has created adequate provision in relation to these customers as per the directions.

Type of Borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year
Personal Loans	433.85	NIL	NIL	0.57	433.34

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81 Previous year's figures have been regrouped and reclassified, wherever necessary to conform to current year's presentation / classification.

**For VARMA & VARMA**

Chartered Accountants  
Firm's Registration No.: 004532S

For and on behalf of the Board of Directors of  
**Muthoot Housing Finance Company Limited**

  
**Vijay Narayan Govind**  
Partner  
Membership No: 203094  
Place : Kochi

  
**Thomas Muthoot**  
Managing Director  
DIN: 00082099  
Place : Kochi

  
**Thomas George Muthoot**  
Director  
DIN: 00011552  
Place : Kochi

  
**Thomas John Muthoot**  
Director  
DIN: 00011618  
Place : Trivandrum

  
**Pavan Kumar Gupta**  
Chief Executive Officer  
Place : Mumbai

  
**Vikas Srivastava**  
Chief Financial Officer  
Place : Mumbai

  
**S. Sumesh**  
Company Secretary  
Place : Trivandrum

Date : 16th May 2022

**INDEPENDENT AUDITOR'S REPORT**

**To The Members of Muthoot Housing Finance Company Limited**

**Report on the Audit of the Standalone Financial Statements**

**Opinion**

We have audited the accompanying standalone financial statements of Muthoot Housing Finance Company Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and notes to the standalone 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 standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

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

**Information Other than the Standalone Financial Statements and Auditor's Report thereon (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 of the Company for the financial year ended March 31, 2023 but does not include the standalone financial statements and



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our auditor's report thereon. The reports containing the other information as above are expected to be made available to us after the date of this auditors' report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of audit or otherwise appears to be materially misstated.

When we read the reports containing the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions as per applicable laws and regulations.

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

In preparing the standalone 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.

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

## **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to



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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 standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements



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in the standalone financial statements.

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

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

## **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
  - (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.
  - (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial statement reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Section 197(16) of the Act, the Company has not paid or provided any remuneration to its directors during the year and hence reporting requirement under section 197 (16) is not applicable.



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- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position as on March 31, 2023.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2023.
  - iv.
    - a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the Note No. 78 to the standalone financial statements, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the Note No. 78 to the standalone financial statements, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
  - v. The Company has not declared or paid any dividend during the year. Hence, the



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compliance with the provisions of Section 123 of the Act is not applicable to the Company for the financial year.

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

Place: Kochi

Date: 12-05-2023

For VARMA & VARMA

(FRN:004532S)

(VIJAY NARAYAN GOVIND)

Partner

CHARTERED ACCOUNTANTS

Membership No. 203094

UDIN: 23203094BGXYMD4-115

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**ANNEXURE A REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF MUTHOOT HOUSING FINANCE COMPANY LIMITED FOR THE YEAR ENDED MARCH 31, 2023.**

- I. a) i) According to the information and explanations given to us and the records of the Company examined by us, the Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- ii) According to the information and explanations given to us and the records of the company examined by us, the Company has maintained proper records showing full particulars of intangible assets.
- b) According to the information and explanations given to us and the records of the Company examined by us, the Company has a regular program of physical verification of its Property Plant and Equipment in a phased manner over a period of three years which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with the program, certain Property Plant and Equipment were verified during the year and no material discrepancies were noticed on such verification.
- c) According to the information and explanations given to us and the records of the Company examined by us, there are no immovable properties held by the Company and included under Property, Plant & Equipment and hence the reporting requirements under the Clause (i)(c) of Para 3 of the Order are not applicable at this stage.
- d) According to the information and explanations given to us and the records of the Company examined by us, the Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year and hence the reporting requirements under the Clause (i)(d) of Para 3 of the Order is not applicable at this stage.
- e) According to the information and explanations given to us and the records of the Company examined by us, there are no proceedings initiated or pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.



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2.

- a) The Company does not hold any inventory and hence the reporting requirements under Clause (ii)(a) of Para 3 of the Order are not applicable to the Company at this stage.
- b) The company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks and financial institutions during the year on the basis of security of current assets. In our opinion, based on a comparison, the quarterly statements of receivables filed by the company with such banks and financial institutions are seen to be in agreement with the books of account of the Company (which have not been audited as at the quarters ended 30<sup>th</sup> June, 30<sup>th</sup> September and 31<sup>st</sup> December, 2022)

3. The Company has made investment in equity shares in an earlier year and has made investments in mutual funds and security receipts during the current financial year. The Company has not provided any guarantee or security or granted any loan, secured or unsecured to Companies, Firms, Limited Liability Partnerships (LLPs) during the year. The Company has granted secured loans to other parties. In respect of the investments made and secured loans granted to other parties;

- a) The Company is a Systemically Important Non-Banking Financial Company – Housing Finance Company (HFC) engaged in the business of granting housing/property loans and hence the reporting under clause (iii)(a) of Para 3 the Order is not applicable.
- b) In our opinion, the terms and conditions of the investments made, grant of loans, during the year are, prima facie, not prejudicial to the Company's interest.
- c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest have been stipulated. Being a Non-Banking Finance company engaged in the business of granting housing/property loans, there are instances of irregularities in repayment of principal amounts and receipt of interest as per stipulated terms. Having regard to the nature of business undertaken by the company, specific details of the irregularities are not reported, although particulars of overdue for more than ninety days as per books of accounts as at Balance Sheet date have been reported in Para (d) below.
- d) In respect of loans granted by the Company, the total amount overdue for more than ninety days as per books of account as at the balance sheet date is as under:

(Rs. In Lakhs)

No. of cases	Principal Overdues	Amount	Interest Overdues	Total Overdues
300		109.40	-	109.40



In our opinion and according to the information and explanations given to us, reasonable steps have been taken by the Company for recovery of the principal and interest.

- e) The Company is a Systemically Important Non-Banking Financial Company – Housing Finance Company (HFC) engaged in the business of granting housing/property loans and hence the reporting under clause (iii)(e) of Para 3 of the Order is not applicable.
  - f) The Company has not granted any loans or advances in the nature of loans to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013 and hence the reporting under clause (iii)(f) of Para 3 of the Order is not applicable.
4. According to the information and explanations given to us and the records of the Company examined by us, the Company has not given any loans, or provided any guarantee or security as specified under section 185 of the Companies Act, 2013. The provisions of section 186 of the Act with respect to loans, guarantee and security is not applicable to the Company being a Housing Finance Company and the investments made by the Company are in compliance with the provisions of section 186 of the Act.
5. The Company has not accepted any deposits or any amounts deemed to be deposits from the public during the year which attracts the directives issued by the Reserve Bank of India. Being a Non-Banking Finance Company in terms of the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, the provisions of Sections 73 to 76 or any other relevant provision of the Act and the rules framed thereunder are not applicable to the Company.
6. To the best of our knowledge 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 Act for any of the services rendered by the Company at this stage.
- 7.
- a) As per the information and explanations furnished to us and according to our examination of the records of the Company, the Company has been generally regular in depositing undisputed statutory dues including Goods and Service Tax, provident fund, employee's state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable to the Company to the appropriate authorities during the year.

According to the information and explanations given to us and according to our examination of the records of the Company, there are no arrears of undisputed statutory dues outstanding as at the last day of the financial year for a period of more than six months from the date on which



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they become payable.

- b) According to the information and explanations given to us and the records of the Company examined by us, there are no disputed amounts of Goods and Service Tax, provident fund, employee's state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues due to be deposited as at March 31, 2023.
8. According to the information and explanations given to us and the records of the Company examined by us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
9. According to the information and explanations given to us and on the basis of our examination of the records of the Company:
- a) The Company has not defaulted in repayment of loans or other borrowings or in payment of interest to any lender.
  - b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
  - c) In our opinion and according to the information and explanations given to us, the Company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.
  - d) On an overall examination of the Financial Statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
  - e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company did not have any subsidiaries or joint ventures or associates during the year hence reporting under clause (ix)(e) of Para 3 of the Order is not applicable.
  - f) According to the information and explanations given to us and on an overall examination of the Standalone financial statements of the Company, we report that the Company did not have any subsidiaries or joint ventures or associates during the year hence reporting under clause (ix)(f) of Para 3 of the Order is not applicable.



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10.

- a) According to the information and explanations given to us and the records of the Company examined by us, no moneys were raised by way of initial public offer or further public offer (including debt instruments) and accordingly the reporting requirement under the clause (x)(a) of Para 3 of the Order is not applicable to the Company at this stage.
- b) According to the information and explanations given to us and the records of the Company examined by us, the Company has not made any preferential allotment or private placement of shares or fully or partly or optionally convertible debentures during the year and hence, the reporting requirements under clause (x)(b) of Para 3 of the Order are not applicable.

11.

- a) During the course of our examination of the books and records of the Company carried out in accordance with generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instances of material fraud by the Company or on the Company, noticed or reported during the year, nor have been informed of such case by the Management.
- b) No report under Section 143(12) of the Act has been filed in Form ADT-4 regarding any frauds, as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- c) According to the information and explanations given to us and the records of the Company examined by us, the Company has not received whistle-blower complaints during the year and accordingly the reporting requirements under clause (xi)(c) of Para 3 of the Order is not applicable to the Company at this stage.

12. The Company is not a Nidhi Company. Accordingly, the reporting requirements under clause (xii) (a), (b) and (c) of Para 3 of the Order are not applicable.

13. According to the information and explanations given to us and the records of the Company examined by us, all transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and the details of such transactions have been disclosed in Note No.42 to the standalone financial statements as required by the applicable Ind AS.

14.

- a) The Company has an internal audit system, which, in our opinion is commensurate with the size and nature of its business.



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- b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
15. According to the information and explanations given to us and the records of the Company examined by us, the Company has not entered into any non-cash transactions with directors or persons connected with the directors. Accordingly, the reporting requirement under clause (xv) of Para 3 of the Order is not applicable.
- 16.
- a) According to the information and explanations given to us and the records of the Company examined by us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting requirement under clause (xvi) (a) of Para 3 of the Order is not applicable.
- b) According to the information and explanations given to us and the records of the Company examined by us, the Company has not conducted any Non-Banking financial or Housing Finance Activities without a valid Certificate of Registration (CoR) from the National Housing Bank as per NHB Act, 1987, as applicable for Housing Finance Companies
- c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and hence the reporting requirements under clause (xvi) (c) of Para 3 of the Order is not applicable.
- d) According to the information and explanations given to us, there is no core investment Company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016). Accordingly, the reporting requirement under clause (xvi) (d) of Para 3 of the Order is not applicable.
17. The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
18. There has been no resignation of the statutory auditors during the year hence the reporting requirement under clause (xviii) of paragraph 3 of the Order is not applicable.
19. According to the information and explanations given to us and the records of the Company examined by us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets, payment of financial liabilities and other information accompanying the standalone financial statements and our knowledge of the Board of Directors and Management



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plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

20. According to the information and explanations given to us and the records of the Company examined by us,
- a) There are no unspent amounts towards Corporate Social Responsibility ("CSR") on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act, 2013 in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
  - b) There are no amounts remaining unspent towards Corporate Social Responsibility ("CSR") under sub-section (5) of Section 135 of the Companies Act, 2013, pursuant to any ongoing project relating to the current financial year.
21. The Company is not required to prepare consolidated financial statements and accordingly, the reporting requirement under clause (xxi) of Para 3 of the Order is not applicable.

Place: Kochi

Date: 12-05-2023

For VARMA & VARMA  
(FRN:004532S)

  
(VIJAY NARAYAN GOVIND)

Partner  
CHARTERED ACCOUNTANTS  
Membership No. 203094

UDIN: 23203094BGXYMD4715

**ANNEXURE B' REFERRED TO IN PARAGRAPH 2(f) UNDER THE HEADING  
"REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR  
INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE  
FINANCIAL STATEMENTS OF MUTHOOT HOUSING FINANCE COMPANY LIMITED  
FOR THE YEAR ENDED MARCH 31, 2023**

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

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

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls with reference to standalone financial statements 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditors' Responsibility**

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



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

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

### **Meaning of Internal Financial Controls with reference to Financial Statements reporting**

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

### **Inherent Limitations of Internal Financial Controls with reference to Financial Statements reporting**

Because of the inherent limitations of internal financial controls system with reference to financial statements 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 system with reference to financial statements reporting to future periods are subject to the risk that the internal financial controls system with reference to financial statements reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



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**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements reporting and such internal financial controls system with reference to financial statements reporting were operating effectively as at March 31, 2023, based on the internal control with reference to financial statements 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 ICAI.

Place: Kochi

Date: 12-05-2023

For VARMA & VARMA  
(FRN:004532S)

*Vijay Narayan Govind*  
(VIJAY NARAYAN GOVIND)  
Partner

CHARTERED ACCOUNTANTS  
Membership No. 203094

UDIN: 23 203094 BGXYMD4715

Muthoot Housing Finance Company Limited  
Balance sheet as at 31 March 2023  
(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Note	As at 31 March 2023	As at 31 March 2022
<b>ASSETS</b>			
<b>1. Financial assets</b>			
(a) Cash and cash equivalents	3	6,916.12	8,538.98
(b) Bank balance other than cash and cash equivalents	4	1,696.11	1,120.70
(c) Trade receivables	5	-	5.08
(d) Loans	6	1,45,180.76	1,25,075.07
(e) Investments	7	3,316.67	4,080.89
(f) Other financial assets	8	600.10	928.87
		<b>1,57,709.76</b>	<b>1,39,749.59</b>
<b>2. Non-financial assets</b>			
(a) Current tax assets (net)		75.22	-
(b) Deferred tax assets (net)	9	555.44	672.97
(c) Property, plant and equipment	10	339.42	220.28
(d) Other intangible assets	11	40.91	81.79
(e) Right of use assets	33	360.61	378.85
(f) Assets held for sale		819.46	1,452.46
(g) Other non-financial assets	12	377.53	333.93
		<b>2,568.59</b>	<b>3,140.28</b>
<b>Total Assets</b>		<b>1,60,278.35</b>	<b>1,42,889.87</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
<b>1. Financial liabilities</b>			
(a) Derivative financial instruments	13	89.19	-
(b) Payables:	14		
(i) Trade payables			
(i) total outstanding dues of micro enterprises and small enterprises		17.32	6.05
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		448.21	286.53
(ii) Other payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		402.84	245.41
(c) Debt securities	15	-	499.30
(d) Borrowings (other than debt securities)	16	1,25,043.14	1,13,323.31
(e) Lease liabilities	33	397.81	402.24
(f) Other financial liabilities	17	7,214.73	3,977.74
		<b>1,33,613.24</b>	<b>1,18,740.58</b>
<b>2. Non-financial liabilities</b>			
(a) Current Tax Liabilities (net)		-	58.26
(b) Provisions	18	274.92	249.52
(c) Other non-financial liabilities	19	102.44	120.01
		<b>377.36</b>	<b>427.79</b>
<b>Total liabilities</b>		<b>1,33,990.60</b>	<b>1,19,168.37</b>
<b>3. Equity</b>			
(a) Equity share capital	20	7,358.11	7,358.11
(b) Other equity	21	18,929.64	16,363.39
		<b>26,287.75</b>	<b>23,721.50</b>
<b>Total Liabilities and Equity</b>		<b>1,60,278.35</b>	<b>1,42,889.87</b>

Significant accounting policies

2

Notes forming an integral part of these financial statements


This is the balance sheet referred to in our report of even date.


For VARMA & VARMA  
Chartered Accountants  
Firm's Registration No.: 004532S


For and on behalf of the Board of Directors of  
**MUTHOOT HOUSING FINANCE COMPANY LIMITED**

  
Vijay Narayan Govind  
Partner

Membership No: 203094  
Place: Kochi

  
Thomas Muthoot  
Managing Director  
DIN: 00082099  
Place: Kochi

  
Thomas George Muthoot  
Director  
DIN: 00011552  
Place: Kochi

  
Thomas John Muthoot  
Director  
DIN: 00011618  
Place: Kochi

  
Pavan Kumar Gupta  
Chief Executive Officer  
Place: Mumbai

  
Yogesh Udhoji  
Chief Financial Officer  
Place: Mumbai

  
S. Sumesh  
Company Secretary  
Place: Kochi

Date: 12th May 2023

Muthoot Housing Finance Company Limited  
Statement of profit and loss for the year ended 31 March 2023  
(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Note	Year ended 31 March 2023	Year ended 31 March 2022
<b>I. Revenue from operations</b>			
Interest income	22	21,455.81	18,426.14
Net gain on fair value changes	23	201.14	110.57
Sale of services	24	0.68	5.38
Other financial services	25	510.00	467.07
<b>Total income (I)</b>		<b>22,167.63</b>	<b>19,009.16</b>
<b>II. Expenses</b>			
Finance costs	26	11,091.45	9,745.86
Impairment on financial instruments	27	(239.92)	793.87
Employee benefits expenses	28	5,431.08	4,411.68
Depreciation, amortisation and impairment	29	289.97	231.95
Other expenses	30	2,115.19	1,532.26
<b>Total expenses (II)</b>		<b>18,687.77</b>	<b>16,715.62</b>
<b>III. Profit before tax (I - II)</b>		<b>3,479.86</b>	<b>2,293.54</b>
<b>IV. Tax Expenses</b>			
Current tax		762.19	820.38
Deferred tax charge/(credit)	9	129.34	(226.65)
<b>Total tax expenses (IV)</b>		<b>891.53</b>	<b>593.73</b>
<b>V. Profit for the year (III-IV)</b>		<b>2,588.33</b>	<b>1,699.81</b>
<b>VI. Other comprehensive income</b>			
<b>A. Items that will not be reclassified to profit and loss</b>			
Remeasurements gain/(loss) on defined benefit plan		(6.74)	15.77
Changes in value of forward element of forward contract		(38.06)	-
Income tax relating to items that will not be reclassified to profit or loss		11.28	(3.97)
<b>Subtotal (A)</b>		<b>(33.52)</b>	<b>11.80</b>
<b>B. Items that will be reclassified to profit and loss</b>			
The effective portion of gain/(loss) on hedging instruments in cash flow hedges		(2.05)	-
Income tax relating to items that will be reclassified to profit or loss		0.52	-
<b>Subtotal (B)</b>		<b>(1.53)</b>	<b>-</b>
<b>Other Comprehensive Income (A + B)</b>		<b>(35.05)</b>	<b>11.80</b>
<b>Total comprehensive income for the year (V + VI)</b>		<b>2,553.28</b>	<b>1,711.61</b>
<b>Earning per equity share of INR 10 each</b>			
Basic (INR)	34	3.58	2.35
Diluted (INR)	34	3.57	2.34

Significant accounting policies

2

Notes forming an integral part of these financial statements

This is the statement of profit and loss referred to in our report of even date.

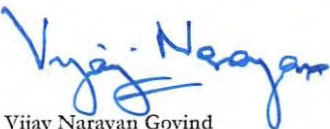
**For VARMA & VARMA**

Chartered Accountants

Firm's Registration No.: 00-45325

For and on behalf of the Board of Directors of

**MUTHOOT HOUSING FINANCE COMPANY LIMITED**



Vijay Narayan Govind

Partner

Membership No: 203094

Place : Kochi



Thomas Muthoot

Managing Director

DIN: 00082099

Place : Kochi



Thomas George Muthoot

Director

DIN: 00011552

Place : Kochi



Thomas John Muthoot

Director

DIN: 00011618

Place : Kochi



Pavan Kumar Gupta

Chief Executive Officer

Place : Mumbai



Yogesh Udhoji

Chief Financial Officer

Place : Mumbai



S. Sumesh

Company Secretary

Place : Kochi

Date : 12th May 2023

**Muthoot Housing Finance Company Limited**  
**Cash flow statement for the year ended 31 March, 2023**  
(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
<b>1. Cash flow from operating activities</b>		
Profit before tax	3,479.86	2,293.54
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation, amortisation and impairment	289.97	231.95
Impairment on financial instruments/assets held for sale	96.45	932.25
Staff gratuity and leave encashment expenses	18.66	41.84
Provision for share based payment to employees	13.07	41.29
Income from investment in mutual fund	(201.14)	(110.57)
Loss on sale of property, plant and equipment	0.14	0.60
Finance Cost	11,047.91	9,714.46
Adjustments towards effective interest rate in respect of loan assets	327.43	148.81
Unwinding of prepaid rent and security deposit	(10.90)	(9.46)
Ind AS Adjustments for leases	-	(12.20)
Assets Written-Off	5.08	-
Interest cost on lease liability	43.54	31.40
Adjustment on account of consolidation of ESOP trust	(0.10)	(0.10)
<b>Operating profit before working capital changes</b>	<b>15,109.97</b>	<b>13,303.81</b>
Adjustments in working capital:		
(Increase)/ Decrease in bank balances other than cash and cash equivalents	(575.41)	150.18
(Increase)/Decrease in loans	(17,224.70)	(11,456.38)
(Increase)/Decrease in trade receivables	-	0.84
(Increase)/Decrease in other financial assets	339.67	614.05
(Increase)/Decrease in other non-financial assets and Assets held for sale	253.03	215.99
Increase/(Decrease) in trade payables	330.38	211.81
Increase/(Decrease) in other financial liabilities	268.49	59.14
Increase/(Decrease) in provisions	(0.00)	29.61
Increase/(Decrease) in other non-financial liabilities	(17.57)	52.94
<b>Cash generated from/(used in) operations</b>	<b>(1,516.14)</b>	<b>3,181.99</b>
Finance cost paid	(11,084.73)	(10,044.21)
Income tax paid (net)	(895.68)	(724.78)
<b>Net cash generated from/(used in) operating activities</b>	<b>(13,496.55)</b>	<b>(7,587.00)</b>
<b>2. Cash flow from investing activities</b>		
Purchase of property, plant and equipment/intangible assets	(237.66)	(130.05)
Purchase of investment (short term debt mutual fund/ Security Receipts)	(52,587.07)	(39,850.00)
Proceeds from sale of investments (short term debt mutual fund)	53,552.43	36,174.20
Proceeds from sale of property, plant and equipment	0.04	0.39
<b>Net cash generated from / (used in) investing activities</b>	<b>727.74</b>	<b>(3,805.46)</b>
<b>3. Cash flow from financing activities</b>		
Payment towards lease liabilities	(160.48)	(151.77)
Repayment of debt security	(499.30)	(500.00)
Proceeds from borrowings other than debt security	38,000.00	38,500.00
Repayments of borrowings other than debt security	(26,194.27)	(23,771.90)
<b>Net cash generated from / (used in) financing activities</b>	<b>11,145.95</b>	<b>14,076.33</b>
<b>Net increase / (decrease) in cash and cash equivalents during the year (1+2+3)</b>	<b>(1,622.86)</b>	<b>2,683.87</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>8,538.98</b>	<b>5,855.11</b>
<b>Total cash and cash equivalents at the end of the year</b>	<b>6,916.12</b>	<b>8,538.98</b>

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Muthoot Housing Finance Company Limited  
Cash flow statement for the year ended 31 March, 2023  
(All amounts are in INR Lakhs, unless otherwise stated)

Cash and cash equivalents

Cash in hand	114.43	160.99
Balances with banks	289.64	467.83
Fixed deposits with banks having original maturity of less than 3 months	6,512.05	7,910.16
<b>Cash and cash equivalents at the end of the year</b>	<b>6,916.12</b>	<b>8,538.98</b>

The above cash flow statement has been prepared under the indirect method as set out in the Ind AS 7 "Statement of cash flow" as specified in Companies (Indian Accounting Standards) Rules, 2015.

Significant accounting policies

2

Notes forming an integral part of these financial statements

This is the cash flow statement referred to in our report of even date.

For VARMA & VARMA

Chartered Accountants

Firm's Registration No.: 004532S

For and on behalf of the Board of Directors of

**MUTHOOT HOUSING FINANCE COMPANY LIMITED**



Vijay Narayan Govind

Partner

Membership No: 203094

Place : Kochi



Thomas Muthoot

Managing Director

DIN: 00082099

Place : Kochi



Thomas George Muthoot

Director

DIN: 00011552

Place : Kochi



Thomas John Muthoot

Director

DIN: 00011618

Place : Kochi



Pavan Kumar Gupta

Chief Executive Officer

Place : Mumbai



Yogesh Udhoji

Chief Financial Officer

Place : Mumbai



S. Sumesh

Company Secretary

Place : Kochi

Date : 12th May 2023

a. Equity share capital:

Particulars	No. of Shares	Amount
At 1 April, 2021	7,35,81,066	7,358.11
Add: Issued during the year	-	-
At 31 March, 2022	7,35,81,066	7,358.11
Add: Issued during the year	-	-
At 31 March, 2023	7,35,81,066	7,358.11

b. Other equity:

Particulars	Reserve and surplus						Other comprehensive income			Total
	Security premium	Special reserve	Share option outstanding account	Treasury shares	General reserve	Retained earning	Changes in value of forward element of forward contract	The effective portion of gain/(loss) on hedging instruments in cash flow hedges	Remeasurements gain/(loss) on defined benefit plan	
Balance as at 1 April, 2021	9,294.63	1,668.56	132.76	(571.37)	(0.21)	4,127.85	-	-	(41.63)	14,610.59
Addition / appropriation during the year	-	400.00	41.29	-	-	(400.00)	-	-	-	41.29
Profit for the year	-	-	-	-	-	1,699.81	-	-	-	1,699.81
Adjustment on account of consolidation of ESOP trust	-	-	-	-	(0.10)	-	-	-	-	(0.10)
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	-	11.80	11.80
Balance as at 31 March, 2022	9,294.63	2,068.56	174.05	(571.37)	(0.31)	5,427.66	-	-	(29.83)	16,363.39
Addition / appropriation during the year	-	550.00	13.07	-	-	(550.00)	-	-	-	13.07
Profit for the year	-	-	-	-	-	2,588.33	-	-	-	2,588.33
Adjustment on account of consolidation of ESOP trust	-	-	-	-	(0.10)	-	-	-	-	(0.10)
Other comprehensive income (net of tax)	-	-	-	-	-	-	(28.48)	(1.53)	(5.04)	(35.05)
Balance as at 31 March, 2023	9,294.63	2,618.56	187.12	(571.37)	(0.41)	7,465.99	(28.48)	(1.53)	(34.87)	18,929.64

Significant accounting policies

2

Notes forming an integral part of these financial statements

This is the Statement of changes in equity referred to in our report of even date.

For VARMA & VARMA

Chartered Accountants

Firm's Registration No.: 004532S

  
Vijay Narayan Govind  
Partner

Membership No: 203094

Place : Kochi

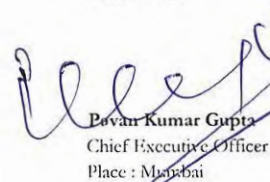
For and on behalf of the Board of Directors of

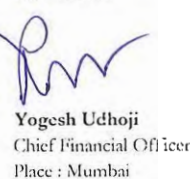
MUTHOOT HOUSING FINANCE COMPANY LIMITED

  
Thomas Muthoot  
Managing Director  
DIN: 00082099  
Place : Kochi

  
Thomas George Muthoot  
Director  
DIN: 00011552  
Place : Kochi

  
Thomas John Muthoot  
Director  
DIN: 00011618  
Place : Kochi

  
Pavan Kumar Gupta  
Chief Executive Officer  
Place : Mumbai

  
Yogesh Udhoji  
Chief Financial Officer  
Place : Mumbai

  
S. Sumesh  
Company Secretary  
Place : Kochi

Date : 12th May 2023

## **1. Corporate Information**

Muthoot Housing Finance Company Limited (the “Company”), is a public company domiciled in India and incorporated under provision of the Companies Act, 1956 having Corporate Identity Number (CIN) - U65922KL2010PLC025624.

The Company is a Housing Finance Company registered with the National Housing Bank (NHB) under section 29A of the National Housing Bank Act, 1987 and primarily engaged in housing finance activities. The Company was incorporated on 5 March 2010 and received the certificate of registration from the NHB on 11 February 2011, enabling the Company to carry on business as a Housing Finance Company without accepting public deposits. The Company received its certificate of commencement of business on 1 June 2011. The registered address of the company is Muthoot Centre, TC No.14/2074-7, Punnen Road, Thiruvananthapuram – 695 039.

## **2. Summary of significant accounting policies**

### **2.1. Basis of accounting and preparation**

The accompanying financial statements of the Company have been prepared in accordance with Indian Accounting Standard (Ind AS) specified under Section 133 of the Companies Act, 2013 (the “Act”) read with the Companies (Indian Accounting Standard) Rules, 2015 (as amended from time to time) and in accordance with the regulation of National Housing Bank. The Company has followed the same accounting policies in preparation of the financial statements as those followed in preparation of the annual financial statements as at and for the year ended 31 March 2022 except in case of interest income recognition on credit impaired assets.

The financial statements have been prepared in accordance with information and disclosures mandated by Schedule III of the Act, applicable Ind AS and regulation of NHB.

The Company’s presentation and functional currency is Indian Rupees (INR). All amounts appearing in the financial statements are rounded to the nearest lakhs except where otherwise indicated.

### **2.2. Basis of measurement**

The Company maintains accounts on accrual basis, except for the items disclosed separately in notes below. The financial statements have been prepared on a historical cost basis except for followings:

- Certain financial assets and liabilities which are measured at fair value;
- Defined benefit plans measured at fair value: and
- Assets held for sale are measured at fair value less cost to sell or carrying amount whichever is lower.

### **2.3. Statement of Compliance**

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

### **2.4. Use of estimates and judgements**

The presentation of financial statements in accordance with Ind AS requires management to use of certain critical accounting estimates and assumptions. It also requires management to exercise judgment in the process of applying accounting policies. However, the actual results could differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis and changes are made as management becomes aware of changes in the circumstances surrounding the estimates. They are based on historical experience, industry practice and other factors, including expectation of future events that may have a financial impact on the Company and that are believed to be reasonable under circumstances. Revision to accounting estimates are recognised in the financial statements in the period in which the estimate is revised.

Wherever possible, detailed information about each of the critical estimates and judgements is included in relevant notes.

The areas involving critical estimates or judgments are:

- Estimation of defined benefit obligation;
- Impairment of financial assets such as loans, trade receivables etc;
- Estimation of tax expenses and liability; and
- Financials assets measured at amortised cost (loans).
- Estimates of share-based payment arrangement.

## 2.5. Recognition of income

### 2.5.1. The effective interest rate method

Under Ind AS 109 interest income is recorded using the effective interest rate (EIR) method for all financial instruments measured at amortised cost. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Company recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loan. Hence, it recognises the effect of potentially different interest rates charged at various stages, and other characteristics of the product life cycle (including prepayments, penalty interest and charges).

### 2.5.2. Interest income

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets and financial assets measured at fair value through the statement of profit and loss (FVTPL).

Interest Income accruing on credit impaired assets and overdue interest levied on customers for delay in repayment of contractual cash flows are both recognized on receipt basis.

### 2.5.3. Revenue from contracts

Revenue is measured at fair value of the consideration received or receivable.

The Company recognises revenue from contracts with customers based on a five-step model as set out in Ind 115:

**Step 1: *Identify contract(s) with a customer:*** A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

**Step 2: *Identify performance obligations in the contract:*** A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

**Step 3: *Determine the transaction price:*** The transaction price is the amount of consideration to which the 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 the Company satisfies a performance obligation.

#### 2.5.4. Dividend income

Dividend Income is recognised when the Company's right to receive dividend is established by the reporting date.

#### 2.5.5. Investment income

The gain or loss on sale of investments are recognised in the statement of profit and loss on trade date. Gain or loss on sale of investment is determined on the basis of first in first out cost basis.

#### 2.5.6. Other income

(a) Other financial services include late payment interest, cheque bounce charges and other charges from customers are accounted on receipt basis due to uncertainty of its realisation.

(b) All other incomes are accounted on accrual basis.

### 2.6. Financial instruments

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

#### 2.6.1. Financial assets

##### (a) Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets are initially recognised when the Company becomes a party to the contractual provisions of the instrument. All financial assets other than those measured subsequently at FVTPL, are recognised initially at fair value plus transaction cost that are attributable to the acquisition of the financial asset.

##### (b) Classification and subsequent measurement

Financial assets are subsequently measured in their entirety at amortised cost or fair value depending on the classification of respective financial assets. Based on the business model for managing the financial assets and the contractual cash flow characteristic of the financial assets, the Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI) or FVTPL.

##### • Debt instruments at amortised cost

A 'debt instrument' is measured at amortised cost if both the following conditions are met:  
The assets are held within business model whose objective is:

- To hold assets for collecting contractual cash flows; and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely consisting of payments of principle and interest (SPPI) on the principle outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are integral part of EIR. The EIR amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in statement of profit and loss.

- **Debt instruments at fair value through other comprehensive income (FVTOCI)**

A 'debt instrument' is measured at fair value through other comprehensive income if both the following conditions are met:

The assets are held within business model whose objective is achieved by both

- Collecting contractual cash flows and selling financial assets; and
- Contractual terms of the asset give rise on specified dates to cash flows that are SPPI on the principle outstanding.

After initial measurement, such financial assets are subsequently measured at fair value. Interest income under EIR method and impairment losses are recognised in statement of profit and loss. Other net gain or losses are recognised as OCI.

- **Debt instruments fair value through the statement of profit or loss (FVTPL)**

FVTPL is residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization at amortised cost or as FVTOCI, is classified as FVTPL. After initial measurement, any fair value changes including any interest income, impairment losses and other net gains and losses are recognised in statement of profit and loss.

**(c) De-recognition**

A financial asset is primarily derecognised when the right to receive cash flow from assets have expired. On de-recognition, any gain or loss on debt instruments are recognised in the statement of profit and loss, except for financial assets at FVTOCI, where on de-recognition accumulated gain or losses in OCI is re-classified to profit or loss.

The Company transfers loans through assignment transactions. In accordance with the Ind AS 109, on derecognition of a financial asset under assignment transactions, the difference between the carrying amount and the consideration received shall be recognised in statement of Profit and Loss.

**(d) Impairment of financial assets**

In accordance with Ind AS 109, the Company applies Expected Credit Loss ('ECL') model for measurement and recognition of impairment loss on the financial assets measured at amortised cost and debt instruments measured at FVTOCI. However, the Company has maintained the minimum provision requirement as per NHB regulations.

Loss allowances on trade receivables are measured following 'simplified approach' at an amount equal to the lifetime ECL at each reporting date. In respect of other financial assets such as debt securities, the loss allowances are measured at 12-month ECL only if there is no significant deterioration in the credit risk since initial recognition of the assets.

## 2.6.2. Financial liabilities

### Recognition and initial measurement

(a) Financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities, other than those measured at FVTPL, are recognised initially at fair value plus transaction cost that are attributable to the acquisition of the financial liability.

### (b) Classification and subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial liabilities.

- **Financial liabilities at FVTPL**

A financial liability is classified as FVTPL if it is classified as held-for-trading or is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and charges therein, including any interest expenses, are recognised in statement of profit and loss.

- **Financial liabilities at amortised cost**

After initial recognition, financial liabilities other than those which are classified as FVTPL are subsequently measured at amortised cost using the EIR method.

Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The amortisation done using the EIR method is included as finance cost in statement of profit and loss

### (c) De-recognition

A financial liability is derecognised when the obligation under liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised of in the statement of profit and loss.

## 2.7. Property, plant and equipment (PPE) & depreciation

PPE are stated at cost less accumulated depreciation thereon. The cost of PPE comprises purchase price and any attributable cost of bringing the asset to its working condition for its intended use. The Company provides pro-rata depreciation from the date on which asset is acquired/ put to use. In respect of assets sold, pro-rata depreciation is provided up to the date on which the asset is sold. Gains / Losses arising from sale of asset are measured at the difference between the net disposal value and the carrying amount of the assets and are recognised in the statement of profit and loss when the asset is sold. On all assets, except the cost of leasehold improvements which are amortized over the period of the lease, depreciation has been provided using the useful life as specified in Schedule II to the Act by written down value method:

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is de-recognized when replaced. All other repairs and maintenance are charged to the statement of profit and loss during the reporting period in which they are incurred. PPE are eliminated from the financial statements, either on disposal or when retired from active use. Gains or losses on disposals or retirement of assets are determined by comparing proceeds with carrying amount. These are recognized in the statement of profit and loss.

## 2.8. Intangible assets and amortization

Expenses incurred on intangible assets having enduring benefits are capitalized and amortized on straight line method (SLM) basis over a period of three years.

## 2.9. Taxation

Tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effect of timing differences between accounting income and taxable income for the period).

### 2.9.1. Current tax

Provision for current tax is made on the basis of estimated taxable income for the accounting year in accordance with the Income Tax Act, 1961. Current tax assets and liabilities are measured at the amount expected to be recovered from, or paid to, the taxation authorities. Management periodically evaluates positions taken in the tax returns with respect to situation in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets and liabilities are offset where the entity has legally enforceable right to offset and intends either to settle on net basis, or to realise the assets and settle the liability simultaneously.

### 2.9.2. Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit and is accounted for using the balance sheet liability model. Deferred tax liabilities are generally recognised for all the taxable temporary differences. In contrast, deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance sheet 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 income tax asset to be utilized. Deferred income 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 balance sheet date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

## 2.10. Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company recognises right of use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right of use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located.

The right of use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right of use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right of use asset. The estimated useful lives of right of use assets are determined on the same basis as those of property, plant and equipment. Right of use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The Company recognises the amount of the re-measurement of lease liability as an adjustment to the right of use asset. Where the carrying amount of the right of use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss. The Company has elected not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

## **2.11. Employee benefits**

### **2.11.1. Defined contribution plans**

The Company's contribution to provident fund and employee state insurance scheme is considered as defined contribution plans and is charged to the statement of Profit and Loss in the period in which they occur. The Company have no other obligation when the contribution has been paid.

### **2.11.2. Defined benefit plans**

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of Profit and Loss. Remeasurements of 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. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

### **2.11.3. Other long-term employee benefit obligations**

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the statement of Profit and Loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

#### **2.11.4. Other long term / short term employee benefit obligation**

The Company has provided for earned leave benefits payable to its employees and is in the nature of defined benefit plan. The liability recognized in the balance sheet in respect of leave encashment is the present value of defined benefit obligation at the balance sheet date together with the adjustments for unrecognized actuarial gain or losses and the past service costs. The defined benefit obligation is calculated at or near the balance sheet date by an independent actuary using the projected unit credit method. Actuarial gains and losses comprise experience adjustment and the effects of changes in actuarial assumptions are recognised immediately in the statement of profit and loss account.

Remeasurements gains and losses arising from experience adjustments and changes in actuarial assumptions, are recognised in the year 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.

#### **2.11.5. Share-based payment arrangements**

The Stock options granted to employees pursuant to the Company's stock options schemes, are measured at the fair value of the options at the grant date using Black-Scholes Model. The fair value of the options determined at grant date is treated as discount and accounted as employee compensation cost over the vesting period on a straight-line basis over the period of option, based on the number of grants expected to vest, with corresponding increase in equity.

#### **2.12. Provisions**

Provisions for legal claims are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as finance cost.

#### **2.13. Contingent liabilities and contingent 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 probable that an outflow of resources will not be required to settle the obligation. However, if the possibility of outflow of resources, arising out of present obligation, is remote, it is not even disclosed as contingent liability.

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 notes to financial statements. A contingent asset is not recognized in financial statements, however, the same is disclosed where an inflow of economic benefit is probable.

**2.14. Impairment of financial assets**

The Company assesses at each balance sheet date whether there is any indication that a non-financial asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the non-financial asset. If such recoverable amount of the non-financial asset or the recoverable amount of the cash generating unit which the non-financial asset belongs to, is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed, and the non-financial asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

**2.15. Assets held for sale**

Assets possessed against the settlement of sta are carried in the balance sheet at a value of outstanding principal loan amount or fair value of asset whichever is lower. In case the fair value of the asset acquired is lower than the outstanding principal loan amount; then the shortfall is to be provided for in the books of account in such financial year.

These assets are classified as 'Assets held for sale' under 'Non-financial assets' till the asset acquired is finally disposed. The outstanding overdue interest and other charges will be accounted on realization basis.

Further, if on disposal of the assets so acquired, the sale proceed is higher than the receivable amount (including outstanding loan, outstanding overdue interest, other charges and interest), then the Company will refund the excess amount to the borrowers.

**2.16. Write offs**

Financial Assets are written off when the chances of recovery are bleak despite effective recovery initiatives.

When any amount is recovered from borrowers after write off, the amount recovered will be credited to Statement of profit and loss account.

**2.17. Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprises cash at bank and on hand and short –term deposits with an original maturity of three months or less, which are subject to an insignificant risk of change in value.

**2.18. Earnings per share (EPS)**

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of 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.

**2.19. Foreign Currency Transactions**

**2.19.1. Functional and Presentational Currency**

The financial statements are presented in Indian Rupees which is also functional currency of the Company and the currency of the primary economic environment in which the Company operates.

**2.19.2. Transactions and Balances**

**a) Initial Recognition**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

#### b) Conversion

Monetary assets and liabilities denominated in foreign currency, which are outstanding as at the reporting date, are translated at the reporting date at the closing exchange rate and the resultant exchange differences are recognized in the Statement of Profit and Loss. Non-monetary items that are measured at historical cost in a foreign currency are translated using the spot exchange rates as at the date of recognition.

### 2.20. Derivative Financial Instruments

The company enters into derivative financial instruments such as foreign exchange forward contracts to manage its exposure to foreign exchange rate risk. Derivatives are initially recognized at fair value on the date when a derivative contract is entered into and are subsequently remeasured to their fair value at each Balance Sheet date and carried as assets when their fair value is positive and as liabilities when their fair value is negative. The resulting gain/loss is recognized in the Statement of Profit and Loss immediately unless the derivative is designated and is effective as a hedging instrument, in which event the timing of the recognition in the Statement of Profit and Loss depends on the nature of the hedge relationship. The Company has designated the derivative financial instruments as cash flow hedges of recognized liabilities and unrecognized firm commitments.

#### 2.20.1. Hedge Accounting

In order to manage particular risks, the Company applies hedge accounting for transactions that meet specific criteria. At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship and the risk management objective and strategy for undertaking the hedge. Such hedges are expected to be highly effective if the hedging instrument is offsetting changes in fair value or cashflows of the hedged item attributable to the hedged risk. The assessment of hedge effectiveness is carried out at inception and on an ongoing basis to determine that the hedging relationship has been effective throughout the financial reporting periods for which they were designated.

#### 2.20.2. Cash Flow Hedges

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability (such as all or some future interest payments on variable rate debt) or a highly probable forecast transaction and could affect profit and loss. For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognized directly in Other Comprehensive Income (OCI) within equity (cash flow hedging reserve). The ineffective portion of the gain or loss on the hedging instrument is recognized immediately in the Statement of Profit and Loss. When the hedged cash flow affects the Statement of Profit and Loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the Statement of Profit and Loss. When a hedging instrument is expired, sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognized in OCI at that time remains in OCI and is recognized when the hedged forecast transaction is ultimately recognized in the Statement of Profit and Loss. When a forecasted transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the Statement of Profit and Loss.

### 2.21. Standards Issued but not yet effective

The Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, the MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

#### (i) Ind AS 1 - Presentation of Financial Statements

**Muthoot Housing Finance Company Limited**  
**Significant accounting policies for the year ended 31 March 2023 (Contd.)**

The amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023.

**(ii) Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors**

The amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023.

**(iii) Ind AS 12 - Income Taxes**

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023.

3 Cash and cash equivalents

Particulars	As at	As at
	31 March 2023	31 March 2022
Cash on hand	114.43	160.99
Balances with banks	289.64	467.83
Fixed deposits with banks having original maturity of less than 3 months	6,512.05	7,910.16
<b>Total</b>	<b>6,916.12</b>	<b>8,538.98</b>

4 Bank balance other than cash and cash equivalents

Particulars	As at	As at
	31 March 2023	31 March 2022
Fixed deposit with banks	1,696.11	1,120.70
<b>Total</b>	<b>1,696.11</b>	<b>1,120.70</b>

- Out of the above bank deposits, Rs. 1,652.04 lakhs (31 March 2022 : Rs. 1,084.21 lakhs) is marked lien with certain banks as security for term loan borrowings.

5 Trade Receivables

Particulars	As at	As at
	31 March 2023	31 March 2022
Trade receivables		
Receivables considered good - secured	-	-
Receivables considered good - unsecured	-	-
Receivable which have significant increase in credit risk	-	5.08
Less : Impairment loss allowances	-	-
<b>Total</b>	<b>-</b>	<b>5.08</b>

Trade receivables are non-interest bearing and are generally on payment terms of 30 to 90 days. There is no unbilled revenue receivable during the year ended 31.03.2023

Trade receivable ageing schedule

Particulars	As at	As at
	31 March 2023	31 March 2022
Undisputed outstanding Considered good		
Not Due	-	-
Less than 6 months	-	-
6 months -1 year	-	-
1-2 years	-	-
2- 3 years	-	-
More than 3 years	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

Particulars	As at	As at
	31 March 2023	31 March 2022
Undisputed outstanding which have significant increase in credit risk		
Not Due	-	-
Less than 6 months	-	-
6 months -1 year	-	-
1-2 years	-	5.08
2- 3 years	-	-
More than 3 years	-	-
<b>Total</b>	<b>-</b>	<b>5.08</b>

Particulars	As at	As at
	31 March 2023	31 March 2022
Disputed outstanding for following periods		
Not Due	-	-
Less than 1 year	-	-
1-2 years	-	-
2- 3 years	-	-
More than 3 years	-	-
<b>Total</b>	<b>-</b>	<b>-</b>



6 Loans

Particulars	As at 31 March 2023	As at 31 March 2022
<b>At amortised cost</b>		
<b>Term loans :</b>		
Housing loans and other loans	1,46,503.51	1,27,747.49
Less : Impairment loss allowances	(1,322.75)	(2,672.42)
<b>Net loans</b>	<b>1,45,180.76</b>	<b>1,25,075.07</b>
<b>Secured by tangible assets (immovable property)</b>	<b>1,46,503.51</b>	<b>1,27,747.49</b>
Less : Impairment loss allowances	(1,322.75)	(2,672.42)
<b>Net loans</b>	<b>1,45,180.76</b>	<b>1,25,075.07</b>
<b>Loans in India:</b>		
(i) Public sector	-	-
(ii) Others (retail loans)	1,46,503.51	1,27,747.49
<b>Total loans</b>	<b>1,46,503.51</b>	<b>1,27,747.49</b>
Less : Impairment loss allowances	(1,322.75)	(2,672.42)
<b>Net loans</b>	<b>1,45,180.76</b>	<b>1,25,075.07</b>

Particulars	Principal	Interest Outstanding	Effective Interest rate adjustment	Total
Balance as at 31 March 2023	1,48,340.57	411.18	(2,248.24)	<b>1,46,503.51</b>
Balance as at 31 March 2022	1,28,498.73	1,190.33	(1,941.57)	<b>1,27,747.49</b>

Reconciliation of provision for Expected Credit Loss is as below:

Particulars	Stage I	Stage II	Stage III	Total
Balance as at 1 April 2021	372.90	304.69	1,681.08	2,358.67
Addition/(deletion) during the year	38.21	136.25	139.29	313.75
<b>Balance as at 31 March 2022</b>	<b>411.11</b>	<b>440.94</b>	<b>1,820.37</b>	<b>2,672.42</b>
Addition/(deletion) during the year	(180.04)	(208.19)	(961.44)	(1,349.67)
<b>Balance as at 31 March 2023</b>	<b>231.07</b>	<b>232.75</b>	<b>858.93</b>	<b>1,322.75</b>

Company has classified the stages as below:

Stage I : Credit risk has not increased significantly if principal or interest is due for 30 days or less.

Stage II : Credit risk has increased significantly if principal or interest is due from 31 days to 90 days.

Stage III : Credit impaired if principal or interest is due for more than 90 days.

6.1 Sale of Assets to ARC

During the year, the Company has sold financial assets being stressed loan receivables (>90 days past due) having a gross carrying amount of Rs. 3,592.94 lakhs (Gross book value of principal outstanding net of write off cases as on date of transfer) to an Asset Reconstruction Company ("ARC") for a consideration of Rs. 3,131.86 lakhs. The net carrying amount of these loan receivables as on the effective date of transfer was Rs. 2,865.88 lakhs (Book value inclusive of interest accrued and net of impairment allowance/write off as on date of transfer).

As per the agreed terms, the Company has subscribed to the Security Receipts ("SRs") issued by the ARC trust amounting to Rs. 2,662.07 lakhs, which is measured at Fair Value through Profit or Loss. Since the transaction had consummated on 30 March, 2023, obtaining of recovery ratings would commence only from the period subsequent to balance sheet date.

7 Investment

Particulars	As at 31 March 2023	As at 31 March 2022
<b>At fair value through profit or loss</b>		
Investments in mutual funds	650.10	4,076.39
Investments in Security Receipts(Refer Note 6.1) (26,6207 Nos. of SRs issued by Trust having a face value of Rs 1000 each)	2,662.07	-
<b>At fair value through other comprehensive income</b>		
Investments in Corporate*	4.50	4.50
<b>Total</b>	<b>3,316.67</b>	<b>4,080.89</b>
<b>Out of which:</b>		
Investments in India	3,316.67	4,080.89
Investments outside India	-	-
<b>Total</b>	<b>3,316.67</b>	<b>4,080.89</b>

\*Represents investments in equity shares of related party. (Refer Note 42)

8 Other financial assets

Particulars	As at 31 March 2023	As at 31 March 2022
Security deposit (Refer Note 8.1)	114.74	109.15
EIS receivable (net)	478.56	815.25
Other financial assets	6.80	4.47
<b>Total</b>	<b>600.10</b>	<b>928.87</b>

8.1 Security Deposits Include Rs 38.08 lakhs (Previous year Rs 39.04 lakhs) given to related parties. (Refer Note 42)



9 Deferred tax assets (net)

(a) Movement in deferred tax assets / (liabilities)

Particulars	Net balance 1 April 2022	Recognised in profit and loss	Recognised in OCI	Net balance 31 March 2023	As at 31 March 2023	
					Deferred tax assets	Deferred tax liabilities
<b>Deferred tax assets / (liabilities)</b>						
Provision for employee benefits	97.43	13.25	1.70	112.38	112.38	-
Property, plant and equipment and intangible assets	38.12	11.65	-	49.77	49.77	-
Impairment allowances on financial assets	633.21	(295.94)	-	337.27	337.27	-
Financial assets measured at amortised cost	458.54	114.17	-	572.71	572.71	-
Other non-financial assets	75.93	63.07	-	139.00	139.00	-
Special reserve	(444.19)	(138.44)	-	(582.63)	-	(582.63)
BIS receivables	(206.63)	84.74	-	(121.89)	-	(121.89)
Fair value of future lease obligations in accordance with Ind AS 116	5.91	3.46	-	9.37	9.37	-
Cash flow hedge reserve	-	-	10.11	10.11	10.11	-
Other temporary differences	14.65	14.70	-	29.35	29.35	-
<b>Net deferred tax assets/(liabilities)</b>	<b>672.97</b>	<b>(129.34)</b>	<b>11.81</b>	<b>555.44</b>	<b>1,259.96</b>	<b>(704.52)</b>

(b) Movement in deferred tax assets / (liabilities)

Particulars	Net balance 1 April 2021	Recognised in profit and loss	Recognised in OCI	Net balance 31 March 2022	As at 31 March 2022	
					Deferred tax assets	Deferred tax liabilities
<b>Deferred tax assets / (liabilities)</b>						
Provision for employee benefits	45.56	55.84	(3.97)	97.43	97.43	-
Property, plant and equipment and intangible assets	37.12	1.00	-	38.12	38.12	-
Impairment allowances on financial assets	550.94	82.27	-	633.21	633.21	-
Financial assets measured at amortised cost	395.51	63.03	-	458.54	458.54	-
Other non-financial assets	44.23	31.70	-	75.93	75.93	-
Special reserve	(343.52)	(100.67)	-	(444.19)	-	(444.19)
BIS receivables	(289.46)	82.83	-	(206.63)	-	(206.63)
Fair value of future lease obligations in accordance with Ind AS 116	8.91	(3.00)	-	5.91	5.91	-
Other temporary differences	1.00	13.65	-	14.65	14.65	-
<b>Net deferred tax assets / (liabilities)</b>	<b>450.29</b>	<b>226.65</b>	<b>(3.97)</b>	<b>672.97</b>	<b>1,323.79</b>	<b>(650.82)</b>



10 Property, plant and equipment (at cost)

Particulars	Furniture and Fixtures	Office Equipments	Computers	Leasehold Improvements	Total
<b>At 1 April 2021</b>	<b>87.29</b>	<b>92.14</b>	<b>121.68</b>	<b>154.06</b>	<b>455.17</b>
Additions during the year	33.68	33.68	22.54	31.96	121.86
Disposals during the year	(0.63)	(2.69)	(6.17)	(5.66)	(15.15)
<b>At 31 March 2022</b>	<b>120.34</b>	<b>123.13</b>	<b>138.05</b>	<b>180.36</b>	<b>561.88</b>
Additions during the year	73.06	37.70	55.68	71.22	237.66
Disposals during the year	(0.79)	-	(0.77)	-	(1.56)
<b>At 31 March 2023</b>	<b>192.61</b>	<b>160.83</b>	<b>192.96</b>	<b>251.58</b>	<b>797.98</b>
<b>Accumulated Depreciation:</b>					
<b>At 1 April 2021</b>	<b>42.61</b>	<b>67.48</b>	<b>104.41</b>	<b>70.78</b>	<b>285.28</b>
Depreciation charge for the year	14.30	15.64	12.08	28.46	70.48
Reversal on disposal of assets	(0.38)	(2.54)	(5.86)	(5.38)	(14.16)
<b>At 31 March 2022</b>	<b>56.53</b>	<b>80.58</b>	<b>110.63</b>	<b>93.86</b>	<b>341.60</b>
Depreciation charge for the year	26.36	27.61	26.29	38.08	118.34
Reversal on disposal of assets	(0.65)	-	(0.73)	-	(1.38)
<b>At 31 March 2023</b>	<b>82.24</b>	<b>108.19</b>	<b>136.19</b>	<b>131.94</b>	<b>458.56</b>
<b>Net book value:</b>					
<b>At 31 March 2022</b>	<b>63.81</b>	<b>42.55</b>	<b>27.42</b>	<b>86.50</b>	<b>220.28</b>
<b>At 31 March 2023</b>	<b>110.37</b>	<b>52.64</b>	<b>56.77</b>	<b>119.64</b>	<b>339.42</b>

The company does not have any Benami property where any proceeding has been initiated or pending against the company for holding any Benami property  
The Company has not revalued any of its property, plant and equipment during the year ended March 31, 2023.

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**Muthoot Housing Finance Company Limited**

Notes to financial statements for the year ended 31 March 2023

(All amounts are in INR Lakhs, unless otherwise stated)

**11 Intangible assets under development and other intangible assets (at cost)**

Particulars	Intangible assets under development	Other intangible assets (Computer software)
At 1 April 2021	114.45	0.54
Additions during the year	-	122.64
Capitalised during the year	(114.45)	-
Disposals during the year	-	-
At 31 March 2022	-	123.18
Additions during the year	-	-
Capitalised during the year	-	-
Disposals during the year	-	-
At 31 March 2023	-	123.18
<b>Amortisation:</b>		
At 1 April 2021	-	0.51
Depreciation charge for the year	-	40.88
Reversal on disposal of assets	-	-
At 31 March 2022	-	41.39
Depreciation charge for the year	-	40.88
Reversal on disposal of assets	-	-
At 31 March 2023	-	82.27
<b>Net book value:</b>		
At 31 March 2022	-	81.79
At 31 March 2023	-	40.91

**12 Other non-financial assets**

Particulars	As at	
	31 March 2023	31 March 2022
Prepaid expenses	73.07	114.54
Balances with Government Authorities	200.06	181.43
Advance to creditors (Refer Note 12.1)	68.15	18.44
Other receivables	36.25	19.52
<b>Total</b>	<b>377.53</b>	<b>333.93</b>

12.1 Includes Rs. 0.27 lakhs (Previous Year Rs 2.16 lakhs) due from related parties (Refer Note 42)

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### 13 Derivative Financial Instruments

The Company undertakes derivative transactions for hedging exposures relating to foreign currency borrowings. The table below shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts. The notional amounts indicate the value of transactions outstanding at the year end and are not indicative of either the market risk or credit risk.

Particulars	(Rs in lakhs)			
	As at March 31, 2023		As at March 31, 2022	
	Notional Amounts	Fair Value Liabilities	Notional Amounts	Fair Value Liabilities
(i) Currency derivatives:				
- Forward Contracts	26,062.40	89.19	-	-
Total	26,062.40	89.19	-	-
Included in above are derivatives held for hedging and risk management purposes as follows:				
(i) Fair value hedging:	-	-	-	-
(ii) Cash flow hedging:				
- Currency derivatives	26,062.40	89.19	-	-
(iii) Net Investment Hedging	-	-	-	-
(iv) Undesignated Derivatives	-	-	-	-
<b>Total Derivative Financial Instruments</b>				
(i)+(ii)+(iii)+(iv)	26,062.40	89.19	-	-

#### 13.1 Hedging activities and derivatives

The Company is exposed to certain risks relating to its ongoing business operations. The primary risk managed using derivative instruments is foreign currency risk.

#### 13.2 Derivatives designated as hedging instruments

Company has designated forward contracts as a hedging instrument to mitigate foreign exchange risk from foreign currency exposure on its borrowings.

#### 13.3 Derivatives not designated as hedging instruments

There are no derivatives not designated as hedging instruments.

#### 13.4 The management of foreign currency risk is detailed in Note 38B.

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14 Payables

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Trade payables:</b>		
Total outstanding dues of micro enterprises and small enterprises	17.32	6.05
Total outstanding dues of creditors other than micro enterprises and small enterprises	448.21	286.53
<b>Total trade payables</b>	<b>465.53</b>	<b>292.58</b>

\*Trade payables Includes Rs 20.02 lakhs (Previous year Rs 5.35 lakhs (net)) due to related parties. (Refer Note 42)

Trade payable ageing schedule as at 31 March 2023

Particulars	MSME	Others
<b>Undisputed outstanding for following periods</b>		
Unbilled	-	363.23
Not Due	-	-
Less than 1 year	17.32	75.35
1-2 years	-	2.53
2-3 years	-	0.59
More than 3 years	-	6.51
<b>Total trade payables</b>	<b>17.32</b>	<b>448.21</b>

Particulars	MSME	Others
<b>Disputed outstanding for following periods</b>		
Less than 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
<b>Total trade payables</b>	<b>-</b>	<b>-</b>

Trade payable ageing schedule as at 31 March 2022

Particulars	MSME	Others
<b>Undisputed outstanding for following periods</b>		
Unbilled	-	246.06
Not Due	-	-
Less than 1 year	6.05	27.51
1-2 years	-	5.53
2-3 years	-	-
More than 3 years	-	7.43
<b>Total trade payables</b>	<b>6.05</b>	<b>286.53</b>

Particulars	MSME	Others
<b>Disputed outstanding for following periods</b>		
Less than 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
<b>Total trade payables</b>	<b>-</b>	<b>-</b>

Other payables:

Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises :		
Premium payable	402.84	245.41
<b>Total other payables</b>	<b>402.84</b>	<b>245.41</b>

14.A Disclosure under Micro, Small, and Medium Enterprises Development Act, 2006 :

Dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development (MSME/D) Act, 2006 to the extent identified and information available with the Company. This has been relied upon by the auditors.

Particulars	As at 31 March 2023	As at 31 March 2022
a) Principal amount remaining unpaid	17.32	6.05
b) Interest due thereon remaining unpaid	-	-
c) Interest paid by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
d) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
e) Interest remaining accrued and unpaid at the end of the year	-	-
f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-



**15 Debt securities**

Particulars	As at	
	31 March 2023	31 March 2022
<b>At amortised cost</b>		
Secured non-convertible debentures	-	499.30
Out of which:		
Debt securities in India	-	499.30
Debt securities outside India	-	-
<b>Total</b>	<b>-</b>	<b>499.30</b>

2000 secured non-convertible debentures of face value of Rs. 10,00,000 each at an interest rate of 10.255% per annum aggregating to Rs. 2000 lakhs repayable in 16 equal quarterly instalments of Rs 125 lakhs commencing from 20 June 2019. The date of allotment was 20 March 2018 and are secured by way of hypothecation of loan receivables of the Company equivalent to 1.1 times of the amount outstanding.  
Current year closing balance is Rs Nil.

**Amounts repayable from the date of balance sheet**

Particulars	As at	
	31 March 2023	31 March 2022
less than one year	-	500.00
one to three years	-	-
three to five years	-	-
more than five years	-	-

All the above mentioned repayments disclosed are as per the contractual maturities of debt securities at gross carrying value.

**16 Borrowings (other than debt securities)**

Particulars	As at	
	31 March 2023	31 March 2022
<b>At amortised cost</b>		
<b>Term loans (secured)</b>		
From banks	92,486.17	79,982.97
From National Housing Bank	20,841.50	16,385.35
From other parties	6,970.90	8,149.58
<b>Term loans (unsecured)</b>		
From other parties	4,744.57	8,805.41
<b>Total</b>	<b>1,25,043.14</b>	<b>1,13,323.31</b>
Borrowings in India	1,25,043.14	1,13,323.31
Borrowings outside India	-	-

**a) Security details :**

**Secured loans from banks**

The loans are secured by way of hypothecation of loan receivables of the Company equivalent to security cover stipulated by respective banks. The loans aggregating to Rs. 93,163.54 lakhs (31 March 2022 : Rs. 80,060.64 lakhs) are guaranteed by promoter directors (Mr. Thomas Muthoot, Mr. Thomas George Muthoot and Mr. Thomas John Muthoot) of the Company.

**Secured loans from National Housing Bank**

The refinance facility from NHB is secured by way of hypothecation of loan receivables of the Company equivalent to stipulated security cover. The loans aggregating to Rs. lakhs 20,841.50 (31 March 2022: Rs. 15,790.56 lakhs) are further guaranteed by promoter directors (Mr. Thomas Muthoot, Mr. Thomas George Muthoot and Mr. Thomas John Muthoot) of the Company and comfort letter from holding Company.

**Secured loans from other parties**

The loans are secured by way of hypothecation of loan receivables of the Company equivalent to security cover stipulated by respective lender. The loans aggregating to Rs lakhs Nil (31 March 2022: Nil) are further guaranteed by promoter directors (Mr. Thomas Muthoot, Mr. Thomas George Muthoot and Mr. Thomas John Muthoot) of the Company.

**Unsecured loans from other parties**

The loans aggregating to Rs. 4766.64 lakhs (31 March 2022: Rs. 8,833.32 lakhs) are guaranteed by promoter directors (Mr. Thomas Muthoot, Mr. Thomas George Muthoot and Mr. Thomas John Muthoot) of the Company and comfort letter from holding Company.

**Loan assets hypothecated as security for borrowings**

Particulars	As at	
	31 March 2023	31 March 2022
Loan assets hypothecated as security for borrowings	1,39,826.75	1,16,786.69



16 Borrowings (other than debt securities) (at amortised cost) (Contd.)

b) Terms of repayment

Secured loans from banks

Name of party	As at 31 March 2023	As at 31 March 2022	Terms of repayment
AU Small Finance Bank Limited	125.19	625.00	Repayable in 20 quarterly instalments after 1 month from the date of full disbursement
Axis Bank	2,303.41	1,235.29	Repayable in 17 quarterly instalments after 12 months from the date of first disbursement
Bank of Baroda (Vijaya Bank)	1,032.12	1,309.97	Repayable in 36 quarterly instalments after 12 months from the disbursement
Bank of Baroda	5,000.00	-	Repayable in 32 quarterly instalments after 3 months from the disbursement
Bank of India	4,579.09	4,997.42	Repayable in 36 quarterly instalments after 12 months from the date of first disbursement
	2,175.93	2,731.48	Repayable in 108 monthly instalments after 13 months from the disbursement
	-	3,024.88	Repayable in 48 monthly instalments after 13 months from the disbursement
Canara Bank	1,388.89	1,666.67	Repayable in 36 equal quarterly instalments after 15 months from the disbursement
	10,000.00	-	Repayable in 72 equal monthly instalments after 12 months from the disbursement
DBS Bank India Limited	-	194.52	Repayable in 120 monthly instalments after 12 months from the disbursement
Federal Bank Limited	1,166.52	1,833.21	Repayable in 36 monthly instalments after a month from the disbursement
ICICI Bank Limited	-	267.86	Repayable in 28 quarterly instalments after 12 months from the disbursement
HDFI Bank Limited	569.04	672.48	Repayable in 58 quarterly instalments after 6 months from the disbursement
Indian Bank	5,500.00	6,879.31	Repayable in 29 quarterly instalments after a holiday period of 3 quarters from the date of first disbursement
	5,397.26	6,000.00	Repayable in 72 monthly instalments after a holiday period of 12 months from the date of first disbursement
Karur Vysya Bank	1,246.39	1,527.70	Repayable in 36 equal quarterly instalments after 12 months from the disbursement
	1,493.43	2,068.16	Repayable in 36 equal quarterly instalments after 6 months from the disbursement
	5,046.08	5,798.62	Repayable in 40 equal quarterly instalments after 15 months from the disbursement
Punjab National Bank	1,305.19	1,584.10	Repayable in 36 equal quarterly instalments after 12 months from the disbursement
	9,999.29	1,999.09	Repayable in 36 equal quarterly instalments after 12 months from the disbursement
South Indian Bank	-	274.35	Repayable in 84 monthly instalments after 12 months from the disbursement
	368.35	868.46	Repayable in 60 instalments from the disbursement
	-	866.00	Repayable in 27 quarterly instalments after 6 months from the disbursement
	2,394.63	2,789.15	Repayable in 36 quarterly instalments after 4 months from the disbursement
State Bank of India	5,901.54	6,696.20	Repayable in 35 quarterly instalments after 12 months from the disbursement
	7,109.58	7,999.64	Repayable in 36 quarterly instalments after 12 months from the disbursement
	10,000.01	4,999.82	Repayable in 36 quarterly instalments after 12 months from the disbursement
	955.24	1,724.98	Repayable in 26 equal quarterly instalments after 6 months from the disbursement
Union Bank of India	3,331.21	4,164.79	Repayable in 24 equal quarterly instalments after 15 months from the disbursement
	-	98.62	Repayable in 25 quarterly instalments after 9 months from the disbursement
	2,493.07	3,049.33	Repayable in 36 equal quarterly instalments after 15 months from disbursement
Yes Bank Limited	2,407.27	2,738.56	Repayable in 163 monthly instalments after 6 months from the disbursement
<b>Sub total</b>	<b>93,288.73</b>	<b>80,685.66</b>	
Adjustments on account of effective rate of interest	(836.60)	(719.93)	
Interest accrued on borrowings	34.04	17.24	
<b>Total</b>	<b>92,486.17</b>	<b>79,982.97</b>	

The rate of interest on borrowings is linked with respective bank's benchmark lending rate and spread varies from 70 bps to 473 bps (31 March 2022 : 80 bps to 565 bps)



16 Borrowings (other than debt securities) (at amortised cost) (Contd.)

b) Terms of repayment

Secured loans from National Housing Bank

Name of party	As at 31 March 2023	As at 31 March 2022	Terms of repayment
	168.73	234.69	Repayable in 47 quarterly instalments after quarter succeeding the disbursement
	443.34	530.00	Repayable in 59 quarterly instalments after quarter succeeding the disbursement
	34.27	52.95	Repayable in 27 quarterly instalments after quarter succeeding the disbursement
	655.87	790.50	Repayable in 59 quarterly instalments after quarter succeeding the disbursement
	1,049.17	1,216.20	Repayable in 59 quarterly instalments after quarter succeeding the disbursement
	362.00	515.60	Repayable in 27 quarterly instalments after quarter succeeding the disbursement
National Housing Bank	170.70	193.50	Repayable in 39 quarterly instalments after quarter succeeding the disbursement
	317.45	427.79	Repayable in 39 quarterly instalments after quarter succeeding the disbursement
	716.74	891.80	Repayable in 39 quarterly instalments after quarter succeeding the disbursement
	1,689.11	2,078.00	Repayable in 39 quarterly instalments after quarter succeeding the disbursement
	773.39	973.71	Repayable in 39 quarterly instalments after quarter succeeding the disbursement
	431.51	500.75	Repayable in 39 quarterly instalments after quarter succeeding the disbursement
	-	594.79	Repayable within one year
	72.21	92.58	Repayable in 27 quarterly instalments after quarter succeeding the disbursement
	525.56	692.49	Repayable in 27 quarterly instalments after quarter succeeding the disbursement
	2,749.94	3,435.00	Repayable in 27 quarterly instalments after quarter succeeding the disbursement
	2,426.01	3,165.00	Repayable in 27 quarterly instalments after quarter succeeding the disbursement
	1,378.01	-	Repayable in 27 quarterly instalments after quarter succeeding the disbursement
	828.10	-	Repayable in 27 quarterly instalments after quarter succeeding the disbursement
	989.19	-	Repayable in 27 quarterly instalments after quarter succeeding the disbursement
	1,560.20	-	Repayable in 27 quarterly instalments after quarter succeeding the disbursement
	3,500.00	-	Repayable in 27 quarterly instalments after quarter succeeding the disbursement
<b>Total</b>	<b>20,841.50</b>	<b>16,385.35</b>	

The rate of interest on borrowings varies from 4.61% to 8.60% (31 March 2022: 4.61% to 7.10%)

Secured loans from other parties

Name of party	As at 31 March 2023	As at 31 March 2022	Terms of repayment
Induja Housing Finance Company Limited	100.00	300.00	Repayable in 120 monthly instalments after 12 months from the disbursement
LJC Housing Finance Limited	6,925.62	7,911.15	Repayable in 108 monthly instalments after 12 months from the disbursement
<b>Sub total</b>	<b>7,025.62</b>	<b>8,211.15</b>	
Adjustments on account of effective rate of interest	(54.72)	(61.37)	
Interest accrued on borrowings	-	-	
<b>Total</b>	<b>6,970.90</b>	<b>8,149.58</b>	

The rate of interest on borrowing is linked with respective agreed benchmark rates. The spread is ranging from (-) 730 bps to 225 bps. (31 March 2022: (-) 555 bps to 225 bps)



16 Borrowings (other than debt securities) (at amortised cost) (Contd.)

b) Terms of repayment

Unsecured loans from other parties

Name of party	As at 31 March 2023	As at 31 March 2022	Terms of repayment
Northern Arc Capital Limited	1,666.64	3,333.32	Repayable in 12 quarterly instalments
Northern Arc Capital Limited	1,300.00	2,500.00	Repayable in 10 quarterly instalments
Northern Arc Capital Limited	1,800.00	3,000.00	Repayable in 10 quarterly instalments
<b>Sub total</b>	<b>4,766.64</b>	<b>8,833.32</b>	
Adjustments on account of effective rate of interest	(60.27)	(97.59)	
Interest accrued on borrowings	38.20	69.68	
<b>Total</b>	<b>4,744.57</b>	<b>8,805.41</b>	

The rate of interest on borrowing is linked with respective agreed benchmark rates. The Spread is ranging from (-) 1-15 bps. to (-)125 bps (31st March 2022: (-) 1-15 bps to (-)125 bps)

There has not been any default in repayment of borrowings and interest during financial year ended March 31, 2023

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**17 Other financial liabilities**

Particulars	As at 31 March 2023	As at 31 March 2022
Employee benefit expenses payable	361.93	240.83
Security deposit	17.55	22.92
Book overdraft (Refer Note 17.1)	6,379.78	3,411.28
Payable under direct assignment	131.72	178.47
Payable towards Asset Reconstruction Company	192.15	-
Others	131.60	124.24
<b>Total</b>	<b>7,214.73</b>	<b>3,977.74</b>

17.1 The Book overdraft represents outstanding cheques in excess of balance in current accounts with banks

**18 Provisions**

Particulars	As at 31 March 2023	As at 31 March 2022
Employee benefits (Refer Note 36)		
Gratuity	138.56	126.26
Compensated absences	93.98	80.88
Unspent Expenditure on Corporate Social Responsibility (Refer Note 18.1)	25.04	25.04
Impairment allowance on loan commitments	17.34	17.34
<b>Total</b>	<b>274.92</b>	<b>249.52</b>

18.1 The movement in Provisions for Unspent Expenditure for Corporate Social Responsibility.

Particulars	Amount
As at 1 April 2021	-
Additions	25.04
Reversed	-
Utilised	-
<b>As at 31 March 2022</b>	<b>25.04</b>
Additions	-
Reversed	-
Utilised	-
<b>As at 31 March 2023</b>	<b>25.04</b>

**19 Other non-financial liabilities**

Particulars	As at 31 March 2023	As at 31 March 2022
Statutory dues	97.75	115.32
Other non-financial liabilities	4.69	4.69
<b>Total</b>	<b>102.44</b>	<b>120.01</b>

**20 Equity share capital**

**(a) Authorised share capital :**

Particulars	No. of Shares	Rs. in lakhs
At 1 April 2021	10,00,00,000	10,000.00
Add: Increased during the year	-	-
At 31 March 2022	10,00,00,000	10,000.00
Add: Increased during the year	-	-
At 31 March 2023	10,00,00,000	10,000.00

**(b) Issued, subscribed and fully paid up capital :**

Particulars	No. of Shares	Rs. in lakhs
At 1 April 2021	7,35,81,066	7,358.11
Add: Issued during the year	-	-
At 31 March 2022	7,35,81,066	7,358.11
Add: Issued during the year	-	-
At 31 March 2023	7,35,81,066	7,358.11



(c) Terms/ rights attached to equity shares :

The Company has one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. All shares rank pari passu with regard to dividend and repayment of capital. In the event of liquidation of Company, the holder of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

(d) Shares held by holding company :

Particulars	No. of Shares	Rs. in lakhs
At 1 April 2021	5,93,48,840	5,934.88
Add: Issued during the year	-	-
At 31 March 2022	5,93,48,840	5,934.88
Add: Issued during the year	-	-
At 31 March 2023	5,93,48,840	5,934.88

(e) Shareholder's having more than 5% equity shareholding in the Company

Particulars	As at 31 March 2023		As at 31 March 2022	
	No. of shares	% holding	No. of shares	% holding
Thomas John Muthoot	42,97,885	5.84	42,97,885	5.84
Thomas George Muthoot	42,97,890	5.84	42,97,890	5.84
Thomas Muthoot	42,97,890	5.84	42,97,890	5.84
Muthoot Fincorp Limited	5,93,48,840	80.66	5,93,48,840	80.66
<b>Total</b>	<b>7,22,42,505</b>	<b>98.18</b>	<b>7,22,42,505</b>	<b>98.18</b>

(f) Shares held by promoters at the end of the financial year

Particulars	No of shares held		% change during the year
	As at 31 March 2023	As at 31 March 2022	
	Thomas John Muthoot	42,97,885	
Thomas George Muthoot	42,97,890	42,97,890	0%
Thomas Muthoot	42,97,890	42,97,890	0%
Muthoot Fincorp Limited	5,93,48,840	5,93,48,840	0%
<b>Total</b>	<b>7,22,42,505</b>	<b>7,22,42,505</b>	<b>0%</b>

21 Other equity:

Particulars	As at	As at
	31 March 2023	31 March 2022
Securities premium	9,294.63	9,294.63
Statutory reserve	2,618.56	2,068.56
Treasury Shares	(571.37)	(571.37)
Share options outstanding account	187.12	174.05
General reserve (Adjustment on consolidation of ESOP Trust)	(0.41)	(0.31)
Retained earnings	7,465.99	5,427.66
Other comprehensive income	(64.88)	(29.83)
<b>Total</b>	<b>18,929.64</b>	<b>16,363.39</b>

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**Muthoot Housing Finance Company Limited**  
**Notes to financial statements for the year ended 31 March 2023**  
(All amounts are in INR Lakhs, unless otherwise stated)

(a) **Movement in reserves:**

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Securities premium</b>		
Opening balance	9,294.63	9,294.63
Add : Issuance of share capital during the year	-	-
<b>Closing balance</b>	<b>9,294.63</b>	<b>9,294.63</b>
<b>Statutory reserve</b>		
Opening balance	2,068.56	1,668.56
Add : Transfer from retained earnings (Refer Note 45)	550.00	400.00
<b>Closing balance</b>	<b>2,618.56</b>	<b>2,068.56</b>
<b>Treasury Shares</b>		
Opening balance	(571.37)	(571.37)
Add : Addition during the year	-	-
<b>Closing balance</b>	<b>(571.37)</b>	<b>(571.37)</b>
<b>Share options outstanding account</b>		
Opening balance	174.05	132.76
Add : Addition during the year	13.07	41.29
<b>Closing balance</b>	<b>187.12</b>	<b>174.05</b>
<b>General reserve</b>		
Opening balance	(0.31)	(0.21)
Add : Addition during the year (Adjustment on consolidation of ESOP Trust)	(0.10)	(0.10)
<b>Closing balance</b>	<b>(0.41)</b>	<b>(0.31)</b>
<b>Retained earnings</b>		
Opening balance	5,427.66	4,127.85
Add : Net profit for the year	2,588.33	1,699.81
Less : Transfer to statutory reserve	(550.00)	(400.00)
<b>Closing balance</b>	<b>7,465.99</b>	<b>5,427.66</b>
<b>Other comprehensive income</b>		
Opening balance	(29.83)	(41.63)
Add : income for the year	(35.05)	11.80
<b>Closing balance</b>	<b>(64.88)</b>	<b>(29.83)</b>
<b>Closing balance of other equity</b>	<b>18,929.64</b>	<b>16,363.39</b>

(b) **Nature and purpose of reserves**

**Securities premium**

Securities premium represents premium received on issue of shares. The amount is utilised in accordance with the provisions of the Companies Act, 2013.

**Statutory reserve**

Statutory reserve is created in terms of Section 29C of the National Housing Bank Act, 1987 read with Section 36(1)(viii) of the Income Tax Act, 1961.

**Treasury Shares**

Treasury Shares represents Company's own equity shares held by Employee welfare trust.

**Share Options Outstanding Account**

The account is used to recognise the grant date value of options issued to employees under employee stock option plan and adjusted as and when such options are exercised or otherwise expire.

**Retained earnings**

Retained earnings represents the amount of accumulated earnings of the Company.



22 Interest income

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
<b>On financial assets measured at amortised cost</b>		
Interest on loans	21,161.03	18,267.43
Interest on security deposit	10.90	9.46
Interest on deposits with bank	283.88	149.25
<b>Total</b>	<b>21,455.81</b>	<b>18,426.14</b>

23 Net gain on fair value changes

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
<b>On financial assets at fair value through profit or loss</b>		
- Investments	201.14	110.57
<b>Total net gain on fair value changes</b>	<b>201.14</b>	<b>110.57</b>
<b>Fair value changes</b>		
- Realised on investment	201.04	105.59
- Unrealised on investment	0.10	4.98
<b>Total</b>	<b>201.14</b>	<b>110.57</b>

24 Sale of services

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Income from marketing and other activities	0.68	5.38
<b>Total</b>	<b>0.68</b>	<b>5.38</b>

25 Other financial services

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Other financial services	510.00	467.07
<b>Total</b>	<b>510.00</b>	<b>467.07</b>

26 Finance costs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
<b>On financial liabilities measured at amortised cost</b>		
Interest on borrowings	11,016.71	9,627.74
Interest on debt securities	31.20	86.72
Interest on lease liabilities	43.54	31.40
<b>Total</b>	<b>11,091.45</b>	<b>9,745.86</b>

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27 Impairment on financial instruments

Particulars	Year ended	Year ended
	31 March 2023	31 March 2022
<b>On financial assets measured at amortised cost</b>		
Impairment loss allowances on loans (Refer Note 27.1)	(1,348.83)	311.50
Impairment on loan commitments	-	4.57
Write off (net of recoveries) (Refer Note 27.2)	1,108.91	477.80
<b>Total</b>	<b>(239.92)</b>	<b>793.87</b>

27.1 Includes reversal of Expected Credit Loss provision carried in books in respect of stressed loan assets transferred to Asset Reconstruction Company. (Previous Year - Nil)

27.2 The Company has made provision for Expected Credit Loss as per Ind AS 109 "Financial Instruments". Further, based on specific identification method, the Company has prudently written off certain non-performing advances amounting to Rs. 1,108.91 lakhs (31 March 2022: Rs. 477.80 lakhs), which includes loss incurred on loan assets sold to Asset Reconstruction Company.

28 Employee benefits expenses

Particulars	Year ended	Year ended
	31 March 2023	31 March 2022
Salaries and wages	4,898.70	3,947.38
Contribution to provident and other funds (Refer Note 36)	269.21	256.86
Gratuity and compensated absences (Refer Note 36)	82.77	72.09
Share based payment to employees	13.07	41.29
Staff welfare expenses	167.33	94.06
<b>Total</b>	<b>5,431.08</b>	<b>4,411.68</b>

The Code on Social Security, 2020 (the Code) has been enacted, which would impact contribution by the Company towards Provident Fund and Gratuity. The impact of changes if any arising on enactment of the Code will be assessed by the company after the effective date of the same and the rules thereunder are notified.

29 Depreciation, amortisation and impairment

Particulars	Year ended	Year ended
	31 March 2023	31 March 2022
Depreciation on property, plant and equipment	118.34	70.47
Depreciation on right of use assets	130.75	120.60
Amortisation of intangible assets	40.88	40.88
<b>Total</b>	<b>289.97</b>	<b>231.95</b>

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30 Other expenses

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Rent, rates and taxes	281.15	217.07
Postage and telegram	39.11	32.16
Electricity and water charges	46.47	39.97
Travelling and conveyance expenses	265.77	222.80
Communication expenses	49.87	41.53
Printing and stationery	50.51	41.60
Bank charges	104.35	55.84
Advertisement and publicity	31.68	10.54
Office expenses	100.63	80.22
Software licence and subscription charges	476.27	350.89
Legal and Professional charges	247.95	222.81
CSR expenses (Refer Note 30.1)	51.81	50.71
Auditor's fees and expenses (Refer Note 30.2)	16.70	16.00
Impairment on assets acquired	336.37	138.38
Loss on sale of fixed assets	0.14	0.60
Miscellaneous expenses	16.41	11.14
<b>Total</b>	<b>2,115.19</b>	<b>1,532.26</b>

30.1a) Details of CSR Expenditure:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
a)Gross amount required to be spent by the Company during the year	51.81	50.71
b)Amount approved by the board to be spent during the year	51.81	50.71
c)Amount spent during the year on		
i) Construction/Acquisition of any Asset		
- In cash	-	25.67
- Yet to be paid in cash	-	25.04
ii) On purposes other than i) above		
- In cash	51.81	-
- Yet to be paid in cash	-	-

30.1b) Details of CSR Unspent Amount

Particulars	2022-23	2021-22
Opening Balance	25.04	-
Amount deposited in Specified Fund of Schedule VII	-	-
Amount required to be spent during the year	-	50.71
Amount spent during the year	-	25.67
<b>Closing balance (CSR Unspent Amount)</b>	<b>25.04</b>	<b>25.04</b>

30.1c) Amounts Earmarked For Ongoing Projects

Particulars	2022-23		
	With Company	In Separate CSR account	Total
Opening balance	25.04	-	25.04
Amount required to be spent during the year	-	-	-
Transfer to separate CSR unspent A/c	(25.04)	25.04	-
Amount spent during the year	-	-	-
<b>Closing balance</b>	<b>-</b>	<b>25.04</b>	<b>25.04</b>
Particulars	2021-22		
	With Company	In Separate CSR account	Total
Opening balance	-	-	-
Amount required to be spent during the year	50.71	-	50.71
Transfer to separate CSR unspent A/c	-	-	-
Amount spent during the year	25.67	-	25.67
<b>Closing balance</b>	<b>25.04</b>	<b>-</b>	<b>25.04</b>

Nature of CSR activities

The Company has transferred Rs. 51.81 lakhs ( Year ended 31st March 2022: Rs. 25.67 lakhs) as CSR expenditure to Muthoot Pappachan Foundation, which in turn spent Rs 40.00 lakhs towards project named 'SMILE PLEASE' for providing free, compassionate, comprehensive care and safe surgeries to deserving kids and youngsters having congenital cleft lip or palate Rs 11.81 lakhs was spent for Support for Sports Training in Residential Football Academy in Cochin with kids in the age group of 10 to 15 years.

Details of related party transactions in relation to CSR expenditure is given in Note 42



30.2 Details of remuneration to auditors:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
<b>As auditor</b>		
Statutory audit fees	12.00	12.00
Tax audit fees	2.00	2.00
<b>For other services</b>		
Certification and other matters	2.00	2.00
<b>For reimbursement of expenses</b>		
Out of pocket expenses	0.70	-
<b>Total</b>	<b>16.70</b>	<b>16.00</b>

Above figures are exclusive of GST

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31 Commitments

A. Capital commitments

Estimated amount of contract remaining to be executed on capital account is Nil (31 March 2022 : Nil).

B. Other commitments

Loan commitment in respect of partly disbursed loans is Rs. 5,556.85 lakhs (31 March 2022 : Rs. 4,419.14 lakhs).

32 Pursuant to NHB's Circular No. 65/2014-15 dated 22 August 2014, the Company has created deferred tax liability on special reserve u/s 36(1)(viii) of the Income Tax Act 1961.

33 Lease

Lease related disclosures

The Company has leases for office premises (building, branches and related facilities). With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right of use asset and a lease liability. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right of use assets. The Company classifies its right of use assets in a consistent manner to its property, plant and equipment.

Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublease the asset to another party, the right of use asset can only be used by the Company. Some leases contain an option to extend the lease for a further term.

Lease payments not included in measurement of lease liability

The expense relating to payments not included in the measurement of the lease liability is as follows:

Particulars	31 March 2023	31 March 2022
Short-term leases	-	-
Leases of low value assets	-	-
Variable lease payments	-	-

Total cash outflow for leases for the year ended 31 March 2023 is Rs. 160.48 lakhs (31 March 2022: Rs. 151.77 lakhs).

The Company does not have any total commitment for short-term leases as at 31 March 2023 Nil (31 March 2022: Nil).

There are no variable lease agreements.

Information about extension and termination options as at 31 March 2023

Right of use assets	Number of leases	Range of remaining term	Average remaining lease term	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Office premises	12	07 to 72 months	39 months	2	-	12

Information about extension and termination options as at 31 March 2022

Right of use assets	Number of leases	Range of remaining term	Average remaining lease term	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Office premises	8	06 to 50 months	21 months	2	-	7

The total future cash outflows as at 31 March 2023 for leases that had not yet commenced, is Nil (31 March 2022: Nil).

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**Movement in right of use assets and lease liabilities during the year**

Particulars	Right of use assets	Lease liabilities
Balance as at 1 April 2022	378.85	402.24
Addition during the year	112.51	112.51
Depreciation charged during the year	(130.75)	-
Interest on lease liabilities charged during the year	-	43.54
Actual Rent paid during the year	-	(160.48)
Balance as at 31 March 2023	360.61	397.81

Particulars	Right of use assets	Lease liabilities
Balance as at 1 April 2021	232.85	268.22
Addition during the year	349.32	349.32
Depreciation charged during the year	(120.60)	-
Interest on lease liabilities charged during the year	-	31.40
Actual Rent paid during the year	-	(151.77)
Other adjustment	(82.72)	(94.93)
Balance as at 31 March 2022	378.85	402.24

**Maturity of Lease Liabilities**

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments after the reporting period

Period	As at	As at
	31 March 2023	31 March 2022
Not later than one year	152.31	143.31
Later than one year but not later than three years	258.99	226.01
Later than three years but not later than five years	56.89	118.80
Later than five years	2.70	-
Total	470.89	488.12

**Amounts recognised in Statement of Profit and Loss**

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest on lease liability	43.54	31.40
Depreciation on ROU asset	130.75	120.60
	174.29	152.00

**Amounts recognised in Cash Flow Statement**

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Total cash outflow for Right of Use assets	160.48	151.77

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**Muthoot Housing Finance Company Limited**  
**Notes to financial statements for the year ended 31 March 2023**  
(All amounts are in INR Lakhs, unless otherwise stated)

**34 Earnings per share**

Basic and diluted Earnings Per Share(EPS) is calculated by dividing the profit attributable to equity share holders of the Company by weighted average of equity shares during the year.

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
<b>(a) Earnings per share</b>		
From continuing operations attributable to the equity holders of the company (in Rs.)	3.58	2.35
<b>(b) Diluted earnings per share</b>		
From continuing operations attributable to the equity holders of the company (in Rs.)	3.57	2.34
<b>(c) Reconciliation of earnings used in calculating EPS</b>		
<b>Basic EPS</b>		
Profit attributable to the equity share holders of the Company used in calculating basic earnings per share:		
From continuing operation	2,588.33	1,699.81
<b>Diluted EPS</b>		
Profit attributable to the equity share holders of the Company used in calculating diluted earnings per share:		
From continuing operation	2,588.33	1,699.81
<b>(d) Weighted average numbers of shares used in denominator</b>		
Weighted average number of equity shares (net of treasury shares) used as the denominator in calculating basic earnings per share (in numbers)	7,22,52,300	7,22,52,300
Diluted effect of outstanding stock options	2,94,830	2,60,847
Weighted average number of equity shares (net of treasury shares) used as the denominator in calculating diluted earnings per share (in numbers)	7,25,47,130	7,25,13,147

**35 Reconciliation of tax charges**

The tax charge shown in the Statement of Profit and Loss differs from the tax charge that would apply if all profits had been charged at India's corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the years ended 31 March 2023 and 31 March 2022 are as follows:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Accounting profit before tax	3,479.86	2,293.54
Income tax @ 25.17% (31 March 2022: 25.17%)	875.81	577.24
CSR Expense	13.04	12.76
Others	2.68	3.73
<b>Income tax expenses</b>	<b>891.53</b>	<b>593.73</b>

The effective income tax rate for Financial year 2022-2023 is 25.17% (25.17%)

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36 Employee benefits:

**a) Defined contribution plan**

The Company has recognized the following amounts in the Statement of Profit and Loss which are included under contribution to funds

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Employers contribution to Provident Fund	233.78	216.58
Employers contribution to Employee State Insurance Scheme	16.09	18.82
Employers contribution to National Pension Fund	19.34	21.46

**b) Defined benefit plan**

**Gratuity**

The Company has accounted liability in respect of gratuity obligation as on balance sheet date, as per the actuarial valuation required by IND AS 19 on 'Employee benefits'.

**I. Assumptions**

Particulars	2022-23	2021-22
Discount rate	7.29%	5.15%
Salary escalation	12.00%	10.00%
Attrition rate :		
- Category 1 (Salary bucket upto Rs 2 lakhs)	84.00%	46.00%
- Category 2 (Salary bucket above Rs 2 lakhs to Rs 4 lakhs)	49.00%	41.00%
- Category 3 (Salary bucket of above Rs 4 lakhs)	31.00%	28.00%
Mortality	Indian Assured Lives Mortality [2012- 14] Ultimate	Indian Assured Lives Mortality [2012-14] Ultimate

**II. Table showing change in the present value of projected benefit obligation**

Particulars	2022-23	2021-22
Present value of benefit obligation at the beginning of the current year	126.26	108.64
Interest cost	6.47	4.62
Current service cost	29.87	33.65
Actual payment made	(30.78)	(4.88)
Actuarial (gain)/ losses on obligations- Due to change in demographic assumptions	(5.70)	(13.04)
Actuarial (gain) / losses on obligations- Due to change in financial assumptions	(1.39)	(3.57)
Actuarial (gain) / losses on obligations- Due to experience	13.83	0.84
Present value of benefit obligation at the end of the current year	138.56	126.26

**III. Amount recognised in balance sheet**

Particulars	2022-23	2021-22
Present value of benefit obligation at the end of the current year	138.56	126.26
Funded status - deficit	(138.56)	(126.26)
Net liability recognized in the balance sheet	(138.56)	(126.26)

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**Muthoot Housing Finance Company Limited**  
**Notes to financial statements for the year ended 31 March 2023**  
(All amounts are in INR Lakhs, unless otherwise stated)

IV. Net interest cost for current year		
Particulars	2022-23	2021-22
Present value of benefit obligation at the beginning of the year	126.26	108.64
Net liability at the beginning	126.26	108.64
Interest cost	6.47	4.62
Net interest cost for current year	6.47	4.62
V. Expense recognised in the statement of profit and loss for current year		
Particulars	2022-23	2021-22
Current service cost	29.87	33.65
Net interest cost	6.47	4.62
Expenses recognized	36.34	38.27
VI. Expenses recognized in the other comprehensive income (OCI) for current year		
Particulars	2022-23	2021-22
Actuarial gain/(losses) on obligation for the year	(6.74)	15.77
Net expense for the year recognized in OCI	(6.74)	15.77
VII. Balance sheet reconciliation		
Particulars	2022-23	2021-22
Opening net liability	126.26	108.64
Expenses recognized in statement of profit and loss	36.34	38.27
Expenses recognized in OCI	6.74	(15.77)
Benefit paid directly by the employer	(30.78)	(4.88)
Net liability recognized in the balance sheet	138.56	126.26
VIII. Other details		
Particulars	2022-23	2021-22
No of active members	950.00	829.00
Per month salary for active members	141.77	117.41
Weighted average duration of the projected benefit obligation (years)	4.00	4.00
Average expected future service (years)	1.00	2.00
Projected benefit obligation	138.56	126.26
IX. Net interest cost for the next year		
Particulars	2022-23	2021-22
Present value of benefit obligation at the end of the year	138.56	126.26
(Fair value of plan assets at the end of the year)	-	-
Net liability at the end of the period	138.56	126.26
Interest cost	9.80	6.47
(Interest income)	-	-
Net interest cost for next year	9.80	6.47

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**Muthoot Housing Finance Company Limited**  
**Notes to financial statements for the year ended 31 March 2023**  
(All amounts are in INR Lakhs, unless otherwise stated)

X. Expenses recognized in the statement of profit and loss for next year

Particulars	2022-23	2021-22
Current service cost	26.31	27.37
Net interest cost	9.80	6.47
Expenses recognized	36.11	33.84

XI. Maturity analysis of the benefit payments: From the employer

Particulars	2022-23	2021-22
Projected benefits payable in future years from the date of reporting	-	-
First following year	37.36	22.00
Second following year	27.55	25.77
Third following year	23.37	21.53
Fourth following year	18.88	18.27
Fifth following year	15.90	14.95
Sum of following six to ten years	36.56	36.12

XII. Sensitivity Analysis

Particulars	2022-23	2021-22
Projected benefit obligation on current assumptions	138.56	126.26
Delta effect of +1% change in rate of discounting	(3.28)	(3.72)
Delta effect of -1% change in rate of discounting	3.50	3.99
Delta effect of +1% change in rate of salary increase	3.00	3.32
Delta effect of -1% change in rate of salary increase	(2.89)	(3.19)
Delta effect of +1% change in rate of employee turnover	(1.29)	(1.62)
Delta effect of -1% change in rate of employee turnover	1.35	1.69

c) Other long term benefits

Compensated absences

The company provides compensated absences benefits to the employees which can be carried forward to the future years. The actuarial liability of compensated absences of privilege and sick leave of the employees of the Company and the amount recognised in the Statement of profit and loss for compensated absences are as under:

Particulars	2022-23	2021-22
Present value of benefit obligation at the end of the current year	93.98	80.88
Funded status - deficit	(93.98)	(80.88)
Net liability recognized in the balance sheet	(93.98)	(80.88)
Expense recognised in the statement of profit and loss for current year	45.76	32.78
Assumptions		
Discount Rate	7.29%	5.15%
Salary escalation	12.00%	10.00%

37 Segment reporting

The Company is engaged in single business segment of providing loans for purchase / construction of residential property and other mortgage loans. Accordingly, disclosures as per IND AS 108 "Operating segment" are not required.

37.1 Share-Based Payments

Under Employees Stock Option Scheme - "MHFL Employee Stock Option Plan 2019" (ESOP 2019), the Company had granted 11,54,380 options on 19 November 2019 at an exercise price of Rs. 43 per option representing 11,54,380 equity shares of Rs. 10 each to the employees of the Company to be settled in equity of the Company.

The options would vest over a period of 1-4 years from the date of grant, but not later than 19 November 2023, depending upon options grantee completing continuous service with the Company. Accordingly, 2,57,814 options (31 March 2022 : 2,54,845 options) were vested during the year. In the current year 63,000 options (Previous Year: 83,500 options) lapsed. The options can be exercised over a period of 10 years from the date of grant.



**37.2 Movement during the year in Options:**

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
No. of Shares :		
Outstanding at the beginning of the year	10,10,880	10,94,380
Granted during the year	-	-
Vested during the year	2,57,814	2,54,845
Exercised during the year	-	-
Lapsed during the year	63,000	83,500
Outstanding at the end of year	9,47,880	10,10,880
Unvested at the end of year	2,12,345	5,33,159
Exercisable at the end of year	7,35,535	4,77,721
Weighted average price per option (in Rs.)	43.00	43.00

**37.3 Method used for accounting of share based payment plan:**

The stock options granted to employees pursuant to the Company's Stock Options Schemes, are measured at the fair value of the options at the grant date using Black-Scholes model. The fair value of the options determined at grant date is recognised as employee compensation cost over the vesting period on straight line basis over the period of option, based on the number of grants expected to vest, with corresponding increase in equity.

**37.4 Fair Value Methodology :**

The fair value of options have been estimated on the date of grant using Black-Scholes model as under :

Particulars	ESOP 2019
Weighted average share price (in Rs.)	43.00
Exercise price (in Rs.)	43.00
Weighted average fair value of the option	20.47
Expected volatility of share price	34.74% to 35.15%
Option Life	5.51 to 7.01 years
Expected growth in dividend (p.a.)	-
Risk free interest rate (p.a.)	6.28% to 6.52%

Volatility has been calculated based on the daily closing market price of comparable companies. Weighted average of these companies has been taken into account for the purpose of calculating fair values to reduce any company specific variations.

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**38.A Capital management**

The Company maintains an actively managed capital base to cover risks inherent in the business which includes issued equity capital, share premium and all other equity reserves attributable to equity holders of the Company.

As a Housing Finance Company, the NHB/RBI requires us to maintain a minimum capital to risk weighted assets ratio ("CRAR") consisting of Tier I and Tier II capital of 15% of our aggregate risk weighted assets. The capital management process of the Company ensures to maintain a healthy CRAR at all the times. (Refer Note 44.1).

The primary objectives of the Company's capital management policy are to ensure that the Company complies with regulatory imposed capital requirements and maintains healthy capital ratios in order to support its business and to maximise shareholder value.

**38.B Risk management**

Principal financial liabilities of the Company comprises borrowings which finance the Company's operation. At the other end, principal financial assets comprises of loans and cash and cash equivalents that derive directly from it's operating and financing activities.

As a financial lending institution, Company is exposed to various risks which are related to lending business and operating environment. The principal objective in Company's risk management process is to measure and monitor the various risks that Company is subject to and follow policies and procedure to address such risks.

The Company has a risk management policy which covers risks associated with the financial assets and liabilities. The risk management policy is approved by the Board of Directors, Audit Committee and Risk Management Committee.

Company gives due importance to prudent lending practices and have implemented suitable measures for risk mitigation, which include verification of credit history from credit information bureaus, personal verification of a customer's business and residence, technical and legal verifications and conservative loan to value ratio. The Company encourages and facilitates its customers to cover their lives through insurance. The Company also stipulates the insurance for the property funded/ mortgaged. The major types of risk Company face in businesses are credit risk, market risk and liquidity risk.

**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 higher credit impaired loans/ non-performing assets. Company addresses credit risks by using a set of credit norms and policies, which are approved by Board of Directors. Company has implemented a structured and standardized credit approval process, including customer selection criteria, comprehensive credit risk assessment and cash flow analysis, which encompasses analysis of relevant quantitative and qualitative information to ascertain the credit worthiness of a potential customer. Asset quality are regularly monitored and analysed at various levels. Company has created a robust credit assessment and underwriting practice that enables to fairly price credit risks.

**Collateral Management**

**Narrative Description of Collateral**

Collateral primarily includes mortgage of property. The collateral is valued at the time of sanctioning the credit facility and loan-to-value (LTV) norms are applied as specified in the credit policies. For loan accounts classified as Stage III, collaterals are valued on annual basis.

**Quantitative information of Collateral - Credit Impaired Assets**

The following table sets forth, for the periods indicated, quantitative information of collaterals of credit impaired assets. (Principal outstanding before adjustment of ECL and EIR)

Loan to Value (LTV) range	Gross value of loan (Amount)	
	31 March 2023	31 March 2022
Less than 50%	548.01	1,729.81
51 to 70%	382.50	1,236.50
71 to 90%	255.61	972.64
91 to 100%	25.66	659.66
More than 100%	51.94	470.05
<b>Total</b>	<b>1,263.72</b>	<b>5,068.66</b>

**Maximum credit risk exposure**

The maximum exposure to credit risk of loans in their carrying amount without considering effect of mitigation through collateral recovery and credit enhancements.

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#### Expected Credit Loss Measurement

Ind AS 109 outlines a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

1. A financial instrument that is not credit-impaired on initial recognition is classified in 'Stage I' and has its credit risk continuously monitored by the Company.
2. If a significant increase in credit risk ("SICR") since initial recognition is identified, the financial instrument is moved to 'Stage II' but is not yet deemed to be credit-impaired.
3. If the financial instrument is credit-impaired, the financial instrument is then moved to 'Stage III'.

The Company categorised its loans into Stage I, Stage II, Stage III as described below:

**Stage I:** When loans are first recognised, the Company recognises an allowance based on 12 month expected credit losses.(upto 30 days of default)

**Stage II:** When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the lifetime expected credit losses (ECL) (more than 30 days of default)

**Stage III:** Loans considered credit-impaired. The Company records an allowance for the lifetime expected credit losses (more than 90 days of default)

The key judgements and assumptions adopted by the Company in addressing the requirements of the standard are discussed below:

#### Significant Increase in Credit Risk (SICR)

The Company considers a financial instrument to have experienced a significant increase in credit risk when one or more of the following quantitative, qualitative or backstop criteria have been met:

**a. Quantitative criteria:**

When days passed dues from the borrower is more than 30 days but less than 90 days

**b. Qualitative criteria:**

If the borrower meets one or more of the following criteria:

- In short-term forbearance
- Direct debit cancellation
- Extension to the terms granted

#### Default and credit-impaired assets

The Company defines a financial instrument as in default, which is fully aligned with the definition of credit impaired, when it meets one or more of the following criteria:

**a. Quantitative criteria:**

The borrower is more than 90 days past due on its contractual payments.

**b. Qualitative criteria:**

The borrower meets unlikeliness to pay criteria, which indicates the borrower is in significant financial difficulty. These are instances where:

- The borrower is in long-term forbearance
- The borrower is insolvent
- Concessions have been made by the lender relating to the borrower's financial difficulty
- It is becoming probable that the borrower will enter bankruptcy

The criteria above have been applied to all financial instruments held by the Company and are consistent with the definition of default used for internal credit risk management purposes. The default definition has been applied consistently to model the Probability of Default (PD), Exposure at Default (EAD) and Loss given Default (LGD) throughout the Company's expected loss calculations.

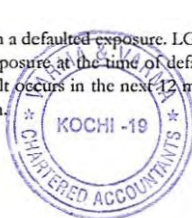
#### Measuring ECL - Explanation of inputs, assumptions and estimation techniques

The Expected Credit Loss (ECL) is measured on either a 12-month basis (12M) or Lifetime basis depending on whether a significant increase in credit risk has occurred since initial recognition or whether an asset is considered to be credit-impaired. Expected credit losses are the discounted product of the Probability of Default (PD), Exposure at Default (EAD), and Loss Given Default (LGD), defined as follows:

The Probability of Default (PD) represents the likelihood of a borrower defaulting on its financial obligation (as per "Definition of default and credit-impaired" above), either over the next 12 month (12M PD), or over the remaining lifetime (Lifetime PD) of the obligation.

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation. To calculate the EAD for a Stage I loan, the Company assesses the possible default events within 12 months for the calculation of the 12 month ECL. For stage II, Stage III financial assets, the exposure at default is considered for events over the lifetime of the instruments.

Loss Given Default (LGD) represents the Company's expectation of the extent of loss on a defaulted exposure. LGD varies by availability of collateral history of past losses and valuation of collateral. LGD is expressed as a percentage loss per unit of exposure at the time of default. LGD is calculated on a 12-month or lifetime basis, where 12-month LGD is the percentage of loss expected to be made if the default occurs in the next 12 months and lifetime LGD is the percentage of loss expected to be made if the default occurs over the remaining expected lifetime of the loan.



**Movement of loan assets as at 31 March 2023**

Particulars	Stage I	Stage II	Stage III	Total
Opening Balance	1,13,192.96	10,657.73	5,845.69	1,29,696.38
Transfer to/ (from) stage I (net)	-	1,156.03	48.89	1,204.92
Transfer to/ (from) stage II (net)	(1,156.03)	-	554.01	(602.02)
Transfer to/ (from) stage III (net)	(48.89)	(554.01)	-	(602.90)
New financial assets originated	43,316.58	67.35	22.36	43,406.29
Collection in normal course and de-recognised	(17,756.27)	(1,387.42)	(5,207.23) *	(24,350.92)
<b>Closing Balance</b>	<b>1,37,548.35</b>	<b>9,939.68</b>	<b>1,263.72</b>	<b>1,48,751.75</b>

\*Includes reversal of balance outstanding transferred to Asset Reconstruction Company amounting to Rs.3,592.94 lakhs

**Movement of loan assets as at 31 March 2022**

Particulars	Stage I	Stage II	Stage III	Total
Opening Balance	1,08,317.24	6,896.22	4,722.41	1,19,935.87
Transfer to/ (from) stage I (net)	-	6,788.12	961.18	7,749.30
Transfer to/ (from) stage II (net)	(6,788.12)	-	1,758.90	(5,029.22)
Transfer to/ (from) stage III (net)	(961.18)	(1,758.90)	-	(2,720.08)
New financial assets originated	27,446.46	5.56	-	27,452.02
Collection in normal course and de-recognised	(14,821.44)	(1,273.27)	(1,596.80)	(17,691.51)
<b>Closing Balance</b>	<b>1,13,192.96</b>	<b>10,657.73</b>	<b>5,845.69</b>	<b>1,29,696.38</b>

**Movement of ECL provision as at 31 March 2023**

Particulars	Stage I	Stage II	Stage III	Total
Opening Balance	411.11	440.94	1,820.37	2,672.42
Transfer to/ (from) stage I (net)	-	(53.14)	(169.45)	(222.59)
Transfer to/ (from) stage II (net)	53.14	-	(40.01)	13.13
Transfer to/ (from) stage III (net)	169.45	40.01	-	209.46
New financial assets originated	66.35	1.17	18.33	85.85
Additional provision/ (reversal of) provision	(420.26)	(162.53)	779.17	196.38
Financial assets that have been de-recognised	(48.72)	(33.70)	(1,549.48) *	(1,631.90)
<b>Closing Balance</b>	<b>231.07</b>	<b>232.75</b>	<b>858.93</b>	<b>1,322.75</b>

\*Includes reversal of impairment allowance relating to stressed loan assets transferred to Asset Reconstruction Company.

**Movement of ECL provision as at 31 March 2022**

Particulars	Stage I	Stage II	Stage III	Total
Opening Balance	372.90	304.69	1,681.08	2,358.67
Transfer to/ (from) stage I (net)	-	(9.74)	(34.01)	(43.75)
Transfer to/ (from) stage II (net)	9.74	-	49.34	59.08
Transfer to/ (from) stage III (net)	34.01	(49.34)	-	(15.33)
New financial assets originated	95.04	0.27	-	95.31
Additional provision/ (reversal of) provision	(63.07)	234.02	764.65	935.60
Financial assets that have been de-recognised	(37.51)	(38.96)	(640.69)	(717.16)
<b>Closing Balance</b>	<b>411.11</b>	<b>440.94</b>	<b>1,820.37</b>	<b>2,672.42</b>

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#### 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, liquidity and other market changes. The Company is exposed to two types of market risk as follows:

##### a) Interest risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company is subject to interest rate risk, primarily since it lends to customers at floating rates and for maturity periods that may differ from funding sources. 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.

In short run, change in interest rate affects Company's earnings (measured by net interest income or net interest margin). It is essential for the Company to not only quantify the interest rate risk but also to manage it proactively. The Company mitigates its interest rate risk by keeping a balanced portfolio of fixed and variable rate loans and borrowings.

##### Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	31-Mar-23	31-Mar-22
Variable rate borrowings	1,05,080.99	97,730.12
Fixed rate borrowings	20,841.50	16,885.35
<b>Total borrowings</b>	<b>1,25,922.49</b>	<b>1,14,615.47</b>

##### Net Exposure

Particulars	31-Mar-23	31-Mar-22
Variable borrowings	1,05,080.99	97,730.12
Variable loans	(1,06,715.99)	(96,473.42)
<b>Net Exposure</b>	<b>(1,635.00)</b>	<b>1,256.70</b>

Excludes unamortised EIR and ECL impact on loans and unamortised EIR impact on borrowings

##### (b) Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 25/50 basis points in interest rates at the reporting date would have increased/ (decreased) profit or loss before tax by the amounts shown below. This analysis assumes that all other variables, remain constant.

Particulars	Increase/(Decrease) in profit before tax for the year ended	
	31-Mar-23	31-Mar-22
Interest rate - increased by 25 bps	4.09	(3.14)
Interest rate - decreased by 25 bps	(4.09)	3.14
Interest rate - increased by 50 bps	8.18	(6.28)
Interest rate - decreased by 50 bps	(8.18)	6.28

#### Foreign currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency risk for the Company arises majorly on account of foreign currency borrowings. The Company has hedged its foreign currency risk on its foreign currency borrowings as on 31 March 2023 by entering into forward contracts. The counterparties for such hedge transactions are banks. The Company's exposure on account of Foreign Currency Borrowings at the end of the reporting period are as follows:

Particulars	As at 31 March 2023		As at 31 March 2022	
	Amount in USD	Amount in Rs. (lakhs)	Amount in USD	Amount in Rs. (lakhs)
Foreign Currency Borrowings	304.83	25,069.28	Nil	Nil

Since the foreign currency exposure is completely hedged by equivalent derivative instrument, there will not be any significant impact on sensitivity analysis due to the possible change in the exchange rates where all other variables are held constant. On the date of maturity of the derivative instrument, the sensitivity of profit and loss to changes in the exchange rates will be Nil.

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## Liquidity Risk

Liquidity risk is defined as the risk that the Company will encounter difficulty in meeting obligations. Liquidity risk arises due to the unavailability of adequate funds at an appropriate cost or tenure. The objective of liquidity risk management, is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company consistently generates sufficient cash flows from operating and financial activities to meet its financial obligations as and when they fall due. Company sources funds from multiple sources, including from banks, financial institutions and other lenders to maintain a healthy mix of sources. The Company is responsible for diversifying fund raising sources, managing interest rate risks and maintaining a strong relationship with banks, financial institutions and other lenders to ensure the liquidity risk is well addressed.

The maturity schedule for all financial liabilities and assets are regularly reviewed and monitored. Company has an asset liability management (ALM) policy and ALM Committee to review and monitor the liquidity risk and interest rate risk and ensure the compliance with the prescribed regulatory requirement. The ALM Policy prescribes the detailed guidelines for managing the liquidity risk. Refer Note 49 for Asset Liability Management.

The Table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled considering contractual terms and expected repayment behaviours. The amount disclosed below does not include EIR/ECL adjustments as they are not sensitive to maturity patterns. For "Loans" maturities within one year (i.e. Current), Company has factored the prepayments / foreclosures based upon the past trends.

### Maturity pattern of assets and liabilities as at 31 March 2023

Particulars	Upto 12 months	More than 12 months	Total
<b>Financial Assets</b>			
Cash and cash equivalents	6,916.12	-	6,916.12
Other bank balances	1,590.08	106.03	1,696.11
Loans*	20,476.31	1,28,275.44	1,48,751.75
Investments	650.10	2,666.57	3,316.67
Other financial assets	259.32	340.78	600.10
<b>Non-financial assets</b>			
Current tax assets	-	75.22	75.22
Deferred tax assets	-	555.44	555.44
Property, plant and equipment	-	339.42	339.42
Other intangible assets	-	40.91	40.91
Right of use assets	-	360.61	360.61
Assets held for sale	-	819.46	819.46
Other non-financial assets	377.53	-	377.53
<b>Total</b>	<b>30,269.46</b>	<b>1,33,579.88</b>	<b>1,63,849.34</b>

Particulars	Upto 12 months	More than 12 months	Total
<b>Financial Liabilities</b>			
Trade payables and other payables	868.37	-	868.37
Borrowings (Other than debt security)**	23,930.88	1,02,063.85	1,25,994.73
Lease liabilities	118.28	279.53	397.81
Other financial liabilities	7,197.18	17.55	7,214.73
Derivative financial instruments	89.19	-	89.19
<b>Non-financial liabilities</b>			
Provisions	62.40	212.52	274.92
Other non-financial liabilities	102.44	-	102.44
<b>Total</b>	<b>32,368.74</b>	<b>1,02,573.45</b>	<b>1,34,942.19</b>

### Maturity pattern of assets and liabilities as at 31 March 2022

Particulars	Upto 12 months	More than 12 months	Total
<b>Financial Assets</b>			
Cash and cash equivalent	8,538.98	-	8,538.98
Other bank balance	994.91	125.79	1,120.70
Loans*	18,801.60	1,10,894.78	1,29,696.38
Investments	4,076.39	4.50	4,080.89
Trade and other receivables	5.08	-	5.08
Other financial assets	381.64	547.23	928.87
<b>Non-financial assets</b>			
Deferred tax assets	-	672.97	672.97
Property, plant and equipment	-	220.28	220.28
Other intangible assets	-	81.79	81.79
Right of use assets	-	378.85	378.85
Assets held for sale	-	1,452.46	1,452.46
Other non-financial assets	333.93	-	333.93
<b>Total</b>	<b>33,132.53</b>	<b>1,14,378.65</b>	<b>1,47,511.18</b>

Particulars	Upto 12 months	More than 12 months	Total
<b>Financial Liabilities</b>			
Trade payables	537.99	-	537.99
Debt securities	501.97	-	501.97
Borrowings (Other than debt security)**	22,557.45	91,644.93	1,14,202.38
Lease liabilities	133.82	268.42	402.24
Other financial liabilities	3,977.74	-	3,977.74
<b>Non-financial liabilities</b>			
Current Tax Liabilities (net)	58.26	-	58.26
Provisions	47.04	202.48	249.52
Other non-financial liabilities	120.01	-	120.01
<b>Total</b>	<b>27,934.28</b>	<b>92,115.83</b>	<b>1,20,050.11</b>

\*excludes unamortised EIR and ECL impact

\*\*excludes unamortised EIR impact



**Changes in Liabilities Arising from Financing Activity**

Particulars	As at 1 April 2022	Cash Flows(net)	Exchange Difference	Others	As at 31 March 2023
Debt Securities	499.30	(499.30)	-	-	-
Borrowings (Other than debt securities)	1,13,323.31	11,805.73	(29.35)	(56.55)	1,25,043.14
<b>Total Liabilities from financing activities</b>	<b>1,13,822.61</b>	<b>11,306.43</b>	<b>(29.35)</b>	<b>(56.55)</b>	<b>1,25,043.14</b>

Particulars	As at 1 April 2021	Cash Flows(net)	Exchange Difference	Others	As at 31 March 2022
Debt Securities	997.73	(500.00)	-	1.57	499.30
Borrowing (Other than debt securities)	98,926.52	14,728.10	-	(331.31)	1,13,323.31
<b>Total Liabilities from financing activities</b>	<b>99,924.25</b>	<b>14,228.10</b>	<b>-</b>	<b>(329.74)</b>	<b>1,13,822.61</b>

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38.1 Public Disclosure on Liquidity Risk as at 31 March 2023

Pursuant to RBI guidelines on Liquidity Risk Management Framework for Non-Banking Financial Companies dated November 4, 2019 and October 22, 2020

(i) Funding Concentration based on significant counterparty\*

Number of Significant Counterparties	Amount (Rs. lakhs)	% of Total Deposits	% of Total Liabilities
12	1,22,546.98	Nil	91.46% <sup>a</sup>

Significant Counterparties is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC-NDSIs, NBFC-Ds total liabilities and 10%<sup>a</sup> for other non-deposit taking NBFC

(ii) Top 20 large deposits (amount in Rs. lakhs and % of total deposits) – Not Applicable

(iii) Top 10 borrowings\*

Sr. No.	Particulars	Amount (Rs. lakhs)
1	Amount (Rs. in lakhs)	1,17,836.30
2	% of Total Borrowing	93.43% <sup>a</sup>

(iv) Funding Concentration based on significant instrument / product \*

Sr. No.	Name of the instrument/product	Amount (Rs. lakhs)	% of Total Liabilities
1	Bank Loans	93,488.73	69.77% <sup>a</sup>
2	NHB Refinance	20,841.50	15.55% <sup>a</sup>
3	NBFC/FI Loans	11,792.26	8.80% <sup>a</sup>

\* excluding interest accrued

A "significant instrument/product" is defined as a single instrument/product of group of similar instruments or products which in aggregate amount to more than 1%<sup>a</sup> of the NBFC-NDSIs, NBFC-Ds total liabilities and 10%<sup>a</sup> for other non-deposit taking NBFCs

(v) Stock Ratios

Particulars	As a % of total public funds	As a % of total liabilities	As a % of total assets
Commercial Paper	Nil	Nil	Nil
Non-convertible debentures (original maturity of less than one year)	Nil	Nil	Nil
Other short-term liabilities**	6.55% <sup>a</sup>	6.16% <sup>a</sup>	5.15% <sup>a</sup>

\*\*Other short-term liabilities includes short term borrowings (original maturity within 1 year other than CP/1 year NCDs), cash credit limits/WCDL, creditors and trade payables, statutory payable, expenses payable, employee benefit expenses (current) and book overdraft if any.

(vi) Institutional set-up for Liquidity Risk Management

The Liquidity Risk Management of the Company is governed by the Liquidity Risk Management Framework, Asset Liability Management (ALM) and Risk Management Policy approved by the Board of Directors. The Board of Directors of the Company has an overall responsibility and oversight for the management of all the risks, including liquidity risk, to which the Company is exposed to in the course of conducting its business. The Board of Directors of the Company has constituted the Asset Liability Management Committee and the Risk Management Committee. The Asset Liability Management Committee, inter alia, reviews the asset liability profile, liquidity risk management, funding and capital planning and preparation of contingency plans. Further, the Risk Management Committee, inter alia, monitors and measures the risk profile of the Company and oversees the integrated risk management system of the Company.

The Asset Liability Management Committee consisting of the company's senior management is responsible for ensuring adherence to the limits set by the Board as well as for implementing the liquidity risk management strategy.

Management regularly monitors the position of cash and cash equivalents. Assessment of maturity profiles of financial assets and financial liabilities including debt financing plans, maintenance of balance sheet liquidity and investment of surplus funds is considered while reviewing the liquidity position.

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39 Fair value measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

**Fair value of financial assets 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 carried at fair value in the financial statements. This table does not include the fair values of non-financial assets and non-financial liabilities.

**Financial assets and financial liabilities**

Particulars	Carrying amount as at		Fair value as at	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
<b>Financial assets</b>				
<b>Measured at fair value through profit or loss/ Other Comprehensive Income</b>				
Investments	3,316.67	4,080.89	3,316.67	4,080.89
Derivative financial instruments (Liability)	(89.19)	-	(89.19)	-
<b>Total</b>	<b>3,227.48</b>	<b>4,080.89</b>	<b>3,227.48</b>	<b>4,080.89</b>
<b>Financial assets</b>				
<b>Measured at amortised cost</b>				
Cash and cash equivalent	6,916.12	8,538.98	6,916.12	8,538.98
Other bank balance	1,696.11	1,120.70	1,696.11	1,120.70
Trade and other receivables	-	5.08	-	5.08
Loans	1,45,180.76	1,25,075.07	1,45,180.76	1,25,075.07
Other financial assets	600.10	928.87	600.10	928.87
<b>Total</b>	<b>1,54,393.09</b>	<b>1,35,668.70</b>	<b>1,54,393.09</b>	<b>1,35,668.70</b>
<b>Financial Liabilities</b>				
<b>Measured at amortised cost</b>				
Trade and other payables	868.37	537.99	868.37	537.99
Debt securities	-	499.30	-	499.30
Borrowings (Other than debt security)	1,25,043.14	1,13,323.31	1,25,043.14	1,13,323.31
Lease liabilities	397.81	402.24	397.81	402.24
Other financial liabilities	7,214.73	3,977.74	7,214.73	3,977.74
<b>Total</b>	<b>1,33,524.05</b>	<b>1,18,740.58</b>	<b>1,33,524.05</b>	<b>1,18,740.58</b>

**Financial assets and financial liabilities measured at fair value**

As at 31 March 2023

Particulars	Level 1	Level 2	Level 3
<b>Financial assets</b>			
<b>Measured at fair value through profit or loss/ Other Comprehensive Income</b>			
Investments in Security Receipts	-	-	2,662.07
Investments in Mutual Funds	650.10	-	-
Investments in Corporate	-	-	4.50
Derivative financial instruments (Liability)	-	(89.19)	-
<b>Total</b>	<b>650.10</b>	<b>(89.19)</b>	<b>2,666.57</b>

As at 31 March 2022

Particulars	Level 1	Level 2	Level 3
<b>Financial assets</b>			
<b>Measured at fair value through profit or loss/ Other Comprehensive Income</b>			
Investments in Security Receipts	-	-	-
Investments in Mutual Funds	4,076.39	-	-
Investments in Corporate	-	-	4.50
<b>Total</b>	<b>4,076.39</b>	<b>-</b>	<b>4.50</b>

**Fair value technique**

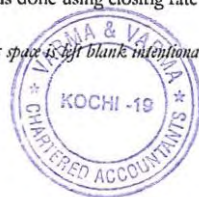
Investment at fair value through profit or loss

Investments in Security receipts (SRs) are classified as Financial Assets measured at FVTPL as stated in Note No. 7. Accordingly, the fair valuation technique in this regard is classified under Level 3. Since the investment was made in the month of March 2023 and the investment value approximates the net asset value as at 31 March 2023 as confirmed by the Asset Reconstruction Company (ARC), disclosure of sensitivity of fair value measurement in unobservable inputs is not considered relevant.

Measured at FVOCI

For Derivative Financial Instruments (asset /liabilities) at FVOCI, valuation is done using closing rate determined by the bank and is classified as Level 2

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Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above table.

**Short-term financial assets and financial 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, contract assets, bank balances other than cash and cash equivalents, trade payables, contract liabilities without a specific maturity etc.

**Loans to customers**

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

**Borrowings from lenders**

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.

**Security deposits (Other financial assets)**

The fair value of security deposits are estimated on present value technique that takes in to account the future cash flow that market participant would expect to receive from holding the financial assets.

To provide indication about the reliability of the inputs used in determining fair value, the Company has classified the financial instruments into three levels prescribed under the IND AS. An explanation of each level is as follows:

Level 1 : It includes financial instruments using quoted price.

Level 2 : It includes financial instruments which are not traded in active market is determined using valuation techniques with maximise the use of observable market data and rely as little as possible on entity specific estimates

Level 3 : If one or more of the significant inputs is not based on the observable market data, the instrument is included in level 3 hierarchy.

There is no transfer between the levels.

For certain unquoted equity instruments, recent information is insufficient to measure fair value and cost, represents the best estimate of fair value. These investments in equity instruments are not held for trading

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#### 40 Transfer of financial assets

Assignment deals:

During the year ended 31 March 2020, the Company sold a portion of its loan portfolio measured at amortised cost, as a source of finance. As per the terms of the deals, since substantial risk and rewards related to these assets is transferred to the buyer, the assets were derecognised from the Company's balance sheet.

Based on the Company's future business plan, the business model continues to hold its loans for collecting contractual cash flows.

The table below summarises the carrying amount of the derecognised financial assets measured at amortised cost and the gain on derecognition.

Loans measured at amortised cost	As at 31 March 2023	As at 31 March 2022
Carrying amount of derecognised loans	3,699.92	5,009.00
Net gain on derecognition of loans	-	-

#### 41 Revenue from contracts with customers

Set out below is the revenue from contracts with customers and reconciliation to Statement of Profit and Loss

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
<b>Type of service</b>		
Income from marketing and other activities	0.68	5.38
<b>Total revenue from contract with customers</b>	<b>0.68</b>	<b>5.38</b>
<b>Geographical markets</b>		
India	0.68	5.38
Outside India	-	-
<b>Total revenue from contract with customers</b>	<b>0.68</b>	<b>5.38</b>
<b>Timing of revenue recognition</b>		
Services transferred at a point in time	0.68	5.38
Services transferred over time	-	-
<b>Total revenue from contracts with customers as per Note No. 24 to Statement of Profit and Loss</b>	<b>0.68</b>	<b>5.38</b>

#### Contract balance

Particulars	As at 31 March 2023	As at 31 March 2022
Trade receivables	-	5.08
Contract assets	-	-

Company does not have any contract assets or liability, and hence related disclosures are not presented.

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42.1 List of Related Party

1) Holding Company	Muthoot Fincorp Limited
2) Fellow Subsidiary	Muthoot Pappachan Technologies Limited
3) Key Managerial Personnel (KMP)	<p>i. Thomas Muthoot - Managing Director</p> <p>ii. Thomas John Muthoot - Director</p> <p>iii. Thomas George Muthoot - Director</p> <p>iv. Pavan K. Gupta - Chief Executive Officer</p> <p>v. Vikas Srivastava - Chief Financial Officer (upto 20 Oct 2022)</p> <p>vi. Yogesh Udhoji - Chief Financial Officer (w.e.f. 15 Feb 2023)</p> <p>vii. S. Sumesh - Company Secretary</p> <p>viii. Santanu Mukherjee- Independent Director</p> <p>ix. Vasudevan Ramaswami - Non Executive Director (upto 11 Feb 2023)</p> <p>x. V. Ranganathan Independent Director</p>
4) Enterprises over which KMP are able to exercise or having significant influence	<p>Muthoot Capital Services Limited</p> <p>Muthoot Pappachan Foundation</p> <p>Muthoot Pappachan Chits India Private Ltd</p> <p>M/s Thinking Machine Media Private Ltd (TMMPL)</p>
5) Relatives of KMP (with whom there were transactions during the year/previous year)	None

42.2 Transactions carried out with the Related Parties in (42.1 above), in ordinary course of business

Nature	Name of Related Party	Year ended 31 March 2023	Year ended 31 March 2022
Interest paid	Muthoot Capital Services Limited	-	32.77
Loan repaid	Muthoot Capital Services Limited	-	1,000.00
Rent and amenities expenses	Muthoot Fincorp Limited	145.14	137.37
Business sourcing expenses paid	Muthoot Fincorp Limited	18.79	10.21
Software licence fees and server usage charges paid	Muthoot Pappachan Technologies Limited	58.53	62.89
Business sourcing income received	Muthoot Fincorp Limited	0.68	5.38
Travelling expenses incurred on our behalf	Muthoot Fincorp Limited	24.18	13.21
Security deposits for rented premises paid	Muthoot Fincorp Limited	0.91	0.86
Refund of security deposits paid for rented premises	Muthoot Fincorp Limited	1.88	0.65
Security deposits for rented premises received	Muthoot Pappachan Chits India Private Ltd	-	1.44
Rental Income	Muthoot Pappachan Chits India Private Ltd	2.99	2.88
CSR Expenses	Muthoot Pappachan Foundation	51.81	25.67
Personal guarantee extended on behalf of Muthoot Housing Finance Company Limited for borrowings	Thomas Muthoot Thomas John Muthoot Thomas George Muthoot	36,500	42,500
	Kandiyoor Muralidharan	-	0.44
Sitting fees to directors	Santanu Mukherjee Vasudevan Ramaswami V Ranganathan	1.96 1.64 1.96	1.09 1.09 0.65
Remuneration paid	Pavan K. Gupta, Vikas Srivastava, Yogesh Udhoji, S. Sumesh	351.29	285.08

Balance at the end of year

Nature	Name of Related Party	As at 31 March 2023	As at 31 March 2022
Outstanding personal guarantee extended on behalf of Muthoot Housing Finance Company Limited for borrowings	Thomas Muthoot Thomas John Muthoot Thomas George Muthoot	1,89,550.00	1,69,550.00
Advance to creditors	Muthoot Pappachan Technologies Limited Muthoot Pappachan Chits India Private Ltd	- 0.27	2.16 -
Trade Payable	Muthoot Fincorp Limited	20.02	5.49
Trade Receivable	Muthoot Fincorp Limited	-	0.14
Security deposit given	Muthoot Fincorp Limited	38.08	39.04
Security deposit received	Muthoot Pappachan Chits India Private Ltd	1.44	1.44
Investments in equity instruments	M/s Thinking Machine Media Private Ltd (TMMPL)	4.50	4.50

Notes:

1. Remuneration to KMP does not include benefits available under gratuity and accrued compensated absences.
2. The above amounts are inclusive of GST wherever applicable.

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Muthoot Housing Finance Company Limited  
Notes to financial statements for the year ended 31 March 2023  
(All amounts are in INR Lakhs, unless otherwise stated)

42.3 Disclosure on Related Party Transactions as per the RBI notification no. RBI/2022-23/26DOR.ACC.REC. No.20/21.04.018/2022-23 on Disclosure requirements under Scale Based Regulation for NBFCs dated April 19, 2022

Particulars	Holding Company		Fellow Subsidiary		Key Managerial Personnel (KMP)		Enterprises over which KMP are able to exercise or having significant influence		Relatives of KMP (with whom there were transactions during the year/previous year)		Total	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022
<b>Transactions during the year</b>												
Interest paid	-	-	-	-	-	-	-	32.77	-	-	-	32.77
Loan repaid	-	-	-	-	-	-	-	1,000.00	-	-	-	1,000.00
Rent and amenities expenses	145.14	137.37	-	-	-	-	-	-	-	-	145.14	137.37
Business sourcing expenses paid	18.79	10.21	-	-	-	-	-	-	-	-	18.79	10.21
Software licence fees and server usage charges paid	-	-	58.53	62.89	-	-	-	-	-	-	58.53	62.89
Business sourcing income received	0.68	5.38	-	-	-	-	-	-	-	-	0.68	5.38
Travelling expenses incurred on our behalf	24.18	13.21	-	-	-	-	-	-	-	-	24.18	13.21
Security deposits for rented premises paid	0.91	0.86	-	-	-	-	-	-	-	-	0.91	0.86
Refund of security deposits paid for rented premises	1.88	0.65	-	-	-	-	-	-	-	-	1.88	0.65
Security deposits for rented premises received	-	-	-	-	-	-	-	1.44	-	-	-	1.44
Rental Income	-	-	-	-	-	-	2.99	2.88	-	-	2.99	2.88
CSR Expenses	-	-	-	-	-	-	51.81	25.67	-	-	51.81	25.67
Personal guarantee extended on behalf of Muthoot Housing Finance Company Limited for borrowings	-	-	-	-	36,500.00	42,500.00	-	-	-	-	36,500.00	42,500.00
Sitting fees to directors	-	-	-	-	5.56	3.27	-	-	-	-	5.56	3.27
Remuneration paid	-	-	-	-	351.29	285.08	-	-	-	-	351.29	285.08

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Muthoot Housing Finance Company Limited  
Notes to financial statements for the year ended 31 March 2023  
(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Holding Company		Fellow Subsidiary		Key Managerial Personnel (KMP)		Enterprises over which KMP are able to exercise or having significant influence		Relatives of KMP (with whom there were transactions during the year/previous year)		Total	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022
<b>Balance at the end of year</b>												
Outstanding personal guarantee extended on behalf of Muthoot Housing Finance Company Limited for borrowings	-	-	-	-	1,89,550.00	1,69,550.00	-	-	-	-	1,89,550.00	1,69,550.00
Advance to creditors	-	-	-	2.16	-	-	0.27	-	-	-	0.27	2.16
Trade Payable	20.02	5.49	-	-	-	-	-	-	-	-	20.02	5.49
Trade Receivable	-	0.14	-	-	-	-	-	-	-	-	-	0.14
Security deposit given	38.08	39.04	-	-	-	-	-	-	-	-	38.08	39.04
Security deposit received	-	-	-	-	-	-	1.44	1.44	-	-	1.44	1.44
Investments in equity instruments	-	-	-	-	-	-	4.50	4.50	-	-	4.50	4.50
<b>Maximum outstanding during the year</b>												
Outstanding personal guarantee extended on behalf of Muthoot Housing Finance Company Limited for borrowings	-	-	-	-	1,89,550.00	1,69,550.00	-	-	-	-	1,89,550.00	1,69,550.00
Advance to creditors	-	-	2.16	22.27	-	-	0.27	0.78	-	-	2.43	23.05
Trade Payable	21.26	14.65	-	-	-	-	-	-	-	-	21.26	14.65
Trade Receivable	0.14	0.81	-	-	-	-	-	-	-	-	0.14	0.81
Security deposit given	39.31	39.04	-	-	-	-	-	-	-	-	39.31	39.04
Security deposit received	-	-	-	-	-	-	1.44	1.44	-	-	1.44	1.44
Investments in equity instruments	-	-	-	-	-	-	4.50	4.50	-	-	4.50	4.50

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43 Pursuant to Master Direction of Reserve Bank of India ref. RBI/2020-21/73 - DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 dated February 17 2021 , the Company has followed the extant provisions of Housing Finance Company (Reserve Bank) Directions, 2021 including Implementation of Indian Accounting Standards and Disclosure requirement under circular Ref. RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20".

44 **1) Capital To Risk Asset Ratio (CRAR):**

Items	Year ended 31 March 2023	Year ended 31 March 2022
CRAR (%)	31.23%	32.67%
CRAR - Tier I capital (%)	30.94%	32.07%
CRAR - Tier II Capital (%)	0.28%	0.60%
Amount of subordinate debts raised as Tier- II capital	-	-
Amount raised by issue of perpetual debt instrument	-	-

**2) Liquidity Coverage Ratio :**

The liquidity coverage ratio disclosure as per RBI circular No RBI/2019-20/88 DOR.NBFC (PD) CC. No 102/03.10.001/2019-20 dated November 4, 2019 is not applicable to the company and hence it has not been disclosed

**3) Disclosure in terms of RBI Master Direction- Non Banking Finance Company - Housing Finance Company (Reserve Bank) Directions 2021 dated February 17, 2021 as updated**

The RBI vide its circular number RBI/2020-21/60/DOR.NBFC HFC CC NO 118/03.10.136/2020-21 dated October 22, 2020 defined the principal business criteria for HFCs.

Principal Business Criteria for the Company registered as Housing Finance Company as per Paragraph 4.1.17 of the Master Direction is given below

Criteria	% As at 31 March 2023	% As at 31 March 2022
% of total assets towards housing finance	69.90%	71.08%
% of total assets towards housing finance for individuals	69.90%	71.08%

**4) Details of Crypto or Virtual Currency**

The Company has not traded or invested in crypto currency or virtual currency during the financial years ended 31 March 2023 and 31 March 2022.

**5) Undisclosed Income**

For the year ended 31 March 2023 and 31 March 2022, there are no instances of transactions not recorded in the books of account, which have been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

**6) Wilful Defaulter**

The Company has not been declared wilful defaulter by any bank or financial institution or other lender during the financial year ended 31 March 2023 and 31 March 2022

**7) Relationship with Struck off Companies**

The Company has not undertaken any transactions with companies struck off under section 248 of Companies Act, 2013 or section 560 of the Companies Act, 1956 during the financial years ended March 31 2023 and March 31,2022.

**8) Registration of charges or satisfaction with Registrar of Companies (ROC)**

There is no charge form filed beyond the statutory period during the financial years ended 31 March 2023 and 31 March 2022.

**9) Whistle Blower Complaints**

There were no whistle blower complaints received by the Company during the financial years ended 31 March 2023 and 31 March 2022.

**10) Discontinued operations**

The company had no discontinuing operations during the financial years ended 31 March 2023 and 31 March 2022.

**11) Compliance with number of layers of companies**

The company is in compliance with number of layers of companies, as prescribed under clause (87) of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 for the financial years ended March 31, 2023 and March 31, 2022.

**12) Compliance with approved scheme(s) of Arrangements**

During the year, no scheme of arrangements in relation to the company has been approved by the competent authority in terms of Sections 230 to 237 of the Companies Act 2013. Accordingly, aforesaid disclosure are not applicable since there was no such transaction



45 Reserve Fund U/S 29C of NHB Act, 1987

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Balance at the beginning of the year:		
a) Statutory reserve u/s 29C of the National Housing Bank Act, 1987	313.59	303.59
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purpose of Statutory Reserve u/s 29C of the NHB Act, 1987	1754.97	1364.97
<b>c) Total</b>	<b>2068.56</b>	<b>1668.56</b>
Addition / Appropriation / Withdrawal during the year		
Add:		
a) Amount transferred u/s 29C of the NHB Act, 1987	30.00	10.00
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve u/s 29C of the NHB Act, 1987	520.00	390.00
Less:		
a) Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987	-	-
b) Amount withdrawn from special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve u/s 29C of the NHB Act, 1987	-	-
Balance at the end of the year:		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	343.59	313.59
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purpose of Statutory Reserve u/s 29C of the NHB Act, 1987	2274.97	1754.97
<b>c) Total</b>	<b>2618.56</b>	<b>2068.56</b>

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46 Investments

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
<b>1. Value of Investments :</b>		
(i) Gross value of investments		
(a) In India	3,316.67	4,080.89
(b) Outside India	-	-
(ii) Provision of depreciation		
(a) In India	-	-
(b) Outside India	-	-
(iii) Net value of investments		
(a) In India	3,316.67	4,080.89
(b) Outside India	-	-
<b>2. Movement of provisions held towards depreciation on investments</b>		
(i) Opening balance	-	-
(ii) Add: Provisions made during the year	-	-
(iii) Less: Write-off / Written-back of excess provisions during the year	-	-
(iv) Closing balance	-	-

47.1 Derivatives

47.1.1 Forward Rate Agreement (FRA) / Interest Rate Swap (IRS)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
(i) The notional principal of swap agreements	-	-
(ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	-	-
(iii) Collateral required by the HFC upon entering into swaps	-	-
(iv) Concentration of credit risk arising from the swaps *	-	-
(v) The fair value of the swap book **	-	-
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 HFC would receive or pay to terminate the swap agreements as on the balance sheet date.	-	-

47.1.2 Exchange Traded Interest Rate (IR) Derivative

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
(i) Notional principal amount of exchange traded IR derivatives undertaken during the year (instrument wise)	-	-
(ii) Notional principal amount of exchange traded IR derivatives outstanding as on (instrument-wise)	-	-
(iii) Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (instrument wise)	-	-
(iv) Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective"(instrument-wise)	-	-



## 47.1.3 Disclosures on risk exposure in derivatives

## (A) Qualitative disclosure

The company's hedging practice only allows for effective hedging relationships to be considered as hedges as per the relevant Ind AS. Hedge effectiveness is determined at the inception of the hedge relationship and through periodic prospective effectiveness assessments to ensure that an economic relationship exist between the hedged item and hedging instruments. The company enters into hedge relationships where the critical terms of the hedging instrument match with the terms of the hedged item and so a qualitative and quantitative assessment of effectiveness is performed.

## (B) Quantitative disclosure

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
(i) Derivatives (notional principal amount)	26,062.40	-
(ii) Marked to market positions	-	-
(a) Assets (+)	-	-
(b) Liabilities (-)	(89.19)	-
(iii) Credit exposures	-	-
(iv) Unhedged exposures	-	-

## 47.2 Securitisation

Particulars	No. / Amount
1. No of SPVs sponsored by the HFC for securitization transactions	-
2. Total amount of securitised assets as per books of the SPVs sponsored	-
3. Total amount of exposures retained by the HFC towards the MRR as on the date of balance sheet :	-
(i) Off-balance sheet exposures towards credit enhancements	-
(ii) On-balance sheet exposures towards credit enhancements	-
4. Amount of exposures to securitisation transactions other than MRR :	-
(i) Off-balance sheet exposures towards credit enhancements	-
a) Exposure to own securitisations	-
b) Exposure to third party securitisations	-
(ii) On-balance sheet exposures towards credit enhancements	-
a) Exposure to own securitisations	-
b) Exposure to third party securitisations	-

## 47.3 Details of financial assets sold to securitisation / reconstruction company for asset reconstruction

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
(i) No. of accounts	683.00	-
(ii) Aggregate value (net of provisions) of accounts sold to SC / RC*	2,865.88	-
(iii) Aggregate consideration	3,131.86	-
(iv) Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v) Aggregate (gain)/loss over net book value	(265.98)	-

\*Book value inclusive of interest accrued and net of provision/write off as on date of transfer.

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47.4 Details of assignment transactions undertaken by HFCs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
(i) No. of accounts	-	-
(ii) Aggregate value (net of provisions) of accounts assigned	-	-
(iii) Aggregate consideration	-	-
(iv) Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v) Aggregate gain / loss over net book value	-	-

\*The above disclosures are in respect of assignment transactions undertaken during the respective financial years.

47.5 Details of non-performing financial assets purchased / sold

A. Details of non-performing financial assets purchased:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
(i) No. of accounts purchased during the year	-	-
(ii) Aggregate outstanding of (i) above	-	-
(iii) No. of accounts restructured during the year	-	-
(iv) Aggregate outstanding of (iii) above	-	-

B. Details of non-performing financial assets sold

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
(i) No. of accounts sold	683.00	-
(ii) Aggregate outstanding*	2,865.88	-
(iii) Aggregate consideration received	3,131.86	-

\*Book value inclusive of interest accrued and net of provision/write off as on date of transfer.

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Disclosure as per Master Direction no. RBI/2020-21/73 - DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 dated February 17 2021 – “Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021”.

## 48.1 Schedule to the Balance Sheet of an HFC

Particulars	Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
	As at 31 March 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2022
<b>Liabilities side</b>				
<b>1 Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:</b>				
(a) Debentures :				
Secured	-	-	499.31	-
Unsecured	-	-	-	-
(other than falling within the meaning of public deposits)				
(b) Deferred Credits				
(c) Term Loans	1,25,043.14	-	1,13,323.31	-
(d) Inter-corporate loans and borrowing	-	-	-	-
(e) Commercial Paper	-	-	-	-
(f) Public Deposits	-	-	-	-
(g) Other Loans	-	-	-	-
<b>2 Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):</b>				
(a) In the form of Unsecured debentures	-	-	-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-	-	-
(c) Other public deposits	-	-	-	-

Particulars	Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
	As at 31 March 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2022
<b>Assets side</b>				
<b>3 Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:</b>				
(a) Secured	1,45,180.76	-	1,25,075.07	-
(b) Unsecured	-	-	-	-
<b>4 Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities</b>				
(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	819.46	-	1,452.46	-
(iii) Other loans counting towards asset financing activities				
(a) Loans where assets have been repossessed	-	-	-	-
(b) Loans other than (a) above	-	-	-	-
<b>5 Break-up of Investments</b>				
<b>5.1 Current Investments</b>				
<b>5.1.1 Quoted</b>				
(i) Shares				
(a) Equity	-	-	-	-
(b) Preference	-	-	-	-
(ii) Debentures and Bonds	-	-	-	-
(iii) Units of mutual funds	-	-	-	-
(iv) Government Securities	-	-	-	-
(v) Others	-	-	-	-
<b>5.1.2 Unquoted</b>				
(i) Shares				
(a) Equity	-	-	-	-
(b) Preference	-	-	-	-
(ii) Debentures and Bonds	-	-	-	-
(iii) Units of mutual funds	650.10	-	4,076.39	-
(iv) Government Securities	-	-	-	-
(v) Others	-	-	-	-



Schedule to the Balance Sheet of an HFC(continued)

5.2	Long Term investments				
5.2.1	Quoted				
	(i) Shares				
	(a) Equity	-	-	-	-
	(b) Preference	-	-	-	-
	(ii) Debentures and Bonds	-	-	-	-
	(iii) Units of mutual funds	-	-	-	-
	(iv) Government Securities	-	-	-	-
	(v) Others	-	-	-	-
5.2.2	Unquoted				
	(i) Shares				
	(a) Equity	4.50	-	4.50	-
	(b) Preference	-	-	-	-
	(ii) Debentures and Bonds	-	-	-	-
	(iii) Units of mutual funds	-	-	-	-
	(iv) Government Securities	-	-	-	-
	(v) Others (Investment in Security Receipts)	2,662.07	-	-	-

6 Borrower group-wise classification of assets financed as in (3) and (4) above:

Category	As at 31 March 2023		
	Secured	Unsecured	Total
1 Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2 Other than related parties	1,45,180.76	-	1,45,180.76
<b>Total</b>	<b>1,45,180.76</b>	<b>-</b>	<b>1,45,180.76</b>

Category	As at 31 March 2022		
	Secured	Unsecured	Total
1 Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2 Other than related parties	1,25,075.07	-	1,25,075.07
<b>Total</b>	<b>1,25,075.07</b>	<b>-</b>	<b>1,25,075.07</b>

7 Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :

Category	As at 31 March 2023		As at 31 March 2022	
	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	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	4.50	4.50	4.50	4.50
(c) Other related parties	-	-	-	-
2 Other than related parties	3,312.17	3,312.17	4,076.39	4,076.39
<b>Total</b>	<b>3,316.67</b>	<b>3,316.67</b>	<b>4,080.89</b>	<b>4,080.89</b>

8 Other information

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
(i) Gross Non-Performing Assets	1,263.72	5,845.69
(a) Related parties	-	-
(b) Other than related parties	1,263.72	5,845.69
(ii) Net Non-Performing Assets	404.79	4,025.32
(a) Related parties	-	-
(b) Other than related parties	404.79	4,025.32
(iii) Assets acquired in satisfaction of debt (Position as at the end of the year)	819.46	1,452.46



49 Assets Liability Management - Maturity pattern of certain items of assets and liabilities

As at 31 March 2023							
Period	Liabilities				Assets		
	Deposits	Borrowing from Banks	Market borrowing	Foreign currency liabilities	Advances	Investments	Foreign currency assets
1 day to 7 days	-	0.80	544.43	-	-	650.10	-
8 to 14 days	-	-	-	-	-	-	-
15 days to 30/31 days	-	798.86	60.44	-	909.97	-	-
Over one month to 2 months	-	909.52	89.00	-	504.07	-	-
Over 2 months up to 3 months	-	2,216.52	589.76	-	509.57	-	-
Over 3 months to 6 months	-	4,706.32	1,340.58	-	1,559.52	-	-
Over 6 months to 1 year	-	10,072.12	2,602.53	-	3,493.18	-	-
Over 1 year to 3 years	-	37,189.36	3,290.98	-	15,163.44	-	-
Over 3 to 5 years	-	31,147.71	3,177.73	-	18,089.47	-	-
Over 5 years	-	27,123.06	135.01	-	1,08,522.53	2,666.57	-
<b>Total</b>	-	<b>1,14,164.27</b>	<b>11,830.46</b>	-	<b>1,48,751.75</b>	<b>3,316.67</b>	-

As at 31 March 2022							
Period	Liabilities				Assets		
	Deposits	Borrowing from Banks	Market borrowing	Foreign currency liabilities	Advances	Investments	Foreign currency assets
1 day to 7 days	-	-	586.35	-	-	4,076.39	-
8 to 14 days	-	138.41	-	-	-	-	-
15 days to 30/31 days	-	755.19	50.00	-	480.18	-	-
Over one month to 2 months	-	1,187.68	80.36	-	482.13	-	-
Over 2 months up to 3 months	-	2,174.40	706.05	-	492.32	-	-
Over 3 months to 6 months	-	4,370.15	1,440.97	-	2,118.74	-	-
Over 6 months to 1 year	-	8,672.51	2,897.34	-	3,228.23	-	-
Over 1 year to 3 years	-	30,759.98	7,206.22	-	14,650.45	-	-
Over 3 to 5 years	-	24,752.18	2,869.40	-	18,159.47	-	-
Over 5 years	-	24,277.73	1,779.43	-	90,084.86	4.50	-
<b>Total</b>	-	<b>97,088.23</b>	<b>17,616.12</b>	-	<b>1,29,696.38</b>	<b>4,080.89</b>	-

49.1 Based on contractual terms. Overdue receivables are allocated to respective buckets in accordance with Appendix I of NII B guidelines for ALM.

49.2 Excludes unamortised EIR and ECL impact on assets

49.3 Excludes unamortised EIR impact on liabilities



Muthoot Housing Finance Company Limited

Notes to financial statements for the year ended 31 March 2023

(All amounts are in INR Lakhs, unless otherwise stated)

50 ECL Disclosure

As at 31 March 2023

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)
<b>Performing Assets</b>						
Standard	Stage I	1,37,548.35	231.07	1,37,317.28	568.02	(336.95)
	Stage II	9,939.68	232.75	9,706.93	50.31	182.44
<b>Subtotal</b>		<b>1,47,488.03</b>	<b>463.82</b>	<b>1,47,024.21</b>	<b>618.33</b>	<b>(154.51)</b>
<b>Non-Performing Assets (NPA)</b>						
Substandard	Stage III	1,203.08	835.13	367.95	180.46	654.67
Doubtful - up to 1 year	Stage III	43.83	19.30	24.53	10.96	8.34
Doubtful - 1 to 3 years	Stage III	2.68	0.72	1.96	1.08	(0.36)
More than 3 years	Stage III	14.13	3.78	10.35	14.13	(10.35)
<b>Subtotal for doubtful</b>		<b>60.64</b>	<b>23.80</b>	<b>36.84</b>	<b>26.17</b>	<b>(2.37)</b>
<b>Subtotal for NPA</b>		<b>1,263.72</b>	<b>858.93</b>	<b>404.79</b>	<b>206.63</b>	<b>652.30</b>
<b>Total</b>	Stage I	<b>1,37,548.35</b>	<b>231.07</b>	<b>1,37,317.28</b>	<b>568.02</b>	<b>(336.95)</b>
	Stage II	<b>9,939.68</b>	<b>232.75</b>	<b>9,706.93</b>	<b>50.31</b>	<b>182.44</b>
	Stage III	<b>1,263.72</b>	<b>858.93</b>	<b>404.79</b>	<b>206.63</b>	<b>652.30</b>
	<b>Total</b>	<b>1,48,751.75</b>	<b>1,322.75</b>	<b>1,47,429.00</b>	<b>824.96</b>	<b>497.79</b>



As at 31 March 2022

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)
<b>Performing Assets</b>						
Standard	Stage I	1,13,192.96	411.11	1,12,781.85	496.86	(85.75)
	Stage II	10,657.73	440.94	10,216.79	43.31	397.63
<b>Subtotal</b>		<b>1,23,850.69</b>	<b>852.05</b>	<b>1,22,998.64</b>	<b>540.17</b>	<b>311.88</b>
<b>Non-Performing Assets (NPA)</b>						
Substandard	Stage III	3,122.99	1,039.99	2,083.00	428.70	611.29
Doubtful - up to 1 year	Stage III	1,595.21	492.52	1,102.69	385.83	106.69
Doubtful - 1 to 3 years	Stage III	1,101.10	281.64	819.46	342.63	(60.99)
More than 3 years	Stage III	26.39	6.22	20.17	18.36	(12.14)
<b>Subtotal for doubtful</b>		<b>2,722.70</b>	<b>780.38</b>	<b>1,942.32</b>	<b>746.82</b>	<b>33.56</b>
<b>Subtotal for NPA</b>		<b>5,845.69</b>	<b>1,820.37</b>	<b>4,025.32</b>	<b>1,175.52</b>	<b>644.85</b>
<b>Total</b>	Stage I	<b>1,13,192.96</b>	<b>411.11</b>	<b>1,12,781.85</b>	<b>496.86</b>	<b>(85.75)</b>
	Stage II	<b>10,657.73</b>	<b>440.94</b>	<b>10,216.79</b>	<b>43.31</b>	<b>397.63</b>
	Stage III	<b>5,845.69</b>	<b>1,820.37</b>	<b>4,025.32</b>	<b>1,175.52</b>	<b>644.85</b>
	<b>Total</b>	<b>1,29,696.38</b>	<b>2,672.42</b>	<b>1,27,023.96</b>	<b>1,715.69</b>	<b>956.73</b>

IRACP stands for Income Recognition, Asset Classification and Provisioning

\*Excludes unamortised EIR impact on loan assets

\*\*The amount calculated does not include unrealised interest income recognised on non performing assets aggregating to Rs 777.05 lakhs



51 Exposure to real estate sectors

Category	As at 31 March 2023	As at 31 March 2022
<b>A) Direct exposure</b>		
i) Residential mortgages -		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; Exposure including non-fund based limits:	1,54,308.60	1,34,108.20
ii) Commercial real estate -		
Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure including non-fund based limits:	-	-
iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
a) Residential*	2,662.07	-
b) Commercial real estate	-	-
<b>B) Indirect exposure</b>		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	-	-

\* Represents investments in security receipts issued by ARC which has underlying exposure to residential mortgage.

52 Exposure to capital market

Category	As at 31 March 2023	As at 31 March 2022
(i) direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	4.50	4.50
(ii) advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
(iii) advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
(iv) advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	-	-
(v) secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi) loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii) bridge loans to companies against expected equity flows / issues;	-	-
(viii) All exposures to Venture Capital Funds/Alternate Investment funds (both registered and unregistered)	-	-
<b>Total Exposure to Capital Market</b>	<b>4.50</b>	<b>4.50</b>

53 Details of financing of parent company products

Company has not entered into any transaction of financing of parent company product during the financial year ended March 31, 2023 and March 31, 2022.

54 Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the HFC

Company during the year has not exceeded the prudential exposure limits in case of single borrower limit / group borrower limit in any case.

55 Unsecured advances

Company does not have any outstanding unsecured loans as at 31 March 2023.

56 Exposure to group companies engaged in real estate business

Company does not have any exposure to group companies engaged in real estate business as at 31 March 2023.



## 57 Sectoral Exposure

Sectors	As at 31 March 2023			As at 31 March 2022		
	Total Exposure (Including on Balance sheet and Off - Balance sheet exposure)	Gross NPA	Percentage of Gross NPAs to Total exposure in that sector	Total Exposure (Including on Balance sheet and Off - Balance sheet exposure)	Gross NPA	Percentage of Gross NPAs to Total exposure in that sector
1. Agriculture and Allied Activities	-	-	-	-	-	-
2. Industry	-	-	-	-	-	-
3. Services	-	-	-	-	-	-
4. Personal Loans						
i) Housing	1,17,158.71	910.56	0.78%	1,06,165.56	4,264.17	4.02%
ii) Non Housing	37,149.89	364.62	0.98%	27,942.64	1,640.65	5.87%
5. Other, If any	-	-	-	-	-	-
<b>Total</b>	<b>1,54,308.60</b>	<b>1,275.18</b>	<b>0.83%</b>	<b>1,34,108.20</b>	<b>5,904.82</b>	<b>4.40%</b>

57.1 Balance outstanding is before EIR/ECI adjustments

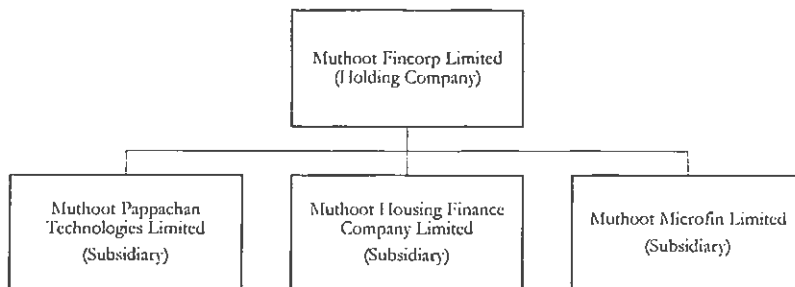
57.2 Exposure through investments in Security Receipts (Balance outstanding) not considered for the purpose of above disclosure.

*<This space is left blank intentionally>*

58 **Registration obtained from other financial sector regulators**  
Company does not have any registration from other Financial Sector Regulator.

59 **Disclosure of penalties imposed by NHB/RBI and other regulators**  
Company was not imposed any penalty during the year by NHB/RBI or any other regulator.

60 **Diagrammatic Representation of the Group Structure**



61 **Rating assigned by credit rating agencies and Migration of Rating during the year**  
Company has been rated Crisil A+/Stable for its long term bank loans and NCD issuance. During the year rating was upgraded from A/Stable to A+/Stable.

62 **Remuneration of Directors**  
Company during the year has not paid any Remuneration of Directors.

63 **Changes in accounting policies**  
During the year company has not made any major changes in accounting policy except accounting of interest income on credit impaired assets. Refer Note 63.1

63.1 **Change in Accounting policy with respect to "Accounting of Interest Income on credit impaired assets"**

Since adoption of Ind-AS framework under Section 133 of the Companies Act 2013 during the financial year ended 31.03.2019, the Company had been recognising interest income on credit impaired financial assets by applying the effective interest rate to the amortised cost (net of provisions) of such assets, although necessary adjustments were also being made in the Expected Credit Loss model to address the incremental income so recognised.

During the year ended 31<sup>st</sup> March 2023, as a matter of prudence, the company has changed this accounting treatment by recognising interest income on credit impaired financial assets only receipt basis. This is also in line with the RBI guidelines relating to Income Recognition and Asset Classification and Provisioning norms and the discussion paper on 'Introduction of Expected credit loss (ECL) framework for provisioning by banks' issued on 16<sup>th</sup> January 2023, which are considered as directional guidance pending issuance of guidelines/clarifications/directions by RBI under the Ind-AS accounting framework as stated in Note 43.

Since the above change in accounting policy will also have an impact on the components used for computing the ECL provision for prior periods, which are practically difficult to estimate, the said change in accounting policy has been applied only on prospective basis from the financial year ended 31/3/2023. Based on an overall assessment of the management, the impact on financial results for earlier years arising from the afore stated change (including corresponding impact of ECL provision) is not expected to be material.

The adjustments arising from the change in accounting policy for the financial year 2022-23 are as below -

(a) Amounts in the Balance Sheet as at 31 March 2023 increase/(decrease) by -

Particulars	Amount (Rs. in lakhs)
Loans	(92.96)
Other Equity	(92.96)

(b) Amounts in the statement of Profit and Loss for the year FY 2022-23 increase / (decrease) by

Particulars	Amount (Rs. in lakhs)
Interest Income	(92.96)
Profit before Tax	(92.96)
Profit After Tax	(92.96)
Basic EPS (In Rupees)	(Rs. 0.13)
Diluted EPS (In Rupees)	(Rs. 0.13)

(c) Amounts in Cash flow statement for the FY 2022-23 -increase/(decrease) by

Particulars	Amount (Rs. in lakhs)
Profit before Tax	(92.96)
Increase/decrease in Loans	92.96

64 **Revenue Recognition**  
Company during the year has not postponed revenue recognition pending the resolution of significant uncertainties

65 **Provisions and contingencies**

Break up of 'Provisions and Contingencies' included in the Statement of Profit and Loss Account	Year ended 31 March 2023	Year ended 31 March 2022
Provisions for depreciation on investment	-	-
Provision made towards income tax	762.19	820.38
Provision towards NPA	(961.44)	138.16
Provision for standard assets	(388.23)	173.34
Provision for diminution of assets acquired	336.37	138.38
Provision towards loan commitment	-	4.57



66 Provisions on loans

Break up of Loans and Advances and Provisions thereon	Housing		Non housing	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
<b>Standard Assets</b>				
a) Total outstanding amount	1,10,998.28	97,603.67	36,489.75	26,247.02
b) Provision made	436.30	781.84	27.52	70.21
<b>Sub Standard Assets</b>				
a) Total outstanding amount	885.96	2,330.95	317.12	792.04
b) Provision made	762.03	924.01	73.10	113.98
<b>Doubtful Assets - 1</b>				
a) Total outstanding amount	13.16	1,176.48	30.67	418.73
b) Provision made	11.25	435.82	8.05	56.70
<b>Doubtful Assets - 2</b>				
a) Total outstanding amount	-	699.25	2.64	401.85
b) Provision made	-	227.00	0.72	54.64
<b>Doubtful Assets - 3</b>				
a) Total outstanding amount	-	25.99	14.13	0.40
b) Provision made	-	6.22	3.78	-
<b>Loss Assets</b>				
a) Total outstanding amount	-	-	-	-
b) Provision made	-	-	-	-
<b>Total</b>				
a) Total outstanding amount	1,11,897.40	1,01,836.34	36,854.35	27,860.04
b) Provision made	1,209.58	2,374.89	113.17	297.53

66.1 The total outstanding amount reported are before EIR and ECL adjustments.

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67 Draw down from reserves  
During the year, the Company has not withdrawn any sum from its reserves.

68 Foreign currency exposure and transaction  
a) Earnings in Foreign Currency during the year is Nil (31 March 2022: Nil)

**b) Expenditure in Foreign Currency**

Particulars	As at 31 March 2023	As at 31 March 2022
Finance cost	383.16	Nil

**c) Foreign currency exposure**

Particulars	As at 31 March 2023	As at 31 March 2022
Borrowings (other than debt securities)	25,069.28	Nil

69 Concentration of loans and advances

Particulars	As at 31 March 2023	As at 31 March 2022
Total loans and advances to twenty largest Borrowers	934.48	918.12
Percentage of loans and advances to twenty largest borrowers to total advances of the HFC	0.63%	0.71%

70 Concentration of all exposures (including off-balance sheet exposures)

Particulars	As at 31 March 2023	As at 31 March 2022
Total exposures to twenty largest borrowers	963.84	930.14
Percentage of exposures to twenty largest borrowers to total exposures of the HFC	0.62%	0.69%

71 Concentration of NPAs

Particulars	As at 31 March 2023	As at 31 March 2022
Total exposure to top ten NPA accounts	219.00	340.64

72 Sector wise NPAs

Sector	Percentage of NPAs to total advances in that sector	
	As at March 31 2023	As at March 31 2022
<b>A. Housing Loans</b>		
1. Individuals	0.80%	4.13%
2. Builders/Project Loans	-	-
3. Corporates	-	-
4. Others	-	-
<b>B. Non Housing Loans</b>		
1. Individuals	0.99%	5.88%
2. Builders/Project Loans	-	-
3. Corporates	-	-
4. Others	-	-

73 Movement of NPAs

Particulars	As at 31 March 2023	As at 31 March 2022
(I) Net NPAs to net advances (in %)	0.27%	3.17%
(II) Movement of NPAs (Gross)		
a) Opening balance	3,845.69	4,722.42
b) Additions during the year	1,173.11	2,947.24
c) Reductions during the year*	5,755.08	1,823.97
d) Closing balance	1,263.72	5,845.69
(III) Movement in Net NPAs		
a) Opening balance	4,025.32	3,041.35
b) Additions during the year	360.85	1,964.31
c) Reductions during the year*	3,981.38	980.34
d) Closing balance	404.79	4,025.32
(IV) Movement of provisions for NPAs (excluding provisions on standard assets)		
a) Opening balance	1,820.37	1,681.08
b) Provisions made during the year	812.26	982.93
c) Write-off/write-back of excess provisions	1,773.70	843.63
d) Closing balance	858.93	1,820.37

\* Includes stressed loans transferred to ARC during the year ended 31 March 2023



74 Disclosure pursuant to RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 dated September 24,2021

Details of stressed loans classified as NPA transferred to ARC during the Year ended 31 March 2023

Particulars	To ARC	To Permitted transferees	To Others transferees
No. of accounts (Includes 84 stressed loan assets written off in earlier years)	683	-	-
Aggregate principal outstanding of loans transferred (Gross book value of principal outstanding net of write off cases as on date of transfer)	3,592.94	-	-
Weighted average residual tenor of the loans transferred (in years)	13.41	-	-
Net Book value of Loans transferred (Book value inclusive of interest accrued and net of provision/write off as on date of transfer)	2,865.88	-	-
Aggregate consideration	3,131.86	-	-
Additional consideration realised in respect of accounts transferred in earlier years	-	-	-
Investment in Security Receipts	2,662.07	-	-

74.1 There are no transfer of stressed loans classified as NPA to ARC/Other Entities during the previous year ended 31 March 2022.

75 Overseas Assets

Company does not have any overseas assets.

76 Off-Balance Sheet SPVs sponsored (which are required to be consolidated as per accounting norms)

Company has not sponsored any SPV.

77 Details of customers complaints

Particulars	As at 31 March 2023	As at 31 March 2022
No. of complaints pending at the beginning of the year	1	-
No. of complaints received during the year	162	175
No. of complaints redressed during the year	163	174
No. of complaints pending at the end of the year	-	1

The company is not included under the "Reserve Bank-Integrated ombudsman Scheme, 2021" and hence the details of maintainable complaints received by the Company from office of ombudsman is not applicable

Top grounds of complaints received by the Company from customers

Grounds of complaints	Number of complaints pending at the beginning of the year	Number of complaints received during the year	%increase/(decrease) in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Number of complaints pending beyond 30 days
<b>For the year ended March 31, 2023</b>					
Documents Related	1	16	220%	-	-
Loan Processing Related	-	124	-16%	-	-
Loan Settlement Related	-	4	100%	-	-
Policy Related	-	18	-5%	-	-
Miscellaneous	-	0	-100%	-	-
<b>Grand Total</b>	<b>1</b>	<b>162</b>	<b>-7%</b>	<b>-</b>	<b>-</b>
<b>For the year ended March 31, 2022</b>					
Documents Related	-	5	-81%	1	-
Loan Processing Related	-	148	164%	-	-
Loan Settlement Related	-	2	-60%	-	-
Policy Related	-	19	-58%	-	-
Miscellaneous	-	1	New	-	-
<b>Grand Total</b>	<b>-</b>	<b>175</b>	<b>33%</b>	<b>1</b>	<b>-</b>

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78 No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds, by the Company to or in any other person(s), or entities), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

79 Breach of covenant

The company has been generally regular in complying with the covenants in respect of loans availed during the financial years ended 31 March 2023 and 31 March 2022. There were no instances of default or breach of covenants of material nature during the reporting period.

80 Divergence in Asset Classification and Provisioning

The NIIIB/RBI has neither assessed any additional provisioning requirements in excess of 5 percent of the reported profits before tax and impairment loss on financial instruments for the financial year ended March 31, 2021, nor identified any additional Gross NPAs in excess of 5% of the reported Gross NPAs for the said period.

81 Intra-group exposures

Particulars	As at 31 March 2023	As at 31 March 2022
Total amount of intra-group exposures	42.85	45.84
Total amount of top 20 intra-group exposures	42.85	45.84
Percentage of intra-group exposures to total exposure of the Company on borrowers/ customers	0.03%	0.05%

82 Outstanding against the gold loan/Jewellery

Particulars	As at 31 March 2023	As at 31 March 2022
Outstanding loans granted against the collateral gold jewellery	-	-
% of above to total outstanding loans	-	-

83 Loans to Directors, Senior Officers and relatives of Directors

Disclosure pursuant to RBI notification RBI/2022-23/29 DOR.CRE.REC.No.25/03.10.001/2022-23 dated April 19, 2022.

Aggregate amount of sanctioned loans and advances	Year ended 31 March 2023	Year ended 31 March 2022
i) Directors and their relatives	-	-
ii) Entities associated with directors and their relatives	-	-
iii) Senior Officers and their relatives	-	-

84 Instances of fraud

No cases of fraud were reported during the financial year 2022-2023. (FY 2021-2022 -Nil)

85 Resolution Framework for Covid 19 related Stress

Pursuant of Resolution Framework – 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses vide DOR.STR.REC.11/21.04.018/2021-22 dated May 5, 2021, company extended resolution to 63 borrowers aggregating to Rs.433.85 lakhs under the said framework. Company has created adequate provision in relation to these customers as per the directions.

Type of Borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year
Personal Loans	381.93	24.02	NIL	57.51	300.40

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86. Previous year's figures have been regrouped and reclassified, wherever necessary to conform to current year's presentation / classification.

For VARMA & VARMA  
Chartered Accountants  
Firm's Registration No.: 0045325



Vijay Narayan Govind  
Partner  
Membership No: 203094  
Place: Kochi

For and on behalf of the Board of Directors of  
MUTHOOT HOUSING FINANCE COMPANY LIMITED



Thomas Muthoot  
Managing Director  
DIN: 00082999  
Place: Kochi



Thomas George Muthoot  
Director  
DIN: 00011552  
Place: Kochi



Thomas John Muthoot  
Director  
DIN: 00011618  
Place: Kochi



Pavan Kumar Gupta  
Chief Executive Officer  
Place: Mumbai



Yogesh Udhoji  
Chief Financial Officer  
Place: Mumbai



S. Sumesh  
Company Secretary  
Place: Kochi


## Annexure D - a

Muthoot Housing Finance Company Limited  
Balance sheet as at 31st March, 2024  
(All amounts are in INR Lakhs, unless otherwise stated)


Particulars	Note	As at	
		31 March, 2024	31 March, 2023
<b>ASSETS</b>			
<b>1. Financial assets</b>			
(a) Cash and cash equivalents	3	18,266.12	6,916.12
(b) Bank balance other than cash and cash equivalents	4	1,472.08	1,696.11
(c) Loans	5	2,00,922.41	1,45,180.76
(d) Investments	6	3,841.91	3,316.67
(e) Other financial assets	7	603.82	600.10
		<u>2,25,106.34</u>	<u>1,57,709.76</u>
<b>2. Non-financial assets</b>			
(a) Current tax assets (net)		185.76	75.22
(b) Deferred tax assets (net)	8	490.37	555.44
(c) Property, plant and equipment	9	582.95	339.42
(d) Other intangible assets	10	11.67	40.91
(e) Right of use assets	31	512.22	360.61
(f) Assets held for sale		354.59	819.46
(g) Other non-financial assets	11	556.70	377.53
		<u>2,694.26</u>	<u>2,568.59</u>
<b>Total Assets</b>		<u><u>2,27,800.60</u></u>	<u><u>1,60,278.35</u></u>
<b>LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
<b>1. Financial liabilities</b>			
(a) Derivative financial instruments	12	8.47	89.19
(b) Payables:	13		
(i) Trade payables			
(i) total outstanding dues of micro enterprises and small enterprises		1.83	17.32
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		419.70	448.21
(ii) Other payables			
(i) total outstanding dues of micro enterprises and small enterprises			
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		519.52	402.84
(c) Borrowings (other than debt securities)	14	1,82,060.69	1,25,043.14
(d) Lease liabilities	31	557.50	397.81
(e) Other financial liabilities	15	11,432.61	7,214.73
		<u>1,95,000.32</u>	<u>1,33,613.24</u>
<b>2. Non-financial liabilities</b>			
(a) Provisions	16	366.12	274.92
(b) Other non-financial liabilities	17	162.35	162.44
		<u>528.47</u>	<u>377.36</u>
<b>Total liabilities</b>		<u><u>1,95,528.79</u></u>	<u><u>1,33,990.60</u></u>
<b>3. Equity</b>			
(a) Equity share capital	18	7,781.84	7,358.11
(b) Other equity	19	24,489.97	18,929.64
		<u>32,271.81</u>	<u>26,287.75</u>
<b>Total Liabilities and Equity</b>		<u><u>2,27,800.60</u></u>	<u><u>1,60,278.35</u></u>
Material accounting policies	2		

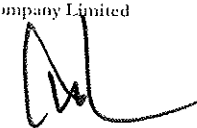
The accompanying notes are an integral part of these financial statements  
This is the balance sheet referred to in our report of even date.

For VARMA & VARMA  
Chartered Accountants  
Firm's Registration No.: 004532S

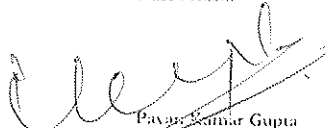
  
Vijay Narayan Govind  
Partner  
Membership No: 203094  
Place : Kochi

For and on behalf of the Board of Directors of  
Muthoot Housing Finance Company Limited


  
Thomas Muthoot  
Managing Director  
DIN: 00082099  
Place : Kochi

  
Suresh Mahalingam  
Director  
DIN: 01781730  
Place : Kochi



  
Pavan Kumar Gupta  
Chief Executive Officer  
Place : Kochi

  
Yogesh Udhoji  
Chief Financial Officer  
Place : Kochi

  
S. Sumesh  
Chief Compliance Officer and  
Company Secretary  
Place : Kochi

Date : 7th May 2024

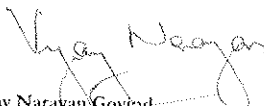
Muthoot Housing Finance Company Limited  
Statement of profit and loss for the year ended 31st March, 2024  
(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Note	Year ended 31 March, 2024	Year ended 31 March, 2023
<b>I. Revenue from operations</b>			
Interest income	20	28,378.67	21,455.81
Net gain on fair value changes	21	373.34	201.14
Sale of services	22	0.32	0.68
Other financial services	23	520.49	510.00
<b>Total Income (I)</b>		<b>29,272.82</b>	<b>22,167.63</b>
<b>II. Expenses</b>			
Finance costs	24	13,839.89	11,091.45
Impairment on financial instruments	25	128.39	(239.92)
Employee benefits expenses	26	7,572.19	5,431.08
Depreciation, amortisation and impairment	27	409.41	289.97
Other expenses	28	2,652.63	2,115.19
<b>Total expenses (II)</b>		<b>24,602.51</b>	<b>18,687.77</b>
<b>III. Profit before tax (I - II)</b>		<b>4,670.31</b>	<b>3,479.86</b>
<b>IV. Tax Expenses</b>			
Current tax		1,125.27	762.19
Deferred tax charge/(credit)	8	72.43	129.34
<b>Total tax expenses (IV)</b>		<b>1,197.70</b>	<b>891.53</b>
<b>V. Profit for the year (III-IV)</b>		<b>3,472.61</b>	<b>2,588.33</b>
<b>VI. Other comprehensive income</b>			
<b>A. Items that will not be reclassified to profit and loss</b>			
Remeasurements gain/(loss) on defined benefit plan		(39.81)	(6.74)
Changes in value of forward element of forward contract		8.50	(38.06)
Income tax relating to items that will not be reclassified to profit or loss		7.88	11.28
<b>Subtotal (A)</b>		<b>(23.43)</b>	<b>(33.52)</b>
<b>B. Items that will be reclassified to profit and loss</b>			
The effective portion of gain/(loss) on hedging instruments in cash flow hedges		2.06	(2.05)
Income tax relating to items that will be reclassified to profit or loss		(0.52)	0.52
<b>Subtotal (B)</b>		<b>1.54</b>	<b>(1.53)</b>
<b>Other Comprehensive Income (A + B)</b>		<b>(21.89)</b>	<b>(35.05)</b>
<b>Total comprehensive income for the year (V + VI)</b>		<b>3,450.72</b>	<b>2,553.28</b>
<b>Earning per equity share of INR 10 each</b>			
Basic (INR)	32	4.63	3.58
Diluted (INR)	32	4.60	3.57
Material accounting policies	2		


The accompanying notes are an integral part of these financial statements

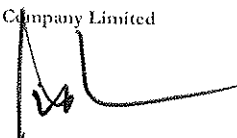
This is the statement of profit and loss referred to in our report of even date.

For VARMA & VARMA  
Chartered Accountants  
Firm's Registration No.: 0045325


  
Vijay Narayan Govind  
Partner  
Membership No: 203694  
Place : Kochi


For and on behalf of the Board of Directors of  
Muthoot Housing Finance Company Limited

  
Thomas Muthoot  
Managing Director  
DIN: 00082099  
Place : Kochi

  
Suresh Mahalingam  
Director  
DIN: 01781730  
Place : Kochi



  
Pavan Kumar Gupta  
Chief Executive Officer  
Place : Kochi

  
Yogesh Udhoji  
Chief Financial Officer  
Place : Kochi

  
S. Sumesh  
Chief Compliance Officer  
and Company Secretary  
Place : Kochi

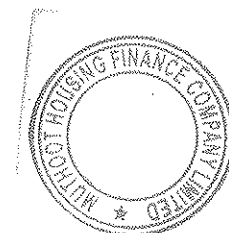
Date : 7th May 2024



**Muthoot Housing Finance Company Limited**  
**Cash flow statement for the year ended 31 March, 2024**  
(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Year ended 31 March, 2024	Year ended 31 March, 2023
<b>1. Cash flow from operating activities</b>		
Profit before tax	4,670.31	3,479.86
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation, amortisation and impairment	409.41	289.97
Impairment on financial instruments/assets held for sale	423.62	96.45
Staff gratuity and leave encashment expenses	51.39	18.66
Provision for share based payment to employees	33.44	13.07
Income from investment in mutual fund	(373.34)	(201.14)
Loss on sale of property, plant and equipment	1.15	0.14
Finance Cost	13,794.73	11,047.91
Adjustments towards effective interest rate in respect of loan assets	234.78	327.43
Unwinding of prepaid rent and security deposit	(12.53)	(10.90)
Assets Written-Off	-	5.08
Interest cost on lease liability	45.16	43.54
Adjustment on account of consolidation of ISOP trust	(0.10)	(0.10)
<b>Operating profit before working capital changes</b>	<b>19,278.02</b>	<b>15,109.97</b>
Adjustments in working capital:		
(Increase)/ Decrease in bank balances other than cash and cash equivalents	224.03	(575.41)
(Increase)/Decrease in loans	(51,779.50)	(17,224.70)
(Increase)/Decrease in other financial assets	8.81	339.67
(Increase)/Decrease in other non-financial assets and Assets held for sale	(9.53)	253.03
Increase/(Decrease) in trade payables	72.68	330.38
Increase/(Decrease) in other financial liabilities	(107.44)	268.49
Increase/(Decrease) in other non-financial liabilities	59.28	(17.57)
<b>Cash generated from/(used in) operations</b>	<b>(32,253.65)</b>	<b>(1,516.14)</b>
Finance cost paid	(14,160.90)	(11,084.73)
Income tax paid (net)	(1,235.81)	(895.68)
<b>Net cash generated from/(used in) operating activities</b>	<b>(47,650.36)</b>	<b>(13,496.55)</b>
<b>2. Cash flow from investing activities</b>		
Purchase of property, plant and equipment/intangible assets	(462.26)	(237.66)
Purchase of investment Security Receipts	-	(2,662.07)
Net proceeds from purchase /sale of investments (short term debt mutual fund)	(678.62)	3,627.43
Redemption of Security Receipts	526.72	-
Proceeds from sale of property, plant and equipment	0.69	0.04
<b>Net cash generated from / (used in) investing activities</b>	<b>(613.47)</b>	<b>727.74</b>
<b>3. Cash flow from financing activities</b>		
Proceeds from equity shares issued	2,500.00	-
Payment towards lease liabilities	(200.36)	(160.48)
Payment of debt security	-	(499.30)
Proceeds from borrowings other than debt security	88,280.00	38,000.00
Repayments of borrowings other than debt security	(30,965.81)	(26,194.27)
<b>Net cash generated from / (used in) financing activities</b>	<b>59,613.83</b>	<b>11,145.95</b>
<b>Net increase / (decrease) in cash and cash equivalents during the year (1+2+3)</b>	<b>11,350.00</b>	<b>(1,622.86)</b>
Cash and cash equivalents at the beginning of the year	6,916.12	8,538.98
<b>Total cash and cash equivalents at the end of the year</b>	<b>18,266.12</b>	<b>6,916.12</b>

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Muthoot Housing Finance Company Limited  
Cash flow statement for the year ended 31 March, 2024  
(All amounts are in INR Lakhs, unless otherwise stated)

Cash and cash equivalents

Cash in hand	56.60	114.43
Balances with banks	2,674.74	289.64
Fixed deposits with banks having original maturity of less than 3 months	15,534.78	6,512.05
Cash and cash equivalents at the end of the year	<u>18,266.12</u>	<u>6,916.12</u>

The above cash flow statement has been prepared under the indirect method as set out in the Ind AS 7 "Statement of cash flow" as specified in Companies (Indian Accounting Standards) Rules, 2015.

Material accounting policies

2

The accompanying notes are an integral part of these financial statements

This is the cash flow statement referred to in our report of even date.

For VARMA & VARMA

Chartered Accountants

Firm's Registration No.: 0045328



Vijay Narayan Govind  
Partner


Membership No: 203094

Place : Kochi

For and on behalf of the Board of Directors of  
Muthoot Housing Finance Company Limited



Thomas Muthoot  
Managing Director  
DIN: 00082099  
Place : Kochi



Juresh Mahalingam  
Director  
DIN: 01781730  
Place : Kochi



Pavan Kumar Gupta  
Chief Executive Officer  
Place : Kochi



Yogesh Udhoji  
Chief Financial Officer  
Place : Kochi



S/ Sumesh  
Chief Compliance Officer  
and Company Secretary  
Place : Kochi

Date : 7th May 2024



**Muthoot Housing Finance Company Limited**  
**Statement of change in equity for the year ended 31st March, 2024**  
 (All amounts are in INR Lakhs, unless otherwise stated)

**a. Equity share capital:**

Particulars	No. of Shares	Amount
At 1 April, 2022	7,35,81,066	7,358.11
Add: Issued during the year		
At 31 March, 2023	7,35,81,066	7,358.11
Add: Issued during the year	42,37,290	423.73
At 31 March, 2024	7,78,18,356	7,781.84

**b. Other equity:**

Particulars	Reserves and surplus					Other comprehensive income			Total	
	Securities premium	Statutory reserve	Share options outstanding account	Treasury shares	General reserve	Retained earnings	Changes in value of forward element of forward contract	The effective portion of gain/(loss) on hedging instruments in cash flow hedges		Remeasurements gain/(loss) on defined benefit plan
Balance as at 31 March, 2022	9,294.63	2,068.56	174.05	(571.37)	(0.31)	5,427.66	-	-	(29.83)	16,363.39
Addition / appropriation during the year	-	550.00	13.07	-	-	(550.00)	-	-	-	13.07
Profit for the year	-	-	-	-	-	2,588.33	-	-	-	2,588.33
Adjustment on account of consolidation of ESOP trust	-	-	-	-	(0.10)	-	-	-	-	(0.10)
Other comprehensive income (net of tax)	-	-	-	-	-	-	(28.48)	(1.53)	(5.04)	(35.05)
Balance as at 31 March, 2023	9,294.63	2,618.56	187.12	(571.37)	(0.41)	7,465.99	(28.48)	(1.53)	(34.87)	18,929.64
Addition / appropriation during the year	2,076.27	700.00	33.44	-	-	(700.00)	-	-	-	2,109.71
Profit for the year	-	-	-	-	-	3,472.61	-	-	-	3,472.61
Adjustment on account of consolidation of ESOP trust	-	-	-	-	(0.10)	-	-	-	-	(0.10)
Other comprehensive income (net of tax)	-	-	-	-	-	-	6.36	1.54	(29.79)	(21.89)
Balance as at 31 March, 2024	11,370.90	3,318.56	220.56	(571.37)	(0.51)	10,238.60	(22.12)	0.01	(64.66)	24,489.97

**Material accounting policies**

The accompanying notes are an integral part of these financial statements  
 This is the Statement of changes in equity referred to in our report of even date.

**For VARMA & VARMA**  
 Chartered Accountants  
 Firm's Registration No.: 004552S

*Vijay Narayan Govind*  
 Vijay Narayan Govind  
 Partner  
 Membership No: 203094  
 Place : Kochi

For and on behalf of the Board of Directors of  
**Muthoot Housing Finance Company Limited**

*Thomas Muddoot*  
 Thomas Muddoot  
 Managing Director  
 DIN: 00082099  
 Place : Kochi

*Pavan Kumar Gupta*  
 Pavan Kumar Gupta  
 Chief Executive Officer  
 Place : Kochi

*S. Sumesh*  
 S. Sumesh  
 Chief Compliance Officer and Company Secretary  
 Place : Kochi



3 Cash and cash equivalents

Particulars	As at	As at
	31 March, 2024	31 March, 2023
Cash on hand	56.60	114.43
Balances with banks	2,674.74	289.64
Fixed deposits with banks having original maturity of less than 3 months	15,534.78	6,512.05
<b>Total</b>	<b>18,266.12</b>	<b>6,916.12</b>

4 Bank balance other than cash and cash equivalents

Particulars	As at	As at
	31 March, 2024	31 March, 2023
Fixed deposit with banks	1,472.08	1,696.11
<b>Total</b>	<b>1,472.08</b>	<b>1,696.11</b>

- Out of the above bank deposits, Rs. 1,469.77 lakhs (31 March 2023 : Rs. 1,694.96 lakhs) is marked lien with certain banks as security for term loan borrowings.

5 Loans

Particulars	As at	As at
	31 March, 2024	31 March, 2023
<b>At amortised cost</b>		
<b>Term loans :</b>		
Housing loans and other loans	2,02,340.02	1,46,503.51
Less : Impairment loss allowances	(1,417.61)	(1,322.75)
<b>Net loans</b>	<b>2,00,922.41</b>	<b>1,45,180.76</b>
<b>Secured by tangible assets (immovable property)</b>		
Housing loans and other loans	2,02,340.02	1,46,503.51
Less : Impairment loss allowances	(1,417.61)	(1,322.75)
<b>Net loans</b>	<b>2,00,922.41</b>	<b>1,45,180.76</b>
<b>Loans in India:</b>		
(i) Public sector	-	-
(ii) Others (retail loans)	2,02,340.02	1,46,503.51
<b>Total loans</b>	<b>2,02,340.02</b>	<b>1,46,503.51</b>
Less : Impairment loss allowances	(1,417.61)	(1,322.75)
<b>Net loans</b>	<b>2,00,922.41</b>	<b>1,45,180.76</b>

Particulars	Principal	Interest	Effective Interest	Total
		Outstanding	rate adjustment	
Balance as at 31 March 2024	2,04,386.73	396.94	(2,443.65)	2,02,340.02
Balance as at 31 March 2023	1,48,340.57	411.18	(2,248.24)	1,46,503.51

Reconciliation of provision for Expected Credit Loss is as below:

Particulars	Stage I	Stage II	Stage III	Total
Balance as at 1 April 2022	411.11	440.94	1,820.37	2,672.42
Addition/(deletion) during the year	(180.04)	(208.19)	(961.44)	(1,349.67)
<b>Balance as at 31 March 2023</b>	<b>231.07</b>	<b>232.75</b>	<b>858.93</b>	<b>1,322.75</b>
Addition/(deletion) during the year	(56.94)	45.88	105.92	94.86
<b>Balance as at 31 March 2024</b>	<b>174.13</b>	<b>278.63</b>	<b>964.85</b>	<b>1,417.61</b>

Company has classified the stages as below:

Stage I : Credit risk has not increased significantly if principal or interest is due for 30 days or less.

Stage II : Credit risk has increased significantly if principal or interest is due from 31 days to 90 days.

Stage III : Credit impaired if principal or interest is due for more than 90 days.

5.1 Sale of Assets to ARC

During the previous year, the Company had sold financial assets being stressed loan receivables (>90 days past due) having a gross carrying amount of Rs. 3,592.94 lakhs (Gross book value of principal outstanding net of write off cases as on date of transfer) to an Asset Reconstruction Company ("ARC") for a consideration of Rs. 3,131.86 lakhs. As per the agreed terms, the Company has subscribed to the Security Receipts ("SRs") issued by the ARC trust amounting to Rs. 2,662.07 lakhs. As at 31 March, 2024 the face value of the above Security Receipts aggregates to Rs. 2,135.35 Lakhs



6 Investment

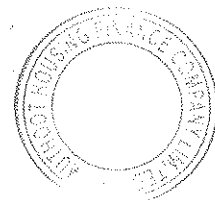
Particulars	As at	As at
	31 March, 2024	31 March, 2023
<b>At fair value through profit or loss</b>		
Investments in mutual funds	1,702.06	650.10
Investments in Security Receipts (Refer Note 5.1) (213,535 (266,207) Nos. of SRs issued by Trust having a face value of Rs 1,000 each)	2,135.35	2,662.07
<b>At fair value through other comprehensive income</b>		
Investments in Equity Instruments (Unquoted)*	4.50	4.50
<b>Total</b>	<b>3,841.91</b>	<b>3,316.67</b>
Out of which:		
Investments in India	3,841.91	3,316.67
Investments outside India	-	-
<b>Total</b>	<b>3,841.91</b>	<b>3,316.67</b>

\* Represents investments in 45,000 (31 March 2023: 45,000) equity shares of Rs. 10 each in M/s. Thinking Machine India Private Limited. (Refer Note 42)

7 Other financial assets

Particulars	As at	As at
	31 March, 2024	31 March, 2023
Security deposit - Unsecured considered good (Refer Note 7.1)	152.56	114.74
EPS receivable (net)	342.64	478.56
Other financial assets	108.62	6.80
<b>Total</b>	<b>603.82</b>	<b>600.10</b>

7.1 Security Deposits Include Rs 57.42 lakhs (Previous year Rs 38.08 lakhs) given to related parties. (Refer Note 42)



## Deferred tax assets (net)

## Movement in deferred tax assets / (liabilities)

Particulars	As at 31 March, 2024				
	Net balance 1 April 2023	Recognised in profit and loss	Recognised in OCI	Net balance 31 March, 2024	Deferred tax liabilities
<b>Deferred tax assets / (liabilities)</b>					
Provision for employee benefits	112.38	39.61	10.02	162.01	-
Property, plant and equipment and intangible assets	49.77	19.02	-	68.79	-
Impairment allowances on financial assets	337.27	23.88	-	361.15	-
Financial assets measured at amortised cost	572.71	59.09	-	631.80	-
Other non-financial assets	159.00	(85.50)	-	53.50	-
Special reserve	(582.63)	(145.72)	-	(728.35)	(728.35)
EPS receivables	(121.89)	34.21	-	(87.68)	(87.68)
Fair value of future lease obligations in accordance with Ind AS 116	9.37	2.03	-	11.40	-
Cash flow hedge reserve	10.11	(1.89)	(2.66)	5.56	-
Other temporary differences	29.35	(17.16)	-	12.19	-
<b>Net deferred tax assets / (liabilities)</b>	<b>555.44</b>	<b>(72.43)</b>	<b>7.36</b>	<b>490.37</b>	<b>(816.03)</b>

## Movement in deferred tax assets / (liabilities)

Particulars	As at 31 March, 2023				
	Net balance 1 April 2022	Recognised in profit and loss	Recognised in OCI	Net balance 31 March, 2023	Deferred tax liabilities
<b>Deferred tax assets / (liabilities)</b>					
Provision for employee benefits	97.43	13.25	1.70	112.38	-
Property, plant and equipment and intangible assets	38.12	11.65	-	49.77	-
Impairment allowances on financial assets	633.21	(295.94)	-	337.27	-
Financial assets measured at amortised cost	458.54	114.17	-	572.71	-
Other non-financial assets	75.93	63.07	-	139.00	-
Special reserve	(444.19)	(138.44)	-	(582.63)	(582.63)
EPS receivables	(206.63)	84.74	-	(121.89)	(121.89)
Fair value of future lease obligations in accordance with Ind AS 116	5.91	3.46	-	9.37	-
Cash flow hedge reserve	-	-	10.11	10.11	-
Other temporary differences	14.65	14.70	-	29.35	-
<b>Net deferred tax assets / (liabilities)</b>	<b>672.97</b>	<b>(129.34)</b>	<b>11.81</b>	<b>555.44</b>	<b>(704.52)</b>



**Budhoo Housing Finance Company Limited**  
**Notes to financial statements for the year ended 31 March, 2024**

(All amounts are in INR Lakhs, unless otherwise stated)

**Property, plant and equipment (at cost)**

Particulars	Furniture and Fixtures	Office Equipments	Computers	Leaschold Improvements	Total
<b>At 31 March 2022</b>	<b>120.34</b>	<b>123.13</b>	<b>138.05</b>	<b>180.36</b>	<b>561.88</b>
Additions during the year	73.06	37.70	55.68	71.22	237.66
Disposals during the year	(0.79)	-	(0.77)	-	(1.56)
<b>At 31 March 2023</b>	<b>192.61</b>	<b>160.83</b>	<b>192.96</b>	<b>251.58</b>	<b>797.98</b>
Additions during the year	126.04	65.62	169.06	95.55	456.27
Disposals during the year	(1.10)	(2.52)	(31.73)	-	(35.35)
<b>At 31 March 2024</b>	<b>317.55</b>	<b>223.93</b>	<b>330.29</b>	<b>347.13</b>	<b>1,218.90</b>
<b>Accumulated Depreciation:</b>					
<b>At 31 March 2022</b>	<b>56.53</b>	<b>80.58</b>	<b>110.63</b>	<b>93.86</b>	<b>341.60</b>
Depreciation charge for the year	26.36	27.61	26.29	38.08	118.34
Reversal on disposal of assets	(0.65)	-	(0.73)	-	(1.38)
<b>At 31 March 2023</b>	<b>82.24</b>	<b>108.19</b>	<b>136.19</b>	<b>131.94</b>	<b>458.56</b>
Depreciation charge for the year	44.55	36.44	82.19	47.73	210.91
Reversal on disposal of assets	(0.98)	(2.39)	(30.15)	-	(33.52)
<b>At 31 March 2024</b>	<b>125.81</b>	<b>142.24</b>	<b>188.23</b>	<b>179.67</b>	<b>635.95</b>
<b>Net book value:</b>					
<b>At 31 March 2023</b>	<b>110.37</b>	<b>52.64</b>	<b>56.77</b>	<b>119.64</b>	<b>339.42</b>
<b>At 31 March 2024</b>	<b>191.74</b>	<b>81.69</b>	<b>142.06</b>	<b>167.46</b>	<b>582.95</b>

The Company does not have any Benami property where any proceeding has been initiated or pending against the Company for holding any Benami property. The Company has not revalued any of its property, plant and equipment during the year ended 31 March, 2024 and 31 March, 2023.

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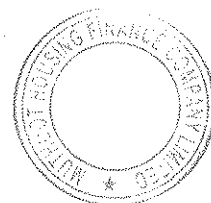
## 10 Other Intangible Assets (at cost)

Particulars	Computer software
At 31 March 2022	123.18
Additions during the year	-
Capitalised during the year	-
Disposals during the year	-
At 31 March 2023	123.18
Additions during the year	-
Capitalised during the year	5.99
Disposals during the year	-
At 31 March 2024	129.17
<b>Amortisation:</b>	
At 31 March 2022	41.39
Amortisation for the year	40.88
Reversal on disposal of assets	-
At 31 March 2023	82.27
Amortisation for the year	35.23
Reversal on disposal of assets	-
At 31 March 2024	117.50
<b>Net book value:</b>	
At 31 March 2023	40.91
At 31 March 2024	11.67

## 11 Other non-financial assets

Particulars	As at 31 March, 2024	As at 31 March, 2023
Prepaid expenses	155.61	75.07
Balances with Government Authorities	323.74	200.06
Advance to creditors (Refer Note 11.1)	64.80	68.15
Other receivables	12.55	36.25
<b>Total</b>	<b>556.70</b>	<b>377.53</b>

11.1 Includes Rs. 0.29 lakhs (Previous Year Rs 0.27 lakhs) due from related parties (Refer note 42)



**12 Derivative Financial Instruments**

The Company undertakes derivative transactions for hedging exposures relating to foreign currency borrowings. The table below shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts. The notional amounts indicate the value of transactions outstanding at the year end and are not indicative of either the market risk or credit risk.

Particulars	(Rs in lakhs)			
	As at 31 March, 2024		As at 31 March, 2023	
	Notional Amounts	Fair Value Liabilities	Notional Amounts	Fair Value Liabilities
<b>Currency derivatives:</b>				
-Forward Contracts	16,860.66	8.47	26,062.40	89.19
<b>Total derivatives</b>	<b>16,860.66</b>	<b>8.47</b>	<b>26,062.40</b>	<b>89.19</b>
Included in above are derivatives held for hedging and risk management purposes as follows:				
(i) Fair value hedging:	-	-	-	-
(ii) Cash flow hedging:				
- Currency derivatives	16,860.66	8.47	26,062.40	89.19
(iii) Net Investment Hedging	-	-	-	-
(iv) Undesignated Derivatives	-	-	-	-
<b>Total Derivative Financial Instruments</b>				
<b>(i)+(ii)+(iii)+(iv)</b>	<b>16,860.66</b>	<b>8.47</b>	<b>26,062.40</b>	<b>89.19</b>

**12.1 Hedging activities and derivatives**

The Company is exposed to certain risks relating to its ongoing business operations. The primary risk managed using derivative instruments is foreign currency risk.

**12.2 Derivatives designated as hedging instruments**

Company has designated forward contracts as a hedging instrument to mitigate foreign exchange risk from foreign currency exposure on its borrowings.

**12.3 Derivatives not designated as hedging instruments**

There are no derivatives not designated as hedging instruments.

**12.4 The management of foreign currency risk is detailed in Note 38B.**

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## 13 Payables

Particulars	As at 31 March, 2024	As at 31 March, 2023
<b>Trade payables:</b>		
Total outstanding dues of micro enterprises and small enterprises	1.83	17.32
Total outstanding dues of creditors other than micro enterprises and small enterprises	419.70	448.21
<b>Total trade payables</b>	<b>421.53</b>	<b>465.53</b>

\*Trade payables Includes Rs 38.49 lakhs (Previous year Rs 20.02 lakhs (net)) due to related parties. (Refer note 42)

## Trade payable ageing schedule as at 31 March 2024

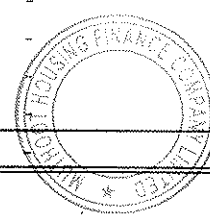
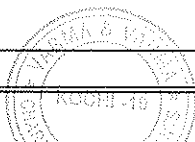
Particulars	MSME	Others
<b>Undisputed outstanding for following periods</b>		
Unbilled	-	276.34
Not Due	-	-
Less than 1 year	1.83	128.66
1-2 years	-	2.30
2- 3 years	-	3.82
More than 3 years	-	8.58
<b>Total</b>	<b>1.83</b>	<b>419.70</b>

Particulars	MSME	Others
<b>Disputed outstanding for following periods</b>		
Less than 1 year	-	-
1-2 years	-	-
2- 3 years	-	-
More than 3 years	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

## Trade payable ageing schedule as at 31 March 2023

Particulars	MSME	Others
<b>Undisputed outstanding for following periods</b>		
Unbilled	-	363.23
Not Due	-	-
Less than 1 year	17.32	75.35
1-2 years	-	2.53
2- 3 years	-	0.59
More than 3 years	-	6.51
<b>Total</b>	<b>17.32</b>	<b>448.21</b>

Particulars	MSME	Others
<b>Disputed outstanding for following periods</b>		
Less than 1 year	-	-
1-2 years	-	-
2- 3 years	-	-
More than 3 years	-	-
<b>Total</b>	<b>-</b>	<b>-</b>



Notes to financial statements for the year ended 31 March, 2024

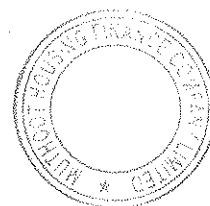
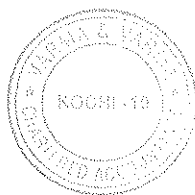
(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	As at 31 March, 2024	As at 31 March, 2023
<b>Other payables:</b>		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	519.52	402.84
<b>Total other payables</b>	<b>519.52</b>	<b>402.84</b>

13.A Disclosure under Micro, Small, and Medium Enterprises Development Act, 2006 :

Dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 to the extent identified and information available with the Company. This has been relied upon by the auditors.

Particulars	As at 31 March, 2024	As at 31 March, 2023
a) Principal amount remaining unpaid	1.83	17.32
b) Interest due thereon remaining unpaid	-	-
c) Interest paid by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
d) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
e) Interest accrued and remaining unpaid at the end of the year	-	-
f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-



## 14 Borrowings (other than debt securities)

Particulars	As at 31 March, 2024	As at 31 March, 2023
<b>At amortised cost</b>		
<b>Term loans (secured)</b>		
From banks	1,39,027.17	92,486.17
From National Housing Bank	27,193.20	20,841.50
From other parties	15,142.37	6,970.90
<b>Term loans (unsecured)</b>		
From other parties	697.95	4,744.57
<b>Total</b>	<b>1,82,060.69</b>	<b>1,25,043.14</b>
Borrowings in India	1,82,060.69	1,25,043.14
Borrowings outside India	-	-

The Company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained except for an amount of Rs 13,500 lakhs disbursed at the fag end of the financial year which have been parked in fixed deposits pending utilization.

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

There has not been any default in repayment of borrowings during the year ended 31 March, 2024, (no default during the year ended 31 March, 2023)



## 14 Borrowings (other than debt securities) (at amortised cost) (Contd.)

## a) Security details :

*Secured loans from banks*

The loans are secured by way of hypothecation of loan receivables of the Company equivalent to security cover stipulated by respective banks. The loans aggregating to Rs. 125,638.06 lakhs (31 March 2023 : Rs. 93,192.88 lakhs) are guaranteed by promoter directors (Mr. Thomas Muthoot, Mr. Thomas George Muthoot and Mr. Thomas John Muthoot) of the Company.

*Secured loans from National Housing Bank*

The refinance facility from NHB is secured by way of hypothecation of loan receivables of the Company equivalent to stipulated security cover. The loans aggregating to Rs. 22,398.20 lakhs (31 March 2023: Rs. 20,841.50 lakhs) are further guaranteed by promoter directors (Mr. Thomas Muthoot, Mr. Thomas George Muthoot and Mr. Thomas John Muthoot) of the Company and comfort letter from holding Company.

*Secured loans from other parties*

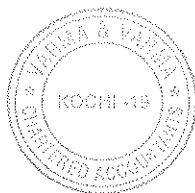
The loans are secured by way of hypothecation of loan receivables of the Company equivalent to security cover stipulated by respective lender. The loans aggregating to Rs 3,791.17 lakhs (31 March 2023: Nil) are further guaranteed by promoter directors (Mr. Thomas Muthoot, Mr. Thomas George Muthoot and Mr. Thomas John Muthoot) of the Company.

*Unsecured loans from other parties*

The loans aggregating to Rs. 700 lakhs (31 March 2023: Rs. 4,766.64 lakhs) are guaranteed by promoter directors (Mr. Thomas Muthoot, Mr. Thomas George Muthoot and Mr. Thomas John Muthoot) of the Company and comfort letter from holding Company.

## Loan assets hypothecated as security for borrowings

Particulars	As at 31 March 2024	As at 31 March 2023
Loan assets hypothecated as security for borrowings	1,94,826.17	1,39,826.75



14 Borrowings (other than debt securities) (at amortised cost) (Contd.)

b) Terms of repayment  
Secured loans from banks

Name of party	As at 31 March 2024	As at 31 March 2023	Terms of repayment
AC Small Finance Bank Limited	-	125.19	Repayable in 20 quarterly instalments after 1 month from the date of full disbursement
Axis Bank	1,635.12	2,303.41	Repayable in 17 quarterly instalments after 12 months from the date of first disbursement
Bank of Baroda (Vijaya Bank)	754.33	1,032.12	Repayable in 36 quarterly instalments after 12 months from the disbursement
Bank of Baroda	8,750.00	5,000.00	Repayable in 32 quarterly instalments after 3 months from the disbursement
Bank of India	4,025.34	4,579.09	Repayable in 36 quarterly instalments after 12 months from the date of first disbursement
		2,175.93	Repayable in 108 monthly instalments after 13 months from the disbursement
		1,388.89	Repayable in 36 equal quarterly instalments after 15 months from the disbursement
Canara Bank	9,166.61	10,000.00	Repayable in 72 equal monthly instalments after 12 months from the disbursement
	7,500.00	-	Repayable in 14 Half Yearly instalments after the date of first disbursement
	499.78	1,166.52	Repayable in 36 monthly instalments after a month from the disbursement
Federal Bank Limited	2,249.82	-	Repayable in 20 quarterly instalments after the date of first disbursement
	2,250.00	-	Repayable in 20 quarterly instalments after the date of first disbursement
IDBI Bank Limited	465.58	569.04	Repayable in 58 quarterly instalments after 6 months from the disbursement
Indian Bank	4,120.70	3,500.00	Repayable in 29 quarterly instalments after a holiday period of 3 quarters from the date of first disbursement
	4,388.89	5,397.26	Repayable in 72 monthly instalments after a holiday period of 12 months from the date of first disbursement
Karur Vysya Bank	968.69	1,246.39	Repayable in 36 equal quarterly instalments after 12 months from the disbursement
	939.62	1,493.43	Repayable in 36 equal quarterly instalments after 6 months from the disbursement
	4,302.45	5,046.08	Repayable in 40 equal quarterly instalments after 15 months from the disbursement
Punjab National Bank	1,028.56	1,305.19	Repayable in 36 equal quarterly instalments after 12 months from the disbursement
	8,893.63	9,999.29	Repayable in 36 equal quarterly instalments after 12 months from the disbursement
	4,999.05	-	Repayable in 36 equal quarterly instalments after 12 months from the disbursement
	4,999.04	-	Repayable in 36 equal quarterly instalments after 12 months from the disbursement
South Indian Bank	-	368.35	Repayable in 60 instalments from the disbursement
		2,394.63	Repayable in 36 quarterly instalments after 4 months from the disbursement
	3,773.85	5,901.54	Repayable in 35 quarterly instalments after 12 months from the disbursement
State Bank of India	12,602.00	7,109.58	Repayable in 36 quarterly instalments after 12 months from the disbursement
	15,870.65	10,000.01	Repayable in 36 quarterly instalments after 12 months from the disbursement
	186.43	955.24	Repayable in 26 equal quarterly instalments after 6 months from the disbursement
	2,497.85	3,331.21	Repayable in 24 equal quarterly instalments after 15 months from the disbursement
Union Bank of India	9,999.99	-	Repayable in 36 quarterly instalments after 6 months from the disbursement
	1,944.39	2,493.07	Repayable in 36 equal quarterly instalments after 15 months from disbursement
Yes Bank Limited	2,075.98	2,407.27	Repayable in 163 monthly instalments after 6 months from the disbursement
Karnataka Bank	4,749.67	-	Repayable in 20 quarterly instalments after the date of first disbursement
DCB Bank	1,999.90	-	Repayable in 57 monthly instalments after 3 months from the disbursement
Bank of Maharashtra	12,499.99	-	Repayable in 26 equal quarterly instalments after 8 months from disbursement
<b>Sub total</b>	<b>1,40,137.91</b>	<b>93,288.73</b>	
Adjustments on account of effective rate of interest	(1,152.55)	(836.60)	
Interest accrued on borrowings	21.81	34.04	
<b>Total</b>	<b>1,39,027.17</b>	<b>92,486.17</b>	

The rate of interest on borrowings varies from 8.30% to 11.30% (31 March 2023 : 8.45% to 12.10%)

Secured loans from National Housing Bank



14 Borrowings (other than debt securities) (at amortised cost) (Contd.)

b) Terms of repayment

Name of party	As at 31 March 2024	As at 31 March 2023	Terms of repayment
	102.77	168.73	Repayable in 47 quarterly instalments after quarter succeeding the disbursement
	375.34	443.34	Repayable in 59 quarterly instalments after quarter succeeding the disbursement
	15.59	34.27	Repayable in 27 quarterly instalments after quarter succeeding the disbursement
	504.03	655.87	Repayable in 59 quarterly instalments after quarter succeeding the disbursement
	902.44	1,049.17	Repayable in 59 quarterly instalments after quarter succeeding the disbursement
	208.40	362.00	Repayable in 27 quarterly instalments after quarter succeeding the disbursement
	147.90	170.70	Repayable in 39 quarterly instalments after quarter succeeding the disbursement
	214.16	317.45	Repayable in 39 quarterly instalments after quarter succeeding the disbursement
	561.10	716.74	Repayable in 39 quarterly instalments after quarter succeeding the disbursement
	1,379.70	1,689.11	Repayable in 39 quarterly instalments after quarter succeeding the disbursement
	614.49	773.39	Repayable in 39 quarterly instalments after quarter succeeding the disbursement
National Housing Bank	311.36	431.51	Repayable in 39 quarterly instalments after quarter succeeding the disbursement
	56.13	72.21	Repayable in 27 quarterly instalments after quarter succeeding the disbursement
	388.14	525.56	Repayable in 27 quarterly instalments after quarter succeeding the disbursement
	2,214.68	2,749.94	Repayable in 27 quarterly instalments after quarter succeeding the disbursement
	1,945.64	2,426.01	Repayable in 27 quarterly instalments after quarter succeeding the disbursement
	1,164.01	1,378.01	Repayable in 27 quarterly instalments after quarter succeeding the disbursement
	618.87	828.10	Repayable in 27 quarterly instalments after quarter succeeding the disbursement
	820.49	989.19	Repayable in 27 quarterly instalments after quarter succeeding the disbursement
	1,312.63	1,560.20	Repayable in 27 quarterly instalments after quarter succeeding the disbursement
	2,949.25	3,500.00	Repayable in 27 quarterly instalments after quarter succeeding the disbursement
	5,591.08	-	Repayable in 27 quarterly instalments after quarter succeeding the disbursement
	4,060.00	-	Repayable in 40 quarterly instalments after quarter succeeding the disbursement
	735.00	-	Repayable in 40 quarterly instalments after quarter succeeding the disbursement
<b>Total</b>	<b>27,193.20</b>	<b>20,841.50</b>	

The rate of interest on borrowings varies from 4.61% to 8.50%. (31 March 2023 : 4.61% to 8.60%)

Secured loans from other parties

Name of party	As at 31 March 2024	As at 31 March 2023	Terms of repayment
Hinduja Housing Finance Company Limited	-	100.00	Repayable in 120 monthly instalments after 12 months from the disbursement
H.C. Housing Finance Limited	5,738.82	6,925.62	Repayable in 108 monthly instalments after 12 months from the disbursement
	1,000.00	-	Repayable in 96 monthly instalments after the date of first disbursement on 1st day of every calendar month
Poonawalla FinCorp	4,733.51	-	Repayable in 60 equated monthly instalments after the date of first disbursement on 5th day of every calendar month
Nabsamruddhi Finance Limited	3,791.17	-	Repayable in 60 equated monthly instalments after the date of first disbursement
<b>Sub total</b>	<b>15,263.50</b>	<b>7,025.62</b>	
Adjustments on account of effective rate of interest	(148.94)	(54.72)	
Interest accrued on borrowings	27.81	-	
<b>Total</b>	<b>15,142.37</b>	<b>6,970.90</b>	

The rate of interest on borrowings varies from 9.25% to 10.50%. (31 March 2023 : 9.75% to 10.25%)



14 Borrowings (other than debt securities) (at amortised cost) (Contd.)

b) Terms of repayment

Unsecured loans from other parties

Name of party	As at 31 March 2024	As at 31 March 2023	Terms of repayment
Northern Arc Capital Limited	-	1,666.64	Repayable in 12 quarterly instalments
Northern Arc Capital Limited	100.00	1,300.00	Repayable in 10 quarterly instalments
Northern Arc Capital Limited	600.00	1,800.00	Repayable in 10 quarterly instalments
<b>Sub total</b>	<b>700.00</b>	<b>4,766.64</b>	
Adjustments on account of effective rate of interest	(6.25)	(60.27)	
Interest accrued on borrowings	4.20	38.20	
<b>Total</b>	<b>697.95</b>	<b>4,744.57</b>	

The rate of interest on borrowings varies from 13.15% to 13.40% (31 March 2023 : 12.45% to 12.65%)

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15 Other financial liabilities

Particulars	As at	As at
	31 March, 2024	31 March, 2023
Employee benefit expenses payable	405.45	361.93
Security deposit	3.84	17.55
Book overdraft (Refer Note 15.1)	10,705.10	6,379.78
Payable under direct assignment	95.02	131.72
Payable towards Asset Reconstruction Company	51.21	192.15
Others	171.99	131.60
<b>Total</b>	<b>11,432.61</b>	<b>7,214.73</b>

15.1 The Book overdraft represents outstanding cheques in excess of balance in current accounts with banks.

16 Provisions

Particulars	As at	As at
	31 March, 2024	31 March, 2023
Employee benefits (Refer note 54)		
Gratuity	200.37	138.56
Compensated absences	123.37	93.98
Unspent Expenditure on Corporate Social Responsibility (Refer note 16.1)	25.04	25.04
Others	17.34	17.34
<b>Total</b>	<b>366.12</b>	<b>274.92</b>

16 The movement in Provisions for Unspent Expenditure for Corporate Social Responsibility:

Particulars	Amount
As at 1 April 2022	25.04
Additions	-
Reversed	-
Utilised	-
As at 31 March 2023	25.04
Additions	-
Reversed	-
Utilised	-
As at 31 March 2024	25.04

17 Other non-financial liabilities

Particulars	As at	As at
	31 March, 2024	31 March, 2023
Statutory dues	157.90	97.75
Other non-financial liabilities	4.45	4.69
<b>Total</b>	<b>162.35</b>	<b>102.44</b>

18 Equity share capital

(a) Authorised share capital :

Particulars	No. of Shares	Rs. in lakhs
At 1 April 2022	10,00,00,000	10,000.00
Add: Increased during the year	-	-
At 31 March 2023	10,00,00,000	10,000.00
Add: Increased during the year	-	-
At 31 March, 2024	10,00,00,000	10,000.00

(b) Issued, subscribed and fully paid up capital :

Particulars	No. of Shares	Rs. in lakhs
At 1 April 2022	7,35,81,066	7,358.11
Add: Issued during the year	-	-
At 31 March 2023	7,35,81,066	7,358.11
Add: Issued during the year (Refer note (d))	42,37,290	423.73
At 31 March, 2024	7,78,18,356	7,781.84



**(c) Terms/ rights attached to equity shares :**

The Company has one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. All shares rank pari passu with regard to dividend and repayment of capital. In the event of liquidation of Company, the holder of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(d) Share Issue:**

Pursuant to the resolution passed in meeting held on 4 August, 2023, the board of directors have approved allotment of 42,37,290 equity shares of face value Rs 10/- each at a premium of Rs 49/- each on preferential issue basis to Muthoot Fincorp Limited. Consequently, the issued, subscribed and paid-up share capital has increased to Rs. 7781.84 Lakhs comprising of 7,78,18,356 equity shares of Rs. 10/- each.

**(e) Shares held by holding company :**

Particulars	No. of Shares	Rs. in lakhs
At 1 April 2022	5,93,48,840	5,934.88
Add: Issued during the year	-	-
At 31 March 2023	5,93,48,840	5,934.88
Add: Issued during the year	42,37,290	423.73
At 31 March, 2024	6,35,86,130	6,358.61

**(f) Shareholder's having more than 5% equity shareholding in the Company**

Particulars	As at 31 March, 2024		As at 31 March, 2023	
	No. of shares	% holding	No. of shares	% holding
Thomas John Muthoot	42,97,885	5.52	42,97,885	5.84
Thomas George Muthoot	42,97,890	5.52	42,97,890	5.84
Thomas Muthoot	42,97,890	5.52	42,97,890	5.84
Muthoot Fincorp Limited	6,35,86,130	81.71	5,93,48,840	80.66
<b>Total</b>	<b>7,64,79,795</b>	<b>98.27</b>	<b>7,22,42,505</b>	<b>98.18</b>

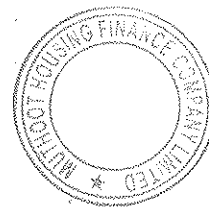
**(g) Shares held by promoters at the end of the financial year**

Particulars	No of shares held		% change during the year
	As at 31 March, 2024	As at 31 March, 2023	
Thomas John Muthoot	42,97,885	42,97,885	(0.32)
Thomas George Muthoot	42,97,890	42,97,890	(0.32)
Thomas Muthoot	42,97,890	42,97,890	(0.32)
Muthoot Fincorp Limited	6,35,86,130	5,93,48,840	1.05
<b>Total</b>	<b>7,64,79,795</b>	<b>7,22,42,505</b>	<b>0.09</b>

**19 Other equity:**

Particulars	As at 31 March, 2024	As at 31 March, 2023
Securities premium	11,370.90	9,294.63
Statutory reserve	3,318.56	2,618.56
Treasury Shares	(571.37)	(571.37)
Share options outstanding account	220.56	187.12
General reserve (Adjustment on consolidation of ESOP Trust)	(0.51)	(0.41)
Retained earnings	10,238.60	7,465.99
Other comprehensive income	(86.77)	(64.88)
<b>Total</b>	<b>24,489.97</b>	<b>18,929.64</b>

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(a) Movement in reserves:

Particulars	As at	
	31 March, 2024	31 March, 2023
<b>Securities premium</b>		
Opening balance	9,294.63	9,294.63
Add : Issuance of share capital during the year	2,076.27	-
<b>Closing balance</b>	<b>11,370.90</b>	<b>9,294.63</b>
<b>Statutory reserve</b>		
Opening balance	2,618.56	2,068.56
Add : Transfer from retained earnings (Refer note 46)	700.00	550.00
<b>Closing balance</b>	<b>3,318.56</b>	<b>2,618.56</b>
<b>Treasury Shares</b>		
Opening balance	(571.37)	(571.37)
Add : Addition during the year	-	-
<b>Closing balance</b>	<b>(571.37)</b>	<b>(571.37)</b>
<b>Share options outstanding account</b>		
Opening balance	187.12	174.05
Add : Addition during the year	33.44	13.07
<b>Closing balance</b>	<b>220.56</b>	<b>187.12</b>
<b>General reserve</b>		
Opening balance	(0.41)	(0.31)
Add : Addition during the year (Adjustment on consolidation of ESOP Trust)	(0.10)	(0.10)
<b>Closing balance</b>	<b>(0.51)</b>	<b>(0.41)</b>
<b>Retained earnings</b>		
Opening balance	7,465.99	5,427.66
Add : Net profit for the year	3,472.61	2,588.33
Less : Transfer to statutory reserve	(700.00)	(550.00)
<b>Closing balance</b>	<b>10,238.60</b>	<b>7,465.99</b>
<b>Other comprehensive income</b>		
Opening balance	(64.88)	(29.83)
Add : income for the year	(21.89)	(35.05)
<b>Closing balance</b>	<b>(86.77)</b>	<b>(64.88)</b>
<b>Closing balance of other equity</b>	<b>24,489.97</b>	<b>18,929.64</b>

(b) Nature and purpose of reserves

**Securities premium**

Securities premium represents premium received on issue of shares. The amount is utilised in accordance with the provisions of the Companies Act, 2013.

**Statutory reserve**

Statutory reserve is created in terms of Section 29C of the National Housing Bank Act, 1987 read with Section 36(1)(viii) of the Income Tax Act, 1961.

**Treasury Shares**

Treasury Shares represents Company's own equity shares held by Employee welfare trust.

**Share Options Outstanding Account**

The account is used to recognise the grant date value of options issued to employees under employee stock option plan and adjusted as and when such options are exercised or otherwise expire.

**Retained earnings**

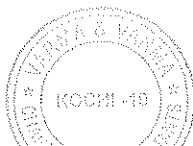
Retained earnings represents the amount of accumulated earnings of the Company.

**Effective portion of cash flow hedge**

Effective portion of cash flow hedges represents the cumulative gains/(losses) arising on changes in fair value of the derivative instruments designated as cash flow hedges through OCI. The amount recognized as effective portion of Cash flow hedge is reclassified to profit or loss when the hedged item affects profit or loss.

**Change in value of Forward Contract**

The company designates the spot element of foreign currency forward contracts as hedging instruments. The changes in the fair value of forward element of the forward contract on reporting date is deferred and retained in the cost of hedging reserve.



20 Interest income

Particulars	Year ended 31 March, 2024	Year ended 31 March, 2023
<b>On financial assets measured at amortised cost</b>		
Interest on loans	28,025.59	21,161.03
Interest on security deposit	12.53	10.90
Interest on deposits with bank	340.55	283.88
<b>Total</b>	<b>28,378.67</b>	<b>21,455.81</b>

21 Net gain on fair value changes

Particulars	Year ended 31 March, 2024	Year ended 31 March, 2023
<b>Net gain on financial assets at fair value through profit or loss</b>		
On trading portfolio		
- Investments	373.34	201.14
<b>Total net gain on fair value changes</b>	<b>373.34</b>	<b>201.14</b>
<b>Fair value changes</b>		
- Realised on investment	371.28	201.04
- Unrealised on investment	2.06	0.10
<b>Total</b>	<b>373.34</b>	<b>201.14</b>

22 Sale of services

Particulars	Year ended 31 March, 2024	Year ended 31 March, 2023
Income from marketing and other activities	0.32	0.68
<b>Total</b>	<b>0.32</b>	<b>0.68</b>

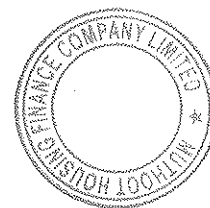
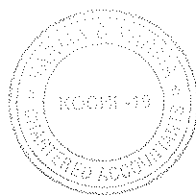
23 Other financial services

Particulars	Year ended 31 March, 2024	Year ended 31 March, 2023
Other financial services	520.49	510.00
<b>Total</b>	<b>520.49</b>	<b>510.00</b>

24 Finance costs

Particulars	Year ended 31 March, 2024	Year ended 31 March, 2023
<b>On financial liabilities measured at amortised cost</b>		
Interest on borrowings	13,792.31	11,016.71
Interest on debt securities	-	31.20
Interest on lease liabilities	45.16	43.54
Other interest expenses	2.42	-
<b>Total</b>	<b>13,839.89</b>	<b>11,091.45</b>

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25 Impairment on financial instruments

Particulars	Year ended 31 March, 2024	Year ended 31 March, 2023
<b>On financial assets measured at amortised cost</b>		
Impairment loss allowances on loans (Refer 25.1)	91.05	(1,348.83)
Write off (net of recoveries) (Refer Note 25.2)	37.34	1,108.91
<b>Total</b>	<b>128.39</b>	<b>(239.92)</b>

25.1 Previous year figure includes reversal of Expected Credit Loss provision carried in books in respect of stressed loan assets transferred to Asset Reconstruction Company.

25.2 The Company has made provision for Expected Credit Loss as per Ind AS 109 "Financial Instruments". Further, the Company has also prudently written off certain non-performing advances amounting to Rs. 37.34 lakhs (31 March 2023: Rs. 1,108.91 lakhs, which includes loss incurred on loan assets sold to Asset Reconstruction Company).

26 Employee benefits expenses

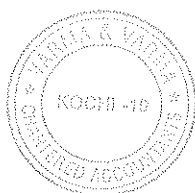
Particulars	Year ended 31 March, 2024	Year ended 31 March, 2023
Salaries and wages	6,819.50	4,898.70
Contribution to provident and other funds (refer note 34)	383.48	269.21
Gratuity and compensated absences (refer note 34)	98.68	82.77
Share based payment to employees	33.44	13.07
Staff welfare expenses	237.09	167.33
<b>Total</b>	<b>7,572.19</b>	<b>5,431.08</b>

The Code on Social Security, 2020 (the Code) has been enacted, which would impact contribution by the Company towards Provident Fund and Gratuity. The impact of changes if any arising on enactment of the Code will be assessed by the company after the effective date of the same and the rules thereunder are notified.

27 Depreciation, amortisation and impairment

Particulars	Year ended 31 March, 2024	Year ended 31 March, 2023
Depreciation on property, plant and equipment	210.91	118.34
Depreciation on right of use assets	163.27	130.75
Amortisation of intangible assets	35.23	40.88
<b>Total</b>	<b>409.41</b>	<b>289.97</b>

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28 Other expenses

Particulars	Year ended 31 March, 2024	Year ended 31 March, 2023
Rent, rates and taxes	322.61	281.15
Postage and telegram	55.53	39.11
Electricity and water charges	68.59	46.47
Travelling and conveyance expenses	473.23	265.77
Communication expenses	40.56	49.87
Printing and stationery	84.56	50.51
Bank charges	117.39	104.35
Advertisement and publicity	67.34	31.68
Office expenses	132.03	100.63
Software license and subscription charges	476.44	476.27
Legal and Professional charges	405.40	247.95
CSR expenses (Refer Note 28.1)	56.33	51.81
Auditor's fees and expenses (Refer Note 28.2)	19.50	16.70
Write off/Impairment on assets acquired	295.23	336.37
Loss on sale of fixed assets	1.15	0.14
Director's sitting fees	7.85	5.56
Miscellaneous expenses	28.89	10.85
<b>Total</b>	<b>2,652.63</b>	<b>2,115.19</b>

28.1 a) Details of CSR Expenditure:

Particulars	Year ended 31 March, 2024	Year ended 31 March, 2023
a)Gross amount required to be spent by the Company during the year	56.33	51.81
b)Amount approved by the board to be spent during the year	56.33	51.81
c)Amount spent during the year on		
i) Construction/Acquisition of any Asset		
- In cash	-	-
- Yet to be paid in cash	-	-
ii) On purposes other than i) above		
- In cash	56.33	51.81
- Yet to be paid in cash	-	-

28.1 b) Details of CSR Unspent Amount

Particulars	2023-24	2022-23
Opening Balance	25.04	25.04
Amount deposited in Specified Fund of Schedule VII	-	-
Amount required to be spent during the year	-	-
Amount spent during the year	-	-
<b>Closing balance (CSR Unspent Amount)</b>	<b>25.04</b>	<b>25.04</b>

CSR unspent amount relates to Financial Year 2021-22 which has been transferred to separate CSR Unspent Account. Shortfall was owing to amount not transferred to ongoing project as approval for construction over the acquired property was pending from the regulatory authorities.

28.1 c) Amounts Earmarked For Ongoing Projects

Particulars	2023-24		
	With Company	In Separate CSR account	Total
Opening balance	-	25.04	25.04
Amount required to be spent during the year	-	-	-
Transfer to separate CSR unspent A/c	-	-	-
Amount spent during the year	-	-	-
<b>Closing balance</b>	<b>-</b>	<b>25.04</b>	<b>25.04</b>



Particulars	2022-23		
	With Company	In Separate CSR account	Total
Opening balance	25.04	-	25.04
Amount required to be spent during the year	-	-	-
Transfer to separate CSR unspent A/c	(25.04)	25.04	-
Amount spent during the year	-	-	-
<b>Closing balance</b>	<b>-</b>	<b>25.04</b>	<b>25.04</b>

**Nature of CSR activities**

The Company has transferred Rs. 56.33 lakhs (31 March 2023 - Rs. 51.81 Lakhs) as CSR expenditure to Muthoor Pappachan Foundation, which in turn spent Rs 40.00 lakhs towards project named 'SMILE PLEASE' for providing free, compassionate, comprehensive care and safe surgeries to deserving kids and youngsters having congenital cleft lip or palate, Rs 16.33 lakhs was spent for Support for Sports Training in Residential Football Academy in Malappuram with kids in the age group of 10 to 17 years.

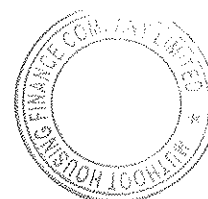
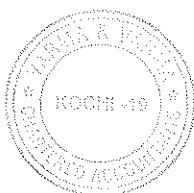
Details of related party transactions in relation to CSR expenditure is given in Note 42

## 25. Details of remuneration to auditors:

Particulars	Year ended 31 March, 2024	Year ended 31 March, 2023
<b>As auditor</b>		
Statutory audit fees	14.00	12.00
Tax audit fees	2.00	2.00
<b>For other services</b>		
Certification and other matters	2.00	2.00
<b>For reimbursement of expenses</b>		
Out of pocket expenses	1.50	0.70
<b>Total</b>	<b>19.50</b>	<b>16.70</b>

Above figures are exclusive of GST

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29 **Unsecured advances**

Company does not have any outstanding unsecured loans as at 31 March 2024 and 31 March 2023.

30 Pursuant to NHB's Circular No. 65/2014-15 dated 22 August 2014, the Company has created deferred tax liability on special reserve u/s 36(1)(viii) of the Income Tax Act 1961.

31 **Lease**

**Lease related disclosures**

The Company has leases for office premises. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right of use asset and a lease liability. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right of use assets. The Company classifies its right of use assets in a consistent manner to its property, plant and equipment.

Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublease the asset to another party, the right of use asset can only be used by the Company. Some leases contain an option to extend the lease for a further term.

**Lease payments not included in measurement of lease liability**

The expense relating to payments not included in the measurement of the lease liability is as follows:

Particulars	31 March 2024	31 March 2023
Short-term leases	-	-
Leases of low value assets	-	-
Variable lease payments	-	-

Total cash outflow for leases for the year ended 31 March 2024 is Rs. 200.36 lakhs and for the year ended 31 March 2023 is Rs. 160.48 lakhs.

The Company does not have any commitment for short-term leases as at 31 March 2024 and 31 March 2023.

There are no variable lease agreements.

**Information about extension and termination options as on 31 March 2024**

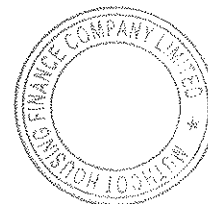
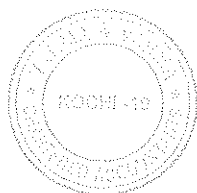
Right of use assets	Number of leases	Range of remaining term	Average remaining lease term	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Office premises	34	07 to 60 months	27 months	2	-	34

**Information about extension and termination options as on 31 March 2023**

Right of use assets	Number of leases	Range of remaining term	Average remaining lease term	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Office premises	12	07 to 72 months	39 months	2	-	12

The total future cash outflows as at 31 March 2024 for leases that had not yet commenced, is Nil (31 March 2023: Nil).

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**Movement in right of use assets and lease liabilities during the year**

Particulars	Right of use assets	Lease liabilities
Balance as at 1 April 2023	360.61	397.81
Addition during the year	314.88	314.88
Depreciation charged during the year	(163.27)	-
Interest on lease liabilities charged during the year	-	45.16
Actual Rent paid during the year	-	(200.36)
Other adjustment	-	0.01
<b>Balance as at 31 March 2024</b>	<b>512.22</b>	<b>557.50</b>

Particulars	Right of use assets	Lease liabilities
Balance as at 1 April 2022	378.85	402.24
Addition during the year	112.51	112.51
Depreciation charged during the year	(130.75)	-
Interest on lease liabilities charged during the year	-	43.54
Actual Rent paid during the year	-	(160.48)
<b>Balance as at 31 March 2023</b>	<b>360.61</b>	<b>397.81</b>

**Maturity of Lease Liabilities**

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments after the reporting period

Period	As at	As at
	31 March 2024	31 March 2023
Not later than one year	253.57	152.31
Later than one year but not later than three years	336.65	258.99
Later than three years but not later than five years	46.42	56.89
Later than five years	-	2.70
<b>Total</b>	<b>636.64</b>	<b>470.89</b>

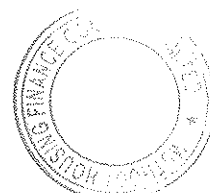
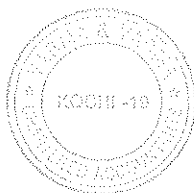
**Amounts recognised in Statement of Profit and Loss**

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest on lease liability	45.16	43.54
Depreciation on ROU asset	163.27	130.75
	<b>208.43</b>	<b>174.29</b>

**Amounts recognised in Cash Flow Statement**

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Total cash outflow for Right of Use assets	200.36	160.48

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## 32 Earnings per share

Basic and diluted Earnings Per Share(EPS) is calculated by dividing the profit attributable to equity share holders of the Company by weighted average of equity shares during the year.

Particulars	Year ended 31 March, 2024	Year ended 31 March, 2023
(a) Basic Earnings per share (in Rs.)	4.63	3.58
(b) Diluted earnings per share (in Rs.)	4.60	3.57
<b>(c) Reconciliation of earnings used in calculating EPS</b>		
<u>Basic EPS</u>		
Net Profit attributable to the equity share holders of the Company used in calculating basic earnings per share:	3,472.61	2,588.33
<u>Diluted EPS</u>		
Net Profit attributable to the equity share holders of the Company used in calculating diluted earnings per share:	3,472.61	2,588.33
<b>(d) Weighted average numbers of shares used in denominator</b>		
Weighted average number of equity shares (net of treasury shares) used as the denominator in calculating basic earnings per share (in numbers)	7,50,42,428	7,22,52,300
Diluted effect of outstanding stock options	3,92,746	2,94,830
Weighted average number of equity shares (net of treasury shares) used as the denominator in calculating diluted earnings per share (in numbers)	7,54,35,174	7,25,47,130

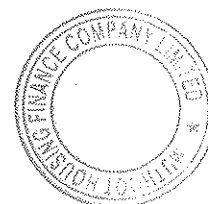
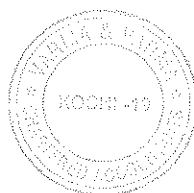
## 33 Reconciliation of tax charges

The tax charge shown in the Statement of Profit and Loss differs from the tax charge that would apply if all profits had been charged at India's corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the years ended 31 March 2024 and 31 March 2023 are as follows:

Particulars	Year ended 31 March, 2024	Year ended 31 March, 2023
Accounting profit before tax	4,670.31	3,479.86
Income tax @ 25.168% (31 March 2023: 25.168%)	1,175.42	875.81
CSR Expense	14.18	13.04
Others	8.10	2.68
<b>Income tax expenses</b>	<b>1,197.70</b>	<b>891.53</b>

The tax rate used for reconciliation above is the corporate tax rate of 25.168% ( 31 March, 2023 - 25.168%) payable on taxable profit under the Income Tax Act, 1961.

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34 Employee benefits:

a) Defined contribution plan

The Company has recognized the following amounts in the Statement of Profit and Loss:

Particulars	Year ended 31 March, 2024	Year ended 31 March, 2023
Employers contribution to Provident Fund	339.50	233.78
Employers contribution to Employee State Insurance Scheme	22.00	16.09
Employers contribution to National Pension Fund	21.98	19.34

b) Defined benefit plan

Gratuity

The Company has accounted liability in respect of gratuity obligation as on balance sheet date, as per the actuarial valuation required by IND AS 19 on 'Employee benefits'.

I. Assumptions

Particulars	2023-24	2022-23
Discount rate	7.14%	7.29%
Salary escalation	12.00%	12.00%
Attrition rate :		
- Category 1	For service 2 years and below - 49.00% p.a.	Salary bucket upto Rs 2 lakhs - 84%
- Category 2	For service 3 years to 4 years - 27.00% p.a.	Salary bucket above Rs 2 lakhs to Rs 4 lakhs - 49%
- Category 3	For service 5 years and above - 23.00% p.a.	Salary bucket of above Rs 4 lakhs - 31%
Mortality	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)

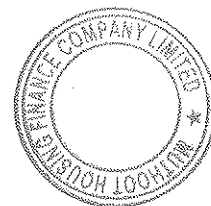
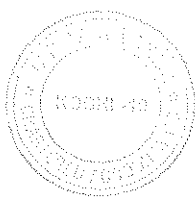
II. Table showing change in the present value of projected benefit obligation

Particulars	2023-24	2022-23
Present value of benefit obligation at the beginning of the current year	138.56	126.26
Interest cost	9.80	6.47
Current service cost	30.65	29.87
Actual payment made	(18.45)	(30.78)
Actuarial (gains)/ losses on obligations- Due to change in demographic assumptions	(0.88)	(5.70)
Actuarial (gains) / losses on obligations- Due to change in financial assumptions	12.11	(1.39)
Actuarial (gains) / losses on obligations- Due to experience	28.58	13.83
Present value of benefit obligation at the end of the current year	200.37	138.56

III. Amount recognised in balance sheet

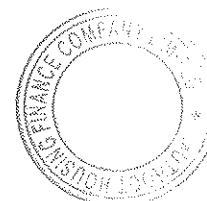
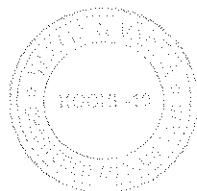
Particulars	2023-24	2022-23
Present value of benefit obligation at the end of the current year	200.37	138.56
Funded status - deficit	(200.37)	(138.56)
Net liability recognized in the balance sheet	(200.37)	(138.56)

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IV. Net interest cost for current year		
Particulars	2023-24	2022-23
Present value of benefit obligation at the beginning of the year	138.56	126.26
Net liability at the beginning	138.56	126.26
Interest cost	9.80	6.47
Net interest cost for current year	9.80	6.47
V. Expense recognised in the statement of profit and loss for current year		
Particulars	2023-24	2022-23
Current service cost	30.65	29.87
Net interest cost	9.80	6.47
Expenses recognized	40.45	36.34
VI. Expenses recognized in the other comprehensive income (OCI) for current year		
Particulars	2023-24	2022-23
Actuarial gain/(losses) on obligation for the year	(39.81)	(6.74)
Net expense for the year recognized in OCI	(39.81)	(6.74)
VII. Balance sheet reconciliation		
Particulars	2023-24	2022-23
Opening net liability	138.56	126.26
Expenses recognized in statement of profit and loss	40.45	36.34
Expenses recognized in OCI	39.81	6.74
Benefit paid directly by the employer	(18.45)	(30.78)
Net liability recognized in the balance sheet	200.37	138.56
VIII. Other details		
Particulars	2023-24	2022-23
No of active members	1,506	950
Weighted average duration of the projected benefit obligation (years)	5.00	4.00
Average expected future service (years)	2.00	1.00
Projected benefit obligation	200.37	138.56
Defined Benefit Obligation (DBO) - Due but Not Paid	2.85	4.07
IX. Net interest cost for the next year		
Particulars	2023-24	2022-23
Present value of benefit obligation at the end of the year	200.37	138.56
(Fair value of plan assets at the end of the year)	-	-
Net liability at the end of the period	200.37	138.56
Interest cost	14.10	9.80
(Interest income)	-	-
Net interest cost for next year	14.10	9.80

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## X. Expenses recognized in the statement of profit and loss for next year

Particulars	2023-24	2022-23
Current service cost	41.03	26.31
Net interest cost	14.10	9.80
Expenses recognized	55.13	36.11

## XI. Maturity analysis of the benefit payments: From the employer

Particulars	2023-24	2022-23
Projected benefits payable in future years from the date of reporting:	-	-
First following year	34.41	37.36
Second following year	31.10	27.55
Third following year	28.67	23.37
Fourth following year	26.79	18.88
Fifth following year	24.44	15.90
Sum of following six to ten years	80.02	36.56
Sum of following eleven years and above	52.83	10.98

## XII. Sensitivity Analysis

Particulars	2023-24	2022-23
Projected benefit obligation on current assumptions	200.37	138.56
Delta effect of +1% change in rate of discounting	(7.36)	(3.28)
Delta effect of -1% change in rate of discounting	8.01	3.50
Delta effect of +1% change in rate of salary increase	6.89	3.00
Delta effect of -1% change in rate of salary increase	(6.55)	(2.89)
Delta effect of +1% change in rate of employee turnover	(2.70)	(1.29)
Delta effect of -1% change in rate of employee turnover	2.88	1.35

## Qualitative Disclosures:

## A. Characteristics of defined benefit plan

The entity has a defined benefit gratuity plan in India (unfunded). The entity's defined benefit gratuity plan is a final salary plan for employees. Gratuity is paid from entity as and when it becomes due and is paid as per entity scheme for Gratuity.

## B. Risks associated with defined benefit plan

Gratuity is a defined benefit plan and entity is exposed to the following risks:

**Interest rate risk:** A fall in the discount rate which is linked to the Government Securities Rate will increase the present value of the liability requiring higher provision.

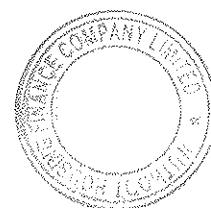
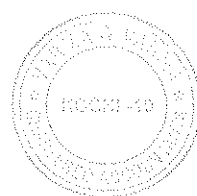
**Salary Risk:** The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

**Asset Liability Matching Risk:** The plan faces the ALM risk as to the matching cash flow. Entity has to manage pay-out based on pay as you go basis from own funds.

**Mortality risk:** Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

## C. Characteristics of defined benefit plans

During the year, there were no plan amendments, curtailments and settlements.



**c) Other long term benefits****Compensated absences**

The company provides compensated absences benefits to the employees which can be carried forward to the future years. The actuarial liability of compensated absences of privilege and sick leave of the employees of the Company and the amount recognised in the Statement of profit and loss for compensated absences are as under:

Particulars	2023-24	2022-23
Present value of benefit obligation at the end of the current year	123.37	93.98
Funded status - deficit	(123.37)	(93.98)
Net liability recognized in the balance sheet	(123.37)	(93.98)
Expense recognised in the statement of profit and loss for current year	58.22	45.76
Assumptions		
Discount Rate	7.14%	7.29%
Salary escalation	12.00%	12.00%

**35 Segment reporting**

The Company is engaged in single business segment of providing loans for purchase / construction of residential property and other mortgage loans. Accordingly, disclosures as per IND AS 108 "Operating segment" are not required.

**36 Share-Based Payments**

The Company has formulated and implemented MHP's Employee Stock Option Plan 2019 ("ESOP 2019") at its EGM held on 7th June 2019 which provides grants up to 13,28,766 (Thirteen Lakh Twenty Eight Thousand Seven Hundred and Sixty Six) employee stock options to the eligible employees of the Company, determined in terms of ESOP 2019, from time to time, in one or more tranches. In accordance with the ESOP 2019, each option on exercise would be eligible for one Equity Share on payment of the exercise price. As on 31 March, 2024, no options granted under ESOP Scheme 2019 have been exercised.

**GRANT 1**

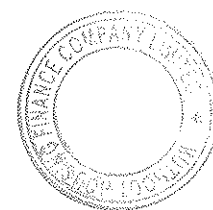
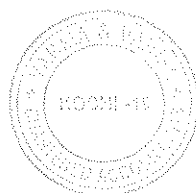
The Company had granted 11,54,380 options on 19 November 2019 at an exercise price of Rs. 43 per option representing 11,54,380 equity shares of Rs. 10 each to the employees of the Company to be settled in equity of the Company. The options would vest over a period of 1-4 years from the date of grant, but not later than 19 November 2023, depending upon options grantee completing continuous service with the Company. Accordingly, 2,07,345 options (31 March 2023 : 2,57,814 options) were vested during the year. In the current year, 35,500 options (Previous Year: 63,000 options) lapsed/surrendered. The options can be exercised over a period of 10 years from the date of grant.

**GRANT 2**

Under Grant 2 under ESOP Scheme 2019, the Company had granted 3,70,000 options on 01 September 2023 at an exercise price of Rs. 59 per option representing 3,70,000 equity shares of Rs. 10 each to the employees of the Company to be settled in equity of the Company. The options would vest over a period of 1-4 years from the date of grant, but not later than 01 September 2027, depending upon options grantee completing continuous service with the Company. During the current year, no options were vested.

**GRANT 3**

Under Grant 3 under ESOP Scheme 2019, the Company had granted 45,000 options on 06 February 2024 at an exercise price of Rs. 59 per option representing 45,000 equity shares of Rs. 10 each to the employees of the Company to be settled in equity of the Company. The options would vest over a period of 1-4 years from the date of grant, but not later than 06 February 2028, depending upon options grantee completing continuous service with the Company. During the current year, no options were vested.



36.1 Movement during the year in Options:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
No. of Shares :		
Outstanding at the beginning of the year	9,47,880	10,10,880
Granted during the year	4,15,000	-
Vested during the year	2,07,345	2,57,814
Exercised during the year	-	-
Lapsed during the year	35,500	63,000
Outstanding at the end of year	13,27,380	9,47,880
Unvested at the end of year	4,15,000	2,12,345
Exercisable at the end of year	9,12,380	7,35,535

36.2 Method used for accounting of share based payment plan:

The stock options granted to employees pursuant to the Company's Stock Options Schemes, are measured at the fair value of the options at the grant date using Black-Scholes model. The fair value of the options determined at grant date is recognised as employee compensation cost over the vesting period on straight line basis over the period of option, based on the number of grants expected to vest, with corresponding increase in equity.

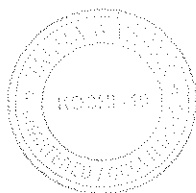
36.3 Fair Value Methodology :

The fair value of options have been estimated on the date of grant using Black-Scholes model as under :

Particulars	GRANT 1	GRANT 2	GRANT 3
Weighted average share price (in Rs.)	43.00	58.16	58.16
Exercise price (in Rs.)	43.00	59.00	59.00
Weighted average fair value of the option	20.47	31.19	31.18
Expected volatility of share price	34.74% to 35.15%	42.43% to 44.01%	42.07% to 44.24%
Expected option life (in years)	5.51 to 7.01 years	5.51 to 7.01 years	5.51 to 7.01 years
Expected growth in dividend (p.a.)	-	-	-
Risk free interest rate (p.a.)	6.28% to 6.52%	7.06% to 7.07%	7.01% to 7.02%

Volatility has been calculated based on the daily closing market price of comparable companies.

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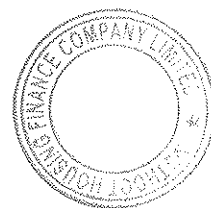
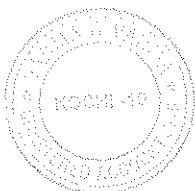


37 Changes in Liabilities Arising from Financing Activity

Particulars	As at 1 April 2023	Cash Flows(net)	Exchange Difference	Others	As at 31 March 2024
Debt Securities	-	-	-	-	-
Borrowings (Other than debt securities)	1,25,043.14	57,314.19	59.70	(356.34)	1,82,060.69
<b>Total Liabilities from financing activities</b>	<b>1,25,043.14</b>	<b>57,314.19</b>	<b>59.70</b>	<b>(356.34)</b>	<b>1,82,060.69</b>

Particulars	As at 1 April 2022	Cash Flows(net)	Exchange Difference	Others	As at 31 March 2023
Debt Securities	499.30	(499.30)	-	-	-
Borrowing (Other than debt securities)	1,13,323.31	11,805.73	(29.35)	(56.55)	1,25,043.14
<b>Total Liabilities from financing activities</b>	<b>1,13,822.61</b>	<b>11,306.43</b>	<b>(29.35)</b>	<b>(56.55)</b>	<b>1,25,043.14</b>

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**38.A Capital management**

The Company maintains an actively managed capital base to cover risks inherent in the business which includes issued equity capital, share premium and all other equity reserves attributable to equity holders of the Company.

As a Housing Finance Company, the NHB/RBI requires us to maintain a minimum capital to risk weighted assets ratio ("CRAR") consisting of Tier I and Tier II capital of 15% of our aggregate risk weighted assets. The capital management process of the Company ensures to maintain a healthy CRAR at all the times. (Refer note no. 45.1).

The primary objectives of the Company's capital management policy are to ensure that the Company complies with regulatory imposed capital requirements and maintains healthy capital ratios in order to support its business and to maximise shareholder value.

**38.B Risk management**

Principal financial liabilities of the Company comprises borrowings which finance the Company's operation. At the other end, principal financial assets comprises of loans and cash and cash equivalents that derive directly from it's operating and financing activities.

As a financial lending institution, Company is exposed to various risks which are related to lending business and operating environment. The principal objective in Company's risk management process is to measure and monitor the various risks that Company is subject to and follow policies and procedure to address such risks.

The Company has a risk management policy which covers risks associated with the financial assets and liabilities. The risk management policy is approved by the Board of Directors, Audit Committee and Risk Management Committee.

Company gives due importance to prudent lending practices and have implemented suitable measures for risk mitigation, which include verification of credit history from credit information bureaus, personal verification of a customer's business and residence, technical and legal verifications and conservative loan to value ratio. The Company encourages and facilitates its customers to cover their lives through insurance. The Company also stipulates the insurance for the property funded/ mortgaged. The major types of risk Company face in businesses are credit risk, market risk and liquidity risk.

**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 higher credit impaired loans/ non-performing assets. Company addresses credit risks by using a set of credit norms and policies, which are approved by Board of Directors. Company has implemented a structured and standardized credit approval process, including customer selection criteria, comprehensive credit risk assessment and cash flow analysis, which encompasses analysis of relevant quantitative and qualitative information to ascertain the credit worthiness of a potential customer. Asset quality are regularly monitored and analysed at various levels. Company has created a robust credit assessment and underwriting practice that enables to fairly price credit risks.

**Collateral Management****Narrative Description of Collateral**

Collateral primarily includes mortgage of property. The collateral is valued at the time of sanctioning the credit facility and loan-to-value (LTV) norms are applied as specified in the credit policies. Collateral is an important factor for credit risk mitigation, however, the Company while lending focuses more on the assessment of customer's ability to repay than placing more reliance on collateral. Depending on its form, collateral can have a significant financial effect in mitigating the Company's credit risk. For loan accounts classified as Stage III, collaterals are valued on annual basis.

The Company exercises its right of repossession across all secured products. It also resorts to invoking its right under the SARFAESI Act and other judicial remedies available against its mortgages lending business.

**Quantitative information of Collateral - Credit Impaired Assets**

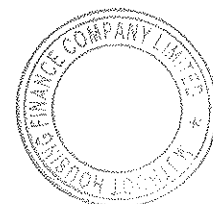
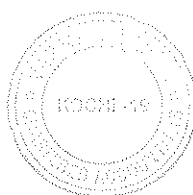
The following table sets forth, for the periods indicated, quantitative information of collaterals of credit impaired assets. (Principal outstanding before adjustment of ECL and EIR)

Loan to Value (LTV) range	Gross value of loan (Amount)	
	31 March 2024	31 March 2023
Less than 50%	747.25	548.01
51 to 70%	373.72	382.50
71 to 90%	334.26	255.61
91 to 100%	68.32	25.66
More than 100%	97.90	51.94
<b>Total</b>	<b>1,621.45</b>	<b>1,263.72</b>

**Maximum credit risk exposure**

The maximum exposure to credit risk of loans is their carrying amount without considering effect of mitigation through collateral recovery and credit enhancements.

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#### Expected Credit Loss Measurement

As per Ind AS 109, Financial Instruments, the Company calculates ECLs to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

Ind AS 109 outlines a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

1. A financial instrument that is not credit-impaired on initial recognition is classified in 'Stage I' and has its credit risk continuously monitored by the Company.
2. If a significant increase in credit risk ('SICR') since initial recognition is identified, the financial instrument is moved to 'Stage II' but is not yet deemed to be credit-impaired.
3. If the financial instrument is credit-impaired, the financial instrument is then moved to 'Stage III'.

The Company categorised its loans into Stage I, Stage II, Stage III as described below:

**Stage I:** When loans are first recognised, the Company recognises an allowance based on 12 month expected credit losses.(upto 30 days of default)

**Stage II:** When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the lifetime expected credit losses (ECL) (more than 30 days of default)

**Stage III:** Loans considered credit-impaired. The Company records an allowance for the lifetime expected credit losses (more than 90 days of default).  
Stage III includes Borrowers identified as Credit Impaired.

The key judgements and assumptions adopted by the Company in addressing the requirements of the standard are discussed below:

#### Significant Increase in Credit Risk (SICR)

The Company considers a financial instrument to have experienced a significant increase in credit risk when one or more of the following quantitative, qualitative or back-stop criteria have been met:

**a. Quantitative criteria:**

When days passed dues from the borrower is more than 30 days but less than 90 days

**b. Qualitative criteria:**

If the borrower meets one or more of the following criteria:

- In short-term forbearance
- Direct debit cancellation
- Extension to the terms granted

#### Default and credit-impaired assets

The Company defines a financial instrument as in default, which is fully aligned with the definition of credit impaired, when it meets one or more of the following criteria:

**a. Quantitative criteria:**

The borrower is more than 90 days past due on its contractual payments.

**b. Qualitative criteria:**

The borrower meets unlikelihood to pay criteria, which indicates the borrower is in significant financial difficulty. These are instances where:

- The borrower is in long-term forbearance
- The borrower is insolvent
- Concessions have been made by the lender relating to the borrower's financial difficulty
- It is becoming probable that the borrower will enter bankruptcy

The criteria above have been applied to all financial instruments held by the Company and are consistent with the definition of default used for internal credit risk management purposes. The default definition has been applied consistently to model the Probability of Default (PD), Exposure at Default (EAD) and Loss given Default (LGD) throughout the Company's expected loss calculations.

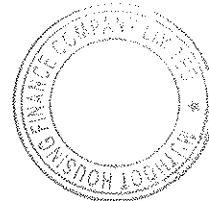
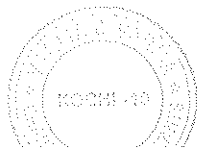
#### Measuring ECL - Explanation of inputs, assumptions and estimation techniques

The Expected Credit Loss (ECL) is measured on either a 12-month basis (12M) or Lifetime basis depending on whether a significant increase in credit risk has occurred since initial recognition or whether an asset is considered to be credit-impaired. Expected credit losses are the discounted product of the Probability of Default (PD), Exposure at Default (EAD), Loss Given Default (LGD) defined as follows:

The Probability of Default (PD) represents the likelihood of a borrower defaulting on its financial obligation (as per "Definition of default and credit-impaired" above), either over the next 12 month (12M PD), or over the remaining lifetime (Lifetime PD) of the obligation. The Company uses historical information where available to determine PD.

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation. To calculate the EAD for a Stage I loan, the Company assesses the possible default events within 12 months for the calculation of the 12 month ECL. For stage II, Stage III financial assets, the exposure at default is considered for events over the lifetime of the instruments.

Loss Given Default (LGD) represents the Company's expectation of the extent of loss on a defaulted exposure. LGD is ascertained using past trends of recoveries for each set of portfolios and discounted using a reasonable approximation of the original effective rates of interest. LGD varies by availability of collateral history of past losses. LGD is expressed as a percentage loss per unit of exposure at the time of default. LGD is calculated on a 12-month or lifetime basis, where 12-month LGD is the percentage of loss expected to be made if the default occurs in the next 12 months and lifetime LGD is the percentage of loss expected to be made if the default occurs over the remaining expected lifetime of the loan.



Movement of loan assets as on 31 March 2024

Particulars	Stage I	Stage II	Stage III	Total
Opening Balance	1,37,548.35	9,939.68	1,263.72	1,48,751.75
Transfer from/ (to) stage I (net)	-	1,126.95	308.54	1,435.49
Transfer from/ (to) stage II (net)	(1,126.95)	-	516.95	(610.00)
Transfer from/ (to) stage III (net)	(308.53)	(516.95)	-	(825.48)
New financial assets originated	77,962.67	433.33	6.81	78,402.81
Collection in normal course and de-recognised	(20,580.79)	(1,315.54)	(474.57)	(22,370.90)
<b>Closing Balance</b>	<b>1,93,494.75</b>	<b>9,667.47</b>	<b>1,621.45</b>	<b>2,04,783.67</b>

Movement of loan assets as on 31 March 2023

Particulars	Stage I	Stage II	Stage III	Total
Opening Balance	1,13,192.96	10,657.73	5,845.69	1,29,696.38
Transfer from/ (to) stage I (net)	-	1,156.03	48.89	1,204.92
Transfer from/ (to) stage II (net)	(1,156.03)	-	554.01	(602.02)
Transfer from/ (to) stage III (net)	(48.89)	(554.01)	-	(602.90)
New financial assets originated	43,316.58	67.35	22.36	43,406.29
Collection in normal course and de-recognised	(17,756.27)	(1,387.42)	(5,207.23) *	(24,350.92)
<b>Closing Balance</b>	<b>1,37,548.35</b>	<b>9,939.68</b>	<b>1,263.72</b>	<b>1,48,751.75</b>

\*Includes reversal of balance outstanding transferred to Asset Reconstruction Company amounting to Rs.5,592.94 lakhs

Movement of ECL provision as on 31 March 2024

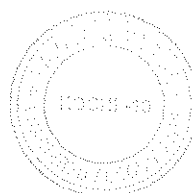
Particulars	Stage I	Stage II	Stage III	Total
Opening Balance	231.07	232.75	858.93	1,322.75
Transfer from/ (to) stage I (net)	-	(36.90)	(172.42)	(209.32)
Transfer from/ (to) stage II (net)	36.90	-	(37.37)	(0.47)
Transfer from/ (to) stage III (net)	172.41	37.37	-	209.78
New financial assets originated	60.35	27.22	2.78	90.35
Additional provision/ (reversal of) provision	(298.75)	38.48	567.61	307.34
Financial assets that have been de-recognised	(27.85)	(20.29)	(254.68)	(302.82)
<b>Closing Balance</b>	<b>174.13</b>	<b>278.63</b>	<b>964.85</b>	<b>1,417.61</b>

Movement of ECL provision as on 31 March 2023

Particulars	Stage I	Stage II	Stage III	Total
Opening Balance	411.11	440.94	1,820.37	2,672.42
Transfer from/ (to) stage I (net)	-	(53.14)	(169.45)	(222.59)
Transfer from/ (to) stage II (net)	53.14	-	(40.01)	13.13
Transfer from/ (to) stage III (net)	169.45	40.01	-	209.46
New financial assets originated	66.35	1.17	18.33	85.85
Additional provision/ (reversal of) provision	(420.26)	(162.53)	779.17	196.38
Financial assets that have been de-recognised	(48.72)	(35.70)	(1,549.48) *	(1,631.90)
<b>Closing Balance</b>	<b>231.07</b>	<b>232.75</b>	<b>858.93</b>	<b>1,322.75</b>

\*Includes reversal of impairment allowance relating to stressed loan assets transferred to Asset Reconstruction Company.

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**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, liquidity and other market changes. The Company is exposed to two types of market risk as follows:

**a) Interest risk**

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company is subject to interest rate risk, primarily since it lends to customers at floating rates and for maturity periods that may differ from funding sources. 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.

In short run, change in interest rate affects Company's earnings (measured by net interest income or net interest margin). It is essential for the Company to not only quantify the interest rate risk but also to manage it proactively. The Company mitigates its interest rate risk by keeping a balanced portfolio of fixed and variable rate loans and borrowings.

**Interest rate risk exposure**

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	31-Mar-24	31-Mar-23
Variable rate borrowings	1,80,937.49	1,22,976.83
Fixed rate borrowings	2,357.11	2,945.66
<b>Total borrowings</b>	<b>1,83,294.60</b>	<b>1,25,922.49</b>

**Net Exposure**

Particulars	31-Mar-24	31-Mar-23
Variable borrowings	1,80,937.49	1,22,976.83
Variable loan assets	(1,34,242.22)	(1,06,715.99)
<b>Net Exposure</b>	<b>46,695.27</b>	<b>16,260.84</b>

Excludes unamortised FTR and FCI impact on loans and unamortised FTR impact on borrowings

**Cash flow sensitivity analysis for variable-rate instruments**

A reasonably possible change of 25/50 basis points in interest rates at the reporting date would have increased/ (decreased) profit or loss before tax by the amounts shown below. This analysis assumes that all other variables, remain constant.

Particulars	Increase/(Decrease) in profit before tax for the year ended	
	31-Mar-24	31-Mar-23
Interest rate - increased by 25 bps	(116.74)	(40.65)
Interest rate - decreased by 25 bps	116.74	40.65
Interest rate - increased by 50 bps	(233.48)	(81.30)
Interest rate - decreased by 50 bps	233.48	81.30

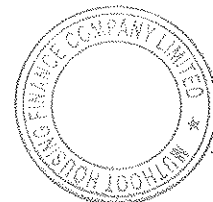
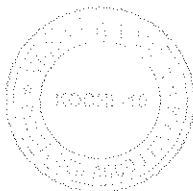
**b) Foreign currency risk**

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency risk for the Company arises majordy on account of foreign currency borrowings. The Company has hedged its foreign currency risk on its foreign currency borrowings as on 31 March 2024 by entering into forward contracts. The counterparties for such hedge transactions are banks. The Company's exposure on account of Foreign Currency Borrowings at the end of the reporting period are as follows:

Particulars	As at 31 March 2024		As at 31 March 2023	
	Amount in USD (lakhs)	Amount in Rs. (lakhs)	Amount in USD (lakhs)	Amount in Rs. (lakhs)
Foreign Currency Borrowings	197.06	16,435.56	304.83	25,069.28

Since the foreign currency exposure is completely hedged by equivalent derivative instrument, there will not be any significant impact on sensitivity analysis due to the possible change in the exchange rates where all other variables are held constant. On the date of maturity of the derivative instrument, the sensitivity of profit and loss to changes in the exchange rates will be Nil.

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**Liquidity Risk**

Liquidity risk is defined as the risk that the Company will encounter difficulty in meeting obligations. Liquidity risk arises due to the unavailability of adequate funds at an appropriate cost or tenure. The objective of liquidity risk management, is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company consistently generates sufficient cash flows from operating and financial activities to meet its financial obligations as and when they fall due. Company sources funds from multiple sources, including from banks, financial institutions and other lenders to maintain a healthy mix of sources. The Company is responsible for diversifying fund raising sources, managing interest rate risks and maintaining a strong relationship with banks, financial institutions and other lenders to ensure the liquidity risk is well addressed.

The maturity schedule for all financial liabilities and assets are regularly reviewed and monitored. Company has an asset liability management (ALM) policy and ALM Committee to review and monitor the liquidity risk and interest rate risk and ensure the compliance with the prescribed regulatory requirement. The ALM Policy prescribes the detailed guidelines for managing the liquidity risk. Refer Note no 49.2 for Asset Liability Management.

The Table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled considering contractual terms and expected repayment behaviours. The amount disclosed below does not include EIR/ECL adjustments as they are not sensitive to maturity patterns. For "Loans" maturities within one year (i.e. Current), Company has factored the prepayments - foreclosures based upon the past trends.

**Maturity pattern of assets and liabilities as on 31 March 2024**

Particulars	Upto 12 months	More than 12 months	Total
<b>Financial Assets</b>			
Cash and cash equivalents	18,266.12	-	18,266.12
Other bank balances	-	1,472.08	1,472.08
Loans*	23,393.14	1,81,390.53	2,04,783.67
Investments	1,702.06	2,139.85	3,841.91
Other financial assets	297.40	306.42	603.82
<b>Non-financial assets</b>			
Current tax assets	-	185.76	185.76
Deferred tax assets	-	490.37	490.37
Property, plant and equipment	-	582.95	582.95
Other intangible assets	-	11.67	11.67
Right of use assets	-	512.22	512.22
Assets held for sale	-	354.59	354.59
Other non-financial assets	220.41	336.29	556.70
<b>Total</b>	<b>43,879.13</b>	<b>1,87,782.73</b>	<b>2,31,661.86</b>

Particulars	Upto 12 months	More than 12 months	Total
<b>Financial Liabilities</b>			
Trade payables and other payables	941.05	-	941.05
Borrowings (Other than debt security)**	29,547.00	1,53,801.43	1,83,348.43
Lease liabilities	208.92	348.58	557.50
Other financial liabilities	11,428.77	3.84	11,432.61
Derivative financial instruments	8.47	-	8.47
<b>Non-financial liabilities</b>			
Provisions	98.70	267.42	366.12
Other non-financial liabilities	162.35	-	162.35
<b>Total</b>	<b>42,395.26</b>	<b>1,54,421.27</b>	<b>1,96,816.53</b>

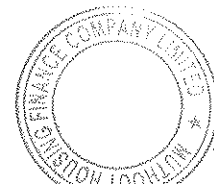
**Maturity pattern of assets and liabilities as on 31 March 2023**

Particulars	Upto 12 months	More than 12 months	Total
<b>Financial Assets</b>			
Cash and cash equivalent	6,916.12	-	6,916.12
Other bank balance	1,596.08	106.03	1,696.11
Loans*	20,476.31	1,28,275.44	1,48,751.75
Investments	650.10	2,666.57	3,316.67
Other financial assets	259.32	340.78	600.10
<b>Non-financial assets</b>			
Current tax assets	-	75.22	75.22
Deferred tax assets	-	555.44	555.44
Property, plant and equipment	-	339.42	339.42
Other intangible assets	-	40.91	40.91
Right of use assets	-	360.61	360.61
Assets held for sale	-	819.46	819.46
Other non-financial assets	377.53	-	377.53
<b>Total</b>	<b>30,269.46</b>	<b>1,33,579.88</b>	<b>1,63,849.34</b>

Particulars	Upto 12 months	More than 12 months	Total
<b>Financial Liabilities</b>			
Trade payables	868.37	-	868.37
Borrowings (Other than debt security)**	23,930.88	1,02,063.85	1,25,994.73
Lease liabilities	118.28	279.53	397.81
Other financial liabilities	7,197.18	17.55	7,214.73
Derivative financial instruments	89.19	-	89.19
<b>Non-financial liabilities</b>			
Provisions	62.40	212.52	274.92
Other non-financial liabilities	102.44	-	102.44
<b>Total</b>	<b>32,368.74</b>	<b>1,02,573.45</b>	<b>1,34,942.19</b>

\*excludes unamortised EIR and ECL impact

\*\*excludes unamortised EIR impact



Muthoot Housing Finance Company Limited

Notes to financial statements for the period ended 31 March, 2024

(All amounts are in INR Lakhs, unless otherwise stated)

38.1 Public Disclosure on Liquidity Risk as on 31 March, 2024

Pursuant to RBI guidelines on Liquidity Risk Management Framework for Non-Banking Financial Companies dated 4 November, 2019 and 22 October, 2020

(i) Funding Concentration based on significant counterparty\*

Number of Significant Counterparties	Amount (Rs. lakhs)	% of Total Deposits	% of Total Liabilities
16	1,79,525.22	Nil	91.82%

Significant Counterparties is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the total liabilities.

(ii) Top 20 large deposits (amount in Rs. lakhs and % of total deposits) – Not Applicable

(iii) Top 10 borrowings\*

Sr. No.	Particulars	Amount (Rs. lakhs)
1	Amount (Rs. in lakhs)	1,58,149.65
2	% of Total Borrowing	86.28%

(iv) Funding Concentration based on significant instrument / product \*

Sr. No.	Name of the instrument/product	Amount (Rs. lakhs)	% of Total Liabilities
1	Bank Loans	1,40,137.91	71.67%
2	NHB Refinance	27,193.20	13.91%
3	NBFC/IF Loans	15,963.50	8.16%

\* excluding interest accrued

A "significant instrument/product" is defined as a single instrument/product of group of similar instruments or products which in aggregate amount to more than 1% of the total liabilities.

(v) Stock Ratios

Particulars	As a % of total public funds	As a % of total liabilities	As a % of total assets
Commercial Paper	Nil	Nil	Nil
Non-convertible debentures (original maturity of less than one year)	Nil	Nil	Nil
Other short-term liabilities**	6.84%	6.41%	5.50%

\*\*Other short-term liabilities includes short term borrowings (original maturity within 1 year other than CP/1 year NCDs), cash credit limits/WCDL, creditors and trade payables, statutory payable, expenses payable, employee benefit expenses (current) and book overdraft if any.

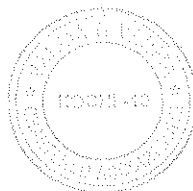
(vi) Institutional set-up for Liquidity Risk Management

The Liquidity Risk Management of the Company is governed by the Liquidity Risk Management Framework, Asset Liability Management (ALM) and Risk Management Policy approved by the Board of Directors. The Board of Directors of the Company has an overall responsibility and oversight for the management of all the risks, including liquidity risk, to which the Company is exposed to in the course of conducting its business. The Board of Directors of the Company has constituted the Asset Liability Management Committee and the Risk Management Committee. The Asset Liability Management Committee, inter alia, reviews the asset liability profile, liquidity risk management, funding and capital planning and preparation of contingency plans. Further, the Risk Management Committee, inter alia, monitors and measures the risk profile of the Company and oversees the integrated risk management system of the Company.

The Asset Liability Management Committee consisting of the company's senior management is responsible for ensuring adherence to the limits set by the Board as well as for implementing the liquidity risk management strategy.

Management regularly monitors the position of cash and cash equivalents. Assessment of maturity profiles of financial assets and financial liabilities including debt financing plans, maintenance of balance sheet liquidity and investment of surplus funds is considered while reviewing the liquidity position.

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39 Fair value measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

Fair value of financial assets 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 carried at fair value in the financial statements. This table does not include the fair values of non-financial assets and non-financial liabilities.

Financial assets and financial liabilities

Particulars	Level	Carrying amount as at		Fair value as at	
		31 March, 2024	31 March, 2023	31 March, 2024	31 March, 2023
<b>Financial assets</b>					
<b>Measured at fair value through profit or loss/ Other Comprehensive Income</b>					
Investments	1/3	3,841.91	3,316.67	3,841.91	3,316.67
Derivative financial instruments (Liability)	2	(8.47)	(89.19)	(8.47)	(89.19)
<b>Total</b>		<b>3,833.44</b>	<b>3,227.48</b>	<b>3,833.44</b>	<b>3,227.48</b>
<b>Financial assets</b>					
<b>Measured at amortised cost</b>					
Cash and cash equivalent	1	18,266.12	6,916.12	18,266.12	6,916.12
Bank balance other than cash and cash equivalents	1	1,472.08	1,696.11	1,472.08	1,696.11
Loans	3	2,00,922.41	1,45,180.76	2,00,922.41	1,45,180.76
Other financial assets	3	603.82	603.10	603.82	603.10
<b>Total</b>		<b>2,21,264.43</b>	<b>1,54,393.09</b>	<b>2,21,264.43</b>	<b>1,54,393.09</b>
<b>Financial Liabilities</b>					
<b>Measured at amortised cost</b>					
Trade and other payables	3	941.05	868.57	941.05	868.57
Borrowings (Other than debt securities)	3	1,82,060.69	1,25,043.14	1,82,060.69	1,25,043.14
Lease liabilities	3	557.50	397.81	557.50	397.81
Other financial liabilities	3	11,432.61	7,214.73	11,432.61	7,214.73
<b>Total</b>		<b>1,94,991.85</b>	<b>1,33,524.05</b>	<b>1,94,991.85</b>	<b>1,33,524.05</b>

Financial assets and financial liabilities measured at fair value

Particulars	As at 31 March 2024		
	Level 1	Level 2	Level 3
<b>Financial assets</b>			
<b>Measured at fair value through profit or loss/ Other Comprehensive Income</b>			
Investments in Security Receipts	-	-	2,135.35
Investments in Mutual Funds	1,702.06	-	-
Investments in Corporate	-	-	4.50
Derivative financial instruments (Liability)	-	(8.47)	-
<b>Total</b>	<b>1,702.06</b>	<b>(8.47)</b>	<b>2,139.85</b>

Particulars	As at 31 March 2023		
	Level 1	Level 2	Level 3
<b>Financial assets</b>			
<b>Measured at fair value through profit or loss/ Other Comprehensive Income</b>			
Investments in Security Receipts	-	-	2,662.07
Investments in Mutual Funds	650.10	-	-
Investments in Corporate	-	-	4.50
Derivative financial instruments (Liability)	-	(89.19)	-
<b>Total</b>	<b>650.10</b>	<b>(89.19)</b>	<b>2,666.57</b>

Fair value technique

Investment at fair value through profit or loss

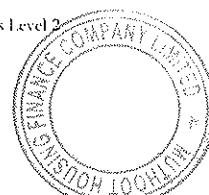
Investments in Security receipts (SRs) are classified as Financial Assets measured at FVTPL, as stated in Note No.6. Net Asset Value is as certified by the issuer of Security Receipts. The fair valuation technique in this regard is classified under Level 3. The disclosure of the sensitivity of the fair value measurement to changes in unobservable inputs is not considered relevant.

The following tables show the reconciliation of the opening and closing amounts of Level 3 financial assets measured at fair value:

Particulars	As at 31 March, 2024	As at 31 March, 2023
<b>Investments in Security Receipts</b>		
Fair value at the beginning of the year	2,662.07	-
Purchase/ (Recoveries)	(526.72)	2,662.07
Transfers into Level 3	-	-
Transfers from Level 3	-	-
Net Fair Value Change	(526.72)	-
Other Comprehensive Income	-	-
<b>Fair value at end of the year</b>	<b>2,135.35</b>	<b>2,662.07</b>

Measured at FVOCI

For Derivative Financial Instruments (asset /liabilities) at FVOCI, valuation is done using closing rate determined by the bank and is classified as Level 2



Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above table.

**Short-term financial assets and financial 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, bank balances other than cash and cash equivalents, trade and other payables etc.

**Loans to customers**

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

**Borrowings from lenders**

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.

**Security deposits (Other financial assets)**

The fair value of security deposits are estimated on present value technique that takes in to account the future cash flow that market participant would expect to receive from holding the financial assets.

To provide indication about the reliability of the inputs used in determining fair value, the Company has classified the financial instruments into three levels prescribed under the IND AS. An explanation of each level is as follows:

**Level 1:** It includes financial instruments using quoted price.

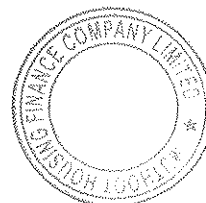
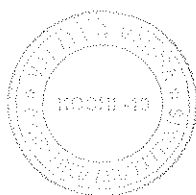
**Level 2:** It includes financial instruments which are not traded in active market is determined using valuation techniques with maximise the use of observable market data and rely as little as possible on entity specific estimates

**Level 3:** If one or more of the significant inputs is not based on the observable market data, the instrument is included in level 3 hierarchy.

There is no transfers between the levels

For certain unquoted equity instruments, recent information is insufficient to measure fair value and cost, represents the best estimate of fair value. These investments in equity instruments are not held for trading

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## 40 Transfer of financial assets

## Assignment deals:

During the year ended 31 March 2020, the Company sold a portion of its loan portfolio measured at amortised cost, as a source of finance. As per the terms of the deals, since substantial risk and rewards related to these assets is transferred to the buyer, the assets were derecognised from the Company's balance sheet.

Based on the Company's future business plan, the business model continues to hold its loans for collecting contractual cash flows.

The table below summarises the carrying amount of the derecognised financial assets measured at amortised cost and the gain on derecognition.

Loans measured at amortised cost	As at 31 March, 2024	As at 31 March, 2023
Carrying amount of derecognised loans	2,641.17	3,699.92
Net gain on derecognition of loans	-	-

## 41 Revenue from contracts with customers

Set out below is the revenue from contracts with customers and reconciliation to Statement of Profit and Loss

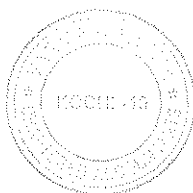
Particulars	Year ended 31 March, 2024	Year ended 31 March, 2023
<b>Type of service</b>		
Income from marketing and other activities	0.32	0.68
<b>Total revenue from contract with customers</b>	<b>0.32</b>	<b>0.68</b>
<b>Geographical markets</b>		
India	0.32	0.68
Outside India	-	-
<b>Total revenue from contract with customers</b>	<b>0.32</b>	<b>0.68</b>
<b>Timing of revenue recognition</b>		
Services transferred at a point in time	0.32	0.68
Services transferred over time	-	-
<b>Total revenue from contracts with customers as per Note No. 22 to Statement of Profit and Loss</b>	<b>0.32</b>	<b>0.68</b>

**Contract balance**

Particulars	As at 31 March, 2024	As at 31 March, 2023
Trade receivables	0.03	-
Contract assets	-	-

Company does not have any contract assets or liability, and hence related disclosures are presented.

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42.1 List of Related Party

- 1) Holding Company: Muthoot FinCorp Limited
- 2) Fellow Subsidiary:
  - i. Muthoot Pappachan Technologies Limited
  - ii. Muthoot Mysuru Limited
- 3) Key Managerial Personnel (KMP):
  - i. Thomas Muthoot - Managing Director
  - ii. Pavan K. Gupta - Chief Executive Officer
  - iii. Yogesh Laloo - Chief Financial Officer (w.e.f 15 February 2023)
  - iv. S. Suresh - Company Secretary
  - v. Thomas George Muthoot - Director
  - vi. Thomas John Muthoot - Director
  - vii. Santanu Mukherjee - Independent Director
  - viii. V Ranganathan - Independent Director (upto 20 June 2023)
  - ix. Suresh Mahalingam - Independent Director (w.e.f 20 June 2023)
  - x. Vikas Srivastava - Chief Financial Officer (upto 20 October 2022)
  - xi. Vasudev Ramaswami - Non Executive Director (upto 11 February 2023)
- 4) Enterprises over which KMP are able to exercise control or having significant influence:
  - i. Muthoot Capital Services Limited
  - ii. Muthoot Pappachan Foundation
  - iii. Muthoot Pappachan Clubs India Private Limited
  - iv. Thinking Machine Media Private Limited
  - v. MPG Hotels and Infrastructure Ventures Private Limited
  - vi. Muthoot Automobile Solutions Private Limited
  - vii. Mangosa Agri Ventures and Hospitals Private Limited
  - viii. Muthoot Risk Insurance and Broking Services Private Limited
  - ix. Muthoot Automobile (India) Private Limited
  - x. Muthoot Equities Limited
  - xi. Muthoot Motors Private Limited
  - xii. Muthoot Pappachan Medicare Private Limited
  - xiii. Muthoot Pappachan Centre of Excellence in Sports
  - xiv. Muthoot Care Enterprise
  - xv. Muthoot Estate Investments
  - xvi. Muthoot Finance Company
  - xvii. Muthoot Insurance Services
  - xviii. Muthoot Motors (Leasing)
  - xix. Muthoot Bankers, Ernakulam
  - xx. MPG Automobiles LLP
  - xxi. Muthoot Holdings Private Limited
  - xxii. Muthoot Bankers, Trivandrum
  - xxiii. Speckle Internet Solutions Private Limited
  - xxiv. Muthoot APT Ceramics Limited
  - xxv. Mangosa Agri Ventures and Hospitals Private Limited
- 5) Relatives of KMP (with whom there were transactions during the year/previous year): None

42.2 Transactions carried out with the Related Parties in (42.1 above), in ordinary course of business

Nature	Name of Related Party	Year ended 31 March 2024	Year ended 31 March 2023
Rent and amenities expenses	Muthoot FinCorp Limited	161.52	145.14
Business sourcing expenses paid	Muthoot FinCorp Limited	27.66	18.79
Software licence, fees and server usage charges paid	Muthoot Pappachan Technologies Limited	29.60	38.33
Business sourcing income received	Muthoot FinCorp Limited	0.57	0.68
Traveling expenses incurred on our behalf	Muthoot FinCorp Limited	43.05	24.18
Security deposits for rented premises paid	Muthoot FinCorp Limited	-	0.91
Refrund of security deposits paid for rented premises	Muthoot FinCorp Limited	0.65	1.68
Rent of houses	Muthoot Pappachan Clubs India Private Limited	3.75	2.99
CSR Expenses	Muthoot Pappachan Foundation	56.33	51.81
Personal guarantee extended on behalf of Muthoot Housing Finance Company Limited for borrowings	Thomas Muthoot Thomas John Muthoot	51,300	36,500
	Santanu Mukherjee	3.69	1.56
	Vasudev Ramaswami	-	1.64
	V Ranganathan	1.10	1.56
	Suresh Mahalingam	2.50	-
Remuneration paid	Pavan K. Gupta	288.57	263.23
	Vikas Srivastava	-	65.20
	Yogesh Laloo	77.33	9.69
	S. Suresh	15.39	13.15
Dividend from issue of equity shares	Muthoot FinCorp Limited	423.73	-
Counter Guarantee	Muthoot FinCorp Limited	50.00	-

Balance at the end of year

Nature	Name of Related Party	As at 31 March 2024	As at 31 March 2023
Outstanding personal guarantee extended on behalf of Muthoot Housing Finance Company Limited for borrowings (Refer Note 4)	Thomas Muthoot Thomas John Muthoot	1,52,527.43	1,16,891.02
	Thomas George Muthoot	-	-
Advance to creditors	Muthoot Pappachan Clubs India Private Limited	0.22	0.22
Trade Payable	Muthoot FinCorp Limited	38.49	20.02
Trade Receivable	Muthoot FinCorp Limited	0.03	-
Security deposit given	Muthoot FinCorp Limited	37.42	38.68
Security deposit received	Muthoot Pappachan Clubs India Private Limited	1.44	1.44
Investments in equity instruments	Thinking Machine Media Private Limited	4.30	4.30
Counter Guarantee	Muthoot FinCorp Limited	50.00	-

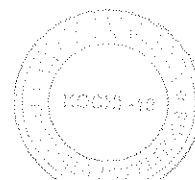
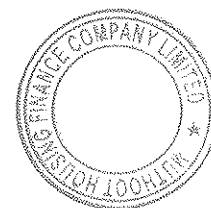
Employee Stock options outstanding as at the end of the year ( Vested & Non Vested)\*

Key Managerial Personnel	31st March 2024	31st March 2023
Pavan K. Gupta	Grant 1 - 6,64,380 Options	Grant 1 - 6,64,380 Options
Vikas Srivastava	Grant 1 - 3,750 Options	Grant 1 - 33,750 Options
Yogesh Laloo	Grant 2 - 50,000 Options	Nil
S. Suresh	Grant 1 - 10,000 Options and Grant 2 - 5000 Options	Grant 1 - 10,000 Options

\* No Employee Stock Options exercised by the KMPs as at the end of the year (Previous Year: Nil)

Notes:

- i. Remuneration to KMP does not include benefits available under gratuity and accrued compensated absences.
- ii. The above amounts are inclusive of GST wherever applicable.
- iii. Outstanding personal guarantee extended on behalf of Muthoot Housing Finance Company Limited for borrowings represents loan outstanding as at year end. Sanction amount outstanding against respective borrowings as at year end amounts to Rs. 2,19,050 Lakhs (31 March, 2023: Rs. 1,89,550 Lakhs)
- iv. During the year ended 31 March 2023, the company has paid gratuity and leave encashment amounting to Rs. 15.09 Lakhs to Mr. Vikas Srivastava.

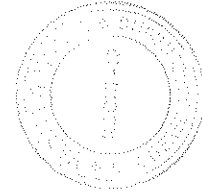
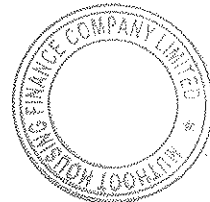


**Muthoot Housing Finance Company Limited**  
Notes to financial statements for the year ended 31 March, 2024  
(All amounts are in INR Lakhs, unless otherwise stated)

**42.3 Disclosure on Related Party Transactions as per the RBI notification no. RBI /2022-23/26DOR.ACC.REC. No.20/21.04.018/2022-23 on Disclosure requirements under Scale Based Regulation for NBFCs dated April 19, 2022**

Particulars	Holding Company		Fellow Subsidiary		Key Managerial Personnel (KMP)		Enterprises over which KMP are able to exercise or having significant influence		Relatives of KMP (with whom there were transactions during the year/previous year)		Total	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023
<b>Transactions during the year</b>												
Rent and amenities expenses	161.52	145.14	-	-	-	-	-	-	-	-	161.52	145.14
Business sourcing expenses paid	27.66	18.79	-	-	-	-	-	-	-	-	27.66	18.79
Software licence fees and server usage charges paid	-	-	29.69	58.53	-	-	-	-	-	-	-	-
Business sourcing income received	0.37	0.68	-	-	-	-	-	-	-	-	29.69	58.53
Travelling expenses incurred on our behalf	43.05	24.18	-	-	-	-	-	-	-	-	0.37	0.68
Security deposits for rented premises paid	-	0.91	-	-	-	-	-	-	-	-	43.05	24.18
Refund of security deposits paid for rented premises	0.65	1.88	-	-	-	-	-	-	-	-	-	0.91
Security deposits for rented premises received	-	-	-	-	-	-	-	-	-	-	0.65	1.88
Rental Income	-	-	-	-	-	-	3.75	2.99	-	-	-	-
CSR Expenses	-	-	-	-	-	-	56.33	51.81	-	-	3.75	2.99
Personal guarantee extended on behalf of Muthoot Housing Finance Company Limited for borrowings	-	-	-	-	-	-	51,500.00	36,500.00	-	-	56.33	51.81
Sitting fees to directors	-	-	-	-	-	-	7.20	5.56	-	-	51,500.00	36,500.00
Counter Guarantee	50.00	-	-	-	-	-	-	-	-	-	7.20	5.56
Remuneration paid	-	-	-	-	-	-	381.20	351.29	-	-	50.00	-
	-	-	-	-	-	-	-	-	-	-	381.20	351.29

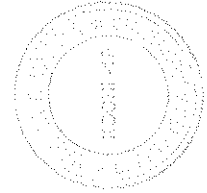
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Muthoot Housing Finance Company Limited  
Notes to financial statements for the year ended 31 March, 2024  
(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Holding Company		Fellow Subsidiary		Key Managerial Personnel (KMP)		Enterprises over which KMP are able to exercise or having significant influence				Relatives of KMP (with whom there were transactions during the year/previous year)		Total		
	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024
<b>Balance at the end of year</b>															
Outstanding personal guarantee extended on behalf of Muthoot Housing Finance Company Limited for borrowings	-	-	-	-	1,52,527.43	1,18,801.02	-	-	-	-	-	-	-	1,52,527.43	1,18,801.02
Advance to creditors	-	-	-	-	-	-	0.29	0.27	-	-	-	-	-	0.29	0.27
Trade Payable	38.49	20.02	-	-	-	-	-	-	-	-	-	-	-	38.49	20.02
Trade Receivable	0.03	-	-	-	-	-	-	-	-	-	-	-	-	0.03	-
Security deposit given	37.42	38.08	-	-	-	-	-	-	-	-	-	-	-	37.42	38.08
Counter Guarantee	50.00	-	-	-	-	-	-	-	-	-	-	-	-	50.00	-
Security deposit received	-	-	-	-	-	-	1.44	1.44	-	-	-	-	-	1.44	1.44
Investments in equity instruments	-	-	-	-	-	-	4.50	4.50	-	-	-	-	-	4.50	4.50
<b>Maximum outstanding during the year</b>															
Outstanding personal guarantee extended on behalf of Muthoot Housing Finance Company Limited for borrowings	-	-	-	-	1,52,527.43	1,18,801.02	-	-	-	-	-	-	-	1,52,527.43	1,18,801.02
Advance to creditors	-	-	2.36	2.16	-	-	0.57	0.27	-	-	-	-	-	2.93	2.43
Trade Payable	38.54	21.26	-	-	-	-	-	-	-	-	-	-	-	38.54	21.26
Trade Receivable	0.14	0.14	-	-	-	-	-	-	-	-	-	-	-	0.14	0.14
Security deposit given	38.08	39.31	-	-	-	-	-	-	-	-	-	-	-	38.08	39.31
Security deposit received	-	-	-	-	-	-	1.44	1.44	-	-	-	-	-	1.44	1.44
Investments in equity instruments	-	-	-	-	-	-	4.50	4.50	-	-	-	-	-	4.50	4.50

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- 43 The Company uses accounting software for maintaining its books of account which have a feature of audit trail (edit log) facility at the application level for each change made in the books of account along with date of such changes made. This feature of audit trail (edit log) facility was operated throughout the year for all the transactions recorded in such software.

The database of the accounting software used by the Company are operated by the third-party software service providers and direct access to the database of all accounting software is available only to database administrators and there are appropriate controls to prevent any unauthorised modifications.

- 44 Pursuant to Master Direction of Reserve Bank of India ref. RBI/2020-21/73 - DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 dated February 17, 2021, the Company has followed the extant provisions of Housing Finance Company (Reserve Bank) Directions, 2021 including Implementation of Indian Accounting Standards and Disclosure requirement under circular Ref. RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20\*.

- 45 1) Capital To Risk Asset Ratio (CRAR):

Items	Year ended 31 March 2024	Year ended 31 March 2023
CRAR (%)	25.32%	31.23%
CRAR - Tier I capital (%)	23.19%	30.94%
CRAR - Tier II Capital (%)	0.13%	0.28%
Amount of subordinate debts raised as Tier- II capital	-	-
Amount raised by issue of perpetual debt instrument	-	-

2) Liquidity Coverage Ratio :

The guidelines on liquidity coverage ratio as per Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 is not applicable to the Company and hence it has not been disclosed.

a) Disclosure in terms of RBI Master Direction- Non Banking Finance Company - Housing Finance Company (Reserve Bank) Directions 2021 dated February 17, 2021 as updated

The RBI vide its circular number RBI/2020-21/60/DOR.NBFC.HFC.CC.NO.118/03.10.136/2020-21 dated October 22, 2020 defined the principal business criteria for HFCs.

Principal Business Criteria for the Company registered as Housing Finance Company as per Paragraph 4.1.17 of the Master Direction is given below

Criteria	% As at 31 March 2024	% As at 31 March 2023
Assets towards housing finance*	1,39,781.37	1,11,618.17
Total Assets (netted off Intangible Assets and Deferred Tax Assets)	2,27,298.56	1,59,682.00
% of total assets towards housing finance	61.50%	69.90%
% of total assets towards housing finance for individuals	61.50%	69.90%

\*Assets towards housing finance represents the principal portion of housing loans to individuals (excluding insurance)

4) Details of Crypto or Virtual Currency

The Company has not traded or invested in crypto currency or virtual currency during the financial years ended 31 March, 2024 and 31 March, 2023.

5) Undisclosed Income

For the year ended 31 March, 2024 and 31 March, 2023, there are no instances of transactions not recorded in the books of account, which have been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

6) Willful Defaulter

The Company has not been declared willful defaulter by any bank or financial institution or other lender during the financial year ended 31 March, 2024 and 31 March, 2023.

7) Relationship with Struck off Companies

The Company has not undertaken any transactions with companies struck off under section 248 of Companies Act, 2013 or section 560 of the Companies Act, 1956 during the financial years ended 31 March, 2024 and 31 March, 2023.

8) Registration of charges or satisfaction with Registrar of Companies (ROC)

There is no charge form filed beyond the statutory period during the financial years ended 31 March, 2024 and 31 March, 2023.

9) Whistle Blower Complaints

There were no whistle blower complaints received by the Company during the financial years ended 31 March, 2024 and 31 March, 2023.

10) Discontinued operations

The company had no discontinuing operations during the financial years ended 31 March, 2024 and 31 March, 2023.

11) Compliance with number of layers of companies

The company is in compliance with number of layers of companies, as prescribed under clause (87) of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 for the financial years ended 31 March, 2024 and 31 March, 2023.

12) Compliance with approved scheme(s) of Arrangements

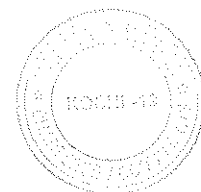
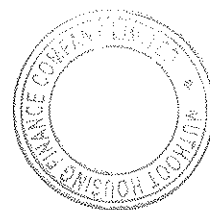
During the year, no scheme of arrangements in relation to the company has been approved by the competent authority in terms of Sections 230 to 237 of the Companies Act 2013. Accordingly, aforesaid disclosure are not applicable since there was no such transaction.

13) Corporate Governance report containing composition and category of directors, shareholding of Non-Executive directors etc.

The corporate governance report containing composition and category of directors, shareholding of non-executive directors is part of the annual report for the financial year ended 31 March, 2024 and 31 March, 2023.

H) Newly issued or amendments in standards but not yet effective

Ministry of Corporate Affairs (MCA) notifies new standard or amendments to the existing standards. At 31 March, 2024, there are no notification issued by the MCA with respect to applicability of any new standard or amendments to the existing standards, which are applicable from 1 April, 2024.

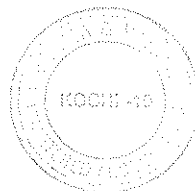


15) Analytical Ratios

The following tables set forth for the periods indicated, computation of capital adequacy ratio

Ratio	As at 31 March, 2024		As at 31 March, 2024	As at 31 March, 2023	% Variance	Reason for variance (if above 25%)
	Numerator	Denominator				
Capital to risk-weighted assets ratio (CRAR)	31,599.20	1,35,500.21	23.32%	31.23%	-25.33%	Increase in risk weighted assets
Tier I CRAR	31,425.07	1,35,500.21	23.19%	30.94%	-25.04%	Increase in risk weighted assets
Tier II CRAR	174.13	1,35,500.21	0.13%	0.28%	-53.57%	Increase in risk weighted assets

Ratio	As at 31 March, 2023		As at 31 March, 2023	As at 31 March, 2022	% Variance	Reason for variance (if above 25%)
	Numerator	Denominator				
Capital to risk-weighted assets ratio (CRAR)	25,443.90	81,481.95	31.23%	32.67%	-4.41%	
Tier I CRAR	25,212.84	81,481.95	30.94%	32.07%	-3.52%	
Tier II CRAR	231.06	81,481.95	0.28%	0.60%	-53.33%	Increase in risk weighted assets



## 46 Reserve Fund U/S 29C of NHB Act, 1987

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Balance at the beginning of the year:		
a) Statutory reserve u/s 29C of the National Housing Bank Act, 1987	343.59	313.59
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purpose of Statutory Reserve u/s 29C of the NHB Act, 1987	2,274.97	1,754.97
<b>c) Total</b>	<b>2,618.56</b>	<b>2,068.56</b>
Addition / Appropriation / Withdrawal during the year		
Add:		
a) Amount transferred u/s 29C of the NHB Act, 1987	81.00	30.00
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve u/s 29C of the NHB Act, 1987	619.00	520.00
Less:		
a) Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987	-	-
b) Amount withdrawn from special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve u/s 29C of the NHB Act, 1987	-	-
Balance at the end of the year:		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	424.59	343.59
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purpose of Statutory Reserve u/s 29C of the NHB Act, 1987	2,893.97	2,274.97
<b>c) Total</b>	<b>3,318.56</b>	<b>2,618.56</b>

## 47 Investments

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
<b>1. Value of Investments :</b>		
(i) Gross value of investments		
(a) In India	3,841.91	3,316.67
(b) Outside India	-	-
(ii) Provision of depreciation		
(a) In India	-	-
(b) Outside India	-	-
(iii) Net value of investments		
(a) In India	3,841.91	3,316.67
(b) Outside India	-	-
<b>2. Movement of provisions held towards depreciation on investments</b>		
(i) Opening balance	-	-
(ii) Add: Provisions made during the year	-	-
(iii) Less: Write-off / Written-back of excess provisions during the year	-	-
(iv) Closing balance	-	-

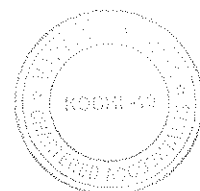
## 48.1 Derivatives

## 48.1.1 Forward Rate Agreement (FRA) / Interest Rate Swap (IRS)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
(i) The notional principal of swap agreements	-	-
(ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	-	-
(iii) Collateral required by the HFC upon entering into swaps	-	-
(iv) Concentration of credit risk arising from the swaps *	-	-
(v) The fair value of the swap book **	-	-
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 HFC would receive or pay to terminate the swap agreements as on the balance sheet date.	-	-

## 48.1.2 Exchange Traded Interest Rate (IR) Derivative

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
(i) Notional principal amount of exchange traded IR derivatives undertaken during the year (instrument wise)	-	-
(ii) Notional principal amount of exchange traded IR derivatives outstanding as on (instrument-wise)	-	-
(iii) Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (instrument wise)	-	-
(iv) Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	-	-



## 48.1.3 Disclosures on risk exposure in derivatives

## (A) Qualitative disclosure

The company's hedging practice only allows for effective hedging relationships to be considered as hedges as per the relevant Ind AS. Hedge effectiveness is determined at the inception of the hedge relationship and through periodic prospective effectiveness assessments to ensure that an economic relationship exist between the hedged item and hedging instruments. The company enters into hedge relationships where the critical terms of the hedging instrument match with the terms of the hedged item and so a qualitative and quantitative assessment of effectiveness is performed.

## (B) Quantitative disclosure

Particulars	Year ended	Year ended
	31 March 2024	31 March 2023
(i) Derivatives (notional principal amount)	16,860.66	26,062.40
(ii) Marked to market positions	-	-
(a) Assets (+)	-	-
(b) Liabilities (-)	(8.47)	(89.19)
(iii) Credit exposures	-	-
(iv) Unhedged exposures	-	-

## 48.2 Securitisation

Particulars	Year ended	Year ended
	31 March 2024	31 March 2023
1. No. of SPVs sponsored by the HFC for securitization transactions	-	-
2. Total amount of securitised assets as per books of the SPVs sponsored	-	-
3. Total amount of exposures retained by the HFC towards the MRR as on the date of balance sheet:		
(I) Off-balance sheet exposures towards credit enhancements	-	-
(II) On-balance sheet exposures towards credit enhancements	-	-
4. Amount of exposures to securitisation transactions other than MRR:		
(I) Off-balance sheet exposures towards credit enhancements		
a) Exposure to own securitisations	-	-
b) Exposure to third party securitisations	-	-
(II) On-balance sheet exposures towards credit enhancements		
a) Exposure to own securitisations	-	-
b) Exposure to third party securitisations	-	-

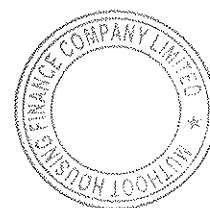
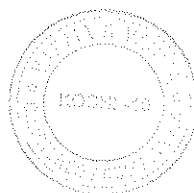
## 48.3 Details of financial assets sold to securitisation / reconstruction company for asset reconstruction

Particulars	Year ended	Year ended
	31 March 2024	31 March 2023
(i) No. of accounts	-	683
(ii) Aggregate value (net of provisions) of accounts sold to SC / RC*	-	2,865.88
(iii) Aggregate consideration	-	3,131.86
(iv) Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v) Aggregate (gain)/loss over net book value	-	(265.98)

\*Book value inclusive of interest accrued and net of provision/write off as on date of transfer.

The above disclosures are in respect of transactions undertaken during the respective financial years.

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48.4 Details of assignment transactions undertaken by HFCs

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
(i) No. of accounts	-	-
(ii) Aggregate value (net of provisions) of accounts assigned	-	-
(iii) Aggregate consideration	-	-
(iv) Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v) Aggregate gain / loss over net book value	-	-

The above disclosures are in respect of assignment transactions undertaken during the respective financial years.

48.5 Details of non-performing financial assets purchased / sold

A. Details of non-performing financial assets purchased:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
(i) No. of accounts purchased during the year	-	-
(ii) Aggregate outstanding of (i) above	-	-
(iii) No. of accounts restructured during the year	-	-
(iv) Aggregate outstanding of (iii) above	-	-

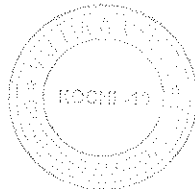
B. Details of non-performing financial assets sold

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
(i) No. of accounts sold	-	683.00
(ii) Aggregate outstanding*	-	2,865.88
(iii) Aggregate consideration received	-	3,131.86

\*Book value inclusive of interest accrued and net of provision/write off as on date of transfer.

The above disclosures are in respect of assignment transactions undertaken during the respective financial years.

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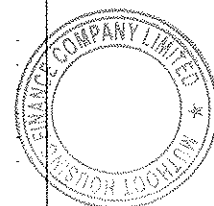


Disclosure as per Master Direction no. RBI/2020-21/73 - DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 dated February 17 2021 – “Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021”.

## 49.1 Schedule to the Balance Sheet of an HFC

Particulars	Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
	As at 31 March 2024	As at 31 March 2024	As at 31 March 2023	As at 31 March 2023
<b>Liabilities side</b>				
<b>1 Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:</b>				
(a) Debentures :				
Secured	-	-	-	-
Unsecured	-	-	-	-
(other than falling within the meaning of public deposits*)				
(b) Deferred Credits				
(c) Term Loans	1,82,060.69	-	1,25,043.14	-
(d) Inter-corporate loans and borrowing	-	-	-	-
(e) Commercial Paper	-	-	-	-
(f) Public Deposits	-	-	-	-
(g) Other Loans	-	-	-	-
<b>2 Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):</b>				
(a) In the form of Unsecured debentures	-	-	-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-	-	-
(c) Other public deposits	-	-	-	-

Particulars	Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
	As at 31 March 2024	As at 31 March 2024	As at 31 March 2023	As at 31 March 2023
<b>Assets side</b>				
<b>3 Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:</b>				
(a) Secured	2,00,922.41	-	1,45,180.76	-
(b) Unsecured	-	-	-	-
<b>4 Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities</b>				
(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	354.59	-	819.46	-
(iii) Other loans counting towards asset financing activities				
(a) Loans where assets have been repossessed	-	-	-	-
(b) Loans other than (a) above	-	-	-	-
<b>5 Break-up of Investments</b>				
<b>5.1 Current Investments</b>				
<b>5.1.1 Quoted</b>				
(i) Shares				
(a) Equity	-	-	-	-
(b) Preference	-	-	-	-
(ii) Debentures and Bonds	-	-	-	-
(iii) Units of mutual funds	-	-	-	-
(iv) Government Securities	-	-	-	-
(v) Others	-	-	-	-
<b>5.1.2 Unquoted</b>				
(i) Shares				
(a) Equity	-	-	-	-
(b) Preference	-	-	-	-
(ii) Debentures and Bonds	-	-	-	-
(iii) Units of mutual funds	1,702.06	-	650.10	-
(iv) Government Securities	-	-	-	-
(v) Others	-	-	-	-



49.1 Schedule to the Balance Sheet of an HFC(continued)

Particulars	Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
	As at 31 March 2024	As at 31 March 2024	As at 31 March 2023	As at 31 March 2023
5.2 Long Term investments				
5.2.1 Quoted				
(i) Shares				
(a) Equity	-	-	-	-
(b) Preference	-	-	-	-
(ii) Debentures and Bonds	-	-	-	-
(iii) Units of mutual funds	-	-	-	-
(iv) Government Securities	-	-	-	-
(v) Others	-	-	-	-
5.2.2 Unquoted				
(i) Shares				
(a) Equity	4.50	-	4.50	-
(b) Preference	-	-	-	-
(ii) Debentures and Bonds	-	-	-	-
(iii) Units of mutual funds	-	-	-	-
(iv) Government Securities	-	-	-	-
(v) Others (Investment in Security Receipts)	2,135.35	-	2,662.07	-

6 Borrower group-wise classification of assets financed as in (3) and (4) above:

Category	As at 31 March 2024		
	Secured	Unsecured	Total
1 Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2 Other than related parties	2,00,922.41	-	2,00,922.41
Total	2,00,922.41	-	2,00,922.41

Category	As at 31 March 2023		
	Secured	Unsecured	Total
1 Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2 Other than related parties	1,45,180.76	-	1,45,180.76
Total	1,45,180.76	-	1,45,180.76

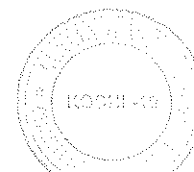
7 Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :

Category	As at 31 March 2024		As at 31 March 2023	
	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	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	4.50	4.50	4.50	4.50
(c) Other related parties	-	-	-	-
2 Other than related parties	3,837.41	3,837.41	3,312.17	3,312.17
Total	3,841.91	3,841.91	3,316.67	3,316.67

8 Other information

Particulars	Year ended 31 March, 2024	Year ended 31 March, 2023
(i) Gross Non-Performing Assets	1,621.45	1,263.72
(a) Related parties	-	-
(b) Other than related parties	1,621.45	1,263.72
(ii) Net Non-Performing Assets	656.60	404.79
(a) Related parties	-	-
(b) Other than related parties	656.60	404.79
(iii) Assets acquired in satisfaction of debt* (Position as at the end of the year)	354.59	819.46

\*Represents repossessed assets held for sale



## 2.2.2 Assets Liability Management - Maturity pattern of certain items of assets and liabilities

Period	Liabilities				Assets		
	Deposits	Borrowing from Banks **	Market borrowing *	Foreign currency liabilities	Advances	Investments	Foreign currency assets
As at 31 March 2024							
1 day to 7 days	-	-	199.92	-	-	-	1,702.06
8 to 14 days	-	59.44	-	-	-	-	-
15 days to 30/31 days	-	1,126.54	53.83	200.00	1,040.64	-	-
Over one month to 2 months	-	921.35	227.31	-	647.24	-	-
Over 2 months up to 3 months	-	2,714.42	529.93	120.31	655.80	-	-
Over 3 months to 6 months	-	6,035.26	999.44	527.95	1,992.26	-	-
Over 6 months to 1 year	-	13,341.17	1,454.23	1,055.90	4,557.20	-	-
Over 1 year to 3 years	-	51,112.63	6,584.07	4,223.61	19,865.18	-	-
Over 3 to 5 years	-	40,996.11	5,468.73	4,152.66	24,378.30	-	-
Over 5 years	-	34,630.45	478.04	6,155.13	1,51,647.05	2,139.85	-
<b>Total</b>	-	<b>1,50,917.37</b>	<b>15,995.50</b>	<b>16,435.56</b>	<b>2,04,783.67</b>	<b>3,841.91</b>	-

\* Market borrowing includes borrowings from NBFCs and HFCs

\*\* Borrowings from Banks include borrowings from banks and NHB

Period	Liabilities				Assets		
	Deposits	Borrowing from Banks **	Market borrowing *	Foreign currency liabilities	Advances	Investments	Foreign currency assets
As at 31 March 2023							
1 day to 7 days	-	0.80	544.43	-	-	650.10	-
8 to 14 days	-	-	-	-	-	-	-
15 days to 30/31 days	-	599.21	60.44	199.65	909.97	-	-
Over one month to 2 months	-	595.59	89.00	313.93	504.07	-	-
Over 2 months up to 3 months	-	1,941.52	589.76	275.00	509.57	-	-
Over 3 months to 6 months	-	3,917.75	1,340.58	788.57	1,559.52	-	-
Over 6 months to 1 year	-	8,494.98	2,602.53	1,577.14	3,493.18	-	-
Over 1 year to 3 years	-	30,880.80	3,290.98	6,308.56	15,163.44	-	-
Over 3 to 5 years	-	24,451.07	3,177.73	6,686.64	18,089.47	-	-
Over 5 years	-	18,233.27	135.01	8,919.79	1,08,522.53	2,666.57	-
<b>Total</b>	-	<b>89,094.99</b>	<b>11,830.46</b>	<b>25,069.28</b>	<b>1,48,751.75</b>	<b>3,316.67</b>	-

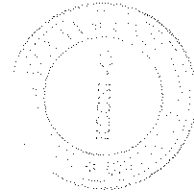
\* Market borrowing includes borrowings from NBFCs and HFCs

\*\* Borrowings from Banks include borrowings from banks and NHB

i. Based on contractual terms. Overdue receivables are allocated to respective buckets in accordance with Appendix 1 of NHB guidelines for AI

ii. Excludes unamortised EIR and ECL impact on assets

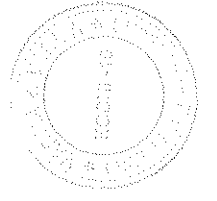
iii. Excludes unamortised EIR impact on liabilities



As at 31 March 2024						
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)
<b>Performing Assets</b>						
Standard	Stage I	1,93,494.75	174.13	1,93,320.62	789.62	(615.49)
	Stage II	9,667.47	278.63	9,388.84	45.80	232.83
<b>Subtotal</b>		<b>2,03,162.22</b>	<b>452.76</b>	<b>2,02,709.46</b>	<b>835.42</b>	<b>(382.66)</b>
<b>Non-Performing Assets (NPA)</b>						
Substandard	Stage III	1,106.53	658.21	448.32	166.31	491.90
Doubtful - up to 1 year	Stage III	477.66	287.97	189.69	177.88	110.09
Doubtful - 1 to 3 years	Stage III	23.13	12.91	10.22	14.66	(1.75)
More than 3 years	Stage III	14.13	5.76	8.37	14.13	(8.37)
<b>Subtotal for doubtful</b>		<b>514.92</b>	<b>306.64</b>	<b>208.28</b>	<b>206.67</b>	<b>99.97</b>
<b>Subtotal for NPA</b>		<b>1,621.45</b>	<b>964.85</b>	<b>656.60</b>	<b>372.98</b>	<b>591.87</b>
<b>Total</b>						
	Stage I	1,93,494.75	174.13	1,93,320.62	789.62	(615.49)
	Stage II	9,667.47	278.63	9,388.84	45.80	232.83
	Stage III	1,621.45	964.85	656.60	372.98	591.87
	<b>Total</b>	<b>2,04,783.67</b>	<b>1,417.61</b>	<b>2,03,366.06</b>	<b>1,208.40</b>	<b>209.21</b>

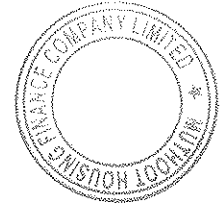
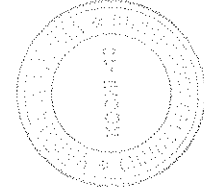
IRACP stands for Income Recognition, Asset Classification and Provisioning

<sup>4</sup>Excludes unamortised EIR impact on loan assets



ECL Disclosure (Contd.)		As at 31 March 2023				
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)
<b>Performing Assets</b>						
Standard	Stage I	1,37,548.35	231.07	1,37,317.28	568.02	(336.95)
	Stage II	9,939.68	232.75	9,706.93	50.31	182.44
<b>Subtotal</b>		<b>1,47,488.03</b>	<b>463.82</b>	<b>1,47,024.21</b>	<b>618.33</b>	<b>(154.51)</b>
<b>Non-Performing Assets (NPA)</b>						
Substandard	Stage III	1,203.08	835.13	367.95	180.46	654.67
Doubtful - up to 1 year	Stage III	43.83	19.30	24.53	10.96	8.34
Doubtful - 1 to 3 years	Stage III	2.68	0.72	1.96	1.08	(0.36)
More than 3 years	Stage III	14.13	3.78	10.35	14.13	(10.35)
<b>Subtotal for doubtful</b>		<b>60.64</b>	<b>23.80</b>	<b>36.84</b>	<b>26.17</b>	<b>(2.37)</b>
<b>Subtotal for NPA</b>		<b>1,263.72</b>	<b>858.93</b>	<b>404.79</b>	<b>206.63</b>	<b>652.30</b>
<b>Total</b>						
	Stage I	1,37,548.35	231.07	1,37,317.28	568.02	(336.95)
	Stage II	9,939.68	232.75	9,706.93	50.31	182.44
	Stage III	1,263.72	858.93	404.79	206.63	652.30
<b>Total</b>		<b>1,48,751.75</b>	<b>1,322.75</b>	<b>1,47,429.00</b>	<b>824.96</b>	<b>497.79</b>

IRACP stands for Income Recognition, Asset Classification and Provisioning  
\*Excludes unamortised EIR impact on loan assets



51 Exposure to real estate sectors

Category	As at 31 March 2024	As at 31 March 2023
<b>A) Direct exposure</b>		
i) Residential mortgages - Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; Exposure including non-fund based limits**	2,13,202.63	1,54,308.60
ii) Commercial real estate - Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure including non-fund based limits;	-	-
iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures –		
a) Residential*	2,135.35	2,662.07
b) Commercial real estate	-	-
<b>B) Indirect exposure</b> Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)		
<b>Total exposure to real estate Sector</b>	<b>2,15,337.98</b>	<b>1,56,970.67</b>

\* Represents investments in security receipts issued by ARC, which has underlying exposure to residential mortgage.

\*\* Represent housing loans and loans against property including off balance sheet exposure (Sanctioned but not disbursed)

52 Exposure to capital market

Category	As at 31 March 2024	As at 31 March 2023
(i) direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	4.50	4.50
(ii) advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / SPOs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
(iii) advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
(iv) advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances';	-	-
(v) secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi) loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii) bridge loans to companies against expected equity flows / issues;	-	-
(viii) All exposures to Venture Capital Funds/Alternate Investment funds (both registered and unregistered)	-	-
<b>Total Exposure to Capital Market</b>	<b>4.50</b>	<b>4.50</b>

53 Details of financing of parent company products

Company has not entered into any transaction of financing of parent company product during the financial year ended March 31, 2024 and March 31, 2023.

54 Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the HFC

Company during the year has not exceeded the prudential exposure limits in case of single borrower limit / group borrower limit in any case.

55 Contingent Liabilities and Commitments

(a) Contingent Liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Claims against the company in respect of Goods and Service Tax demand where the Company has filed appeal before tax authorities:		
Goods and Service Tax (FY 2017-18)	0.84	-
Goods and Service Tax (FY 2021-22)	2.59	-
	<b>3.43</b>	-

(b) Capital Commitments

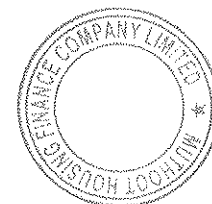
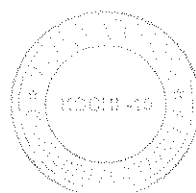
Estimated amount of contract remaining to be executed on capital account is Nil (31 March 2023: Nil).

(c) Other commitments

Loan commitment in respect of partly disbursed loans is Rs. 8,418.97 lakhs (31 March 2023 : Rs. 5,556.85 lakhs).

56 Exposure to group companies engaged in real estate business

Company does not have any exposure to group companies engaged in real estate business as at 31 March 2024 and as at 31 March 2023.



**Muthoot Housing Finance Company Limited**  
Notes to financial statements for the year ended 31 March, 2024  
(All amounts are in INR Lakhs, unless otherwise stated)

57	Sectoral Exposure	As at 31 March 2024		As at 31 March 2023			
		Total Exposure (Including on Balance sheet and Off - Balance sheet exposure)	Gross NPA	Percentage of Gross NPAs to Total exposure in that sector	Total Exposure (Including on Balance sheet and Off - Balance sheet exposure)	Gross NPA	Percentage of Gross NPAs to Total exposure in that sector
	1. Agriculture and Allied Activities	-	-	-	-	-	
	2. Industry	-	-	-	-	-	
	3. Services	-	-	-	-	-	
	4. Personal Loans						
	i) Housing	1,55,181.64	1,223.79	0.79%	1,17,158.71	910.56	0.78%
	ii) Non Housing	58,020.99	415.42	0.72%	37,149.89	364.62	0.98%
	5. Other, If any	-	-	-	-	-	
	<b>Total</b>	<b>2,13,202.63</b>	<b>1,639.21</b>	<b>0.77%</b>	<b>1,54,308.60</b>	<b>1,275.18</b>	<b>0.83%</b>

57.1 Balance outstanding is before EIR/ECL adjustments

57.2 Exposure through investments in Security Receipts (Balance outstanding) not considered for the purpose of above disclosure.

57.3 Gross NPA includes off balance sheet exposure of Rs. 17.76 Lakhs (31 March, 2023 : Rs. 11.46 Lakhs).

57.4 Off balance sheet exposure represents amount sanctioned but not disbursed Rs. 8,418.97 Lakhs (31 March 2023 : Rs. 5,556.85 Lakhs)

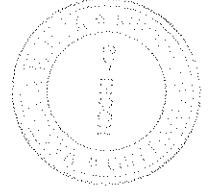
58 Registration obtained from other financial sector regulators

Company does not have any registration from other Financial Sector Regulator during the financial year ended 31 March 2024 and 31 March 2023..

59 Disclosure of penalties imposed by NHB/RBI and other regulators

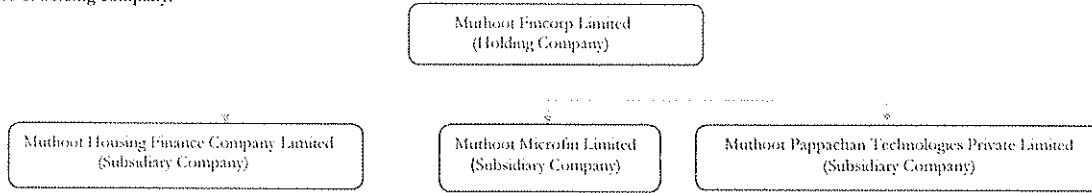
Company was not imposed any penalty during the year by NHB/RBI or any other regulator.

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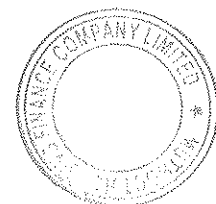
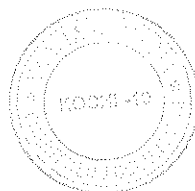
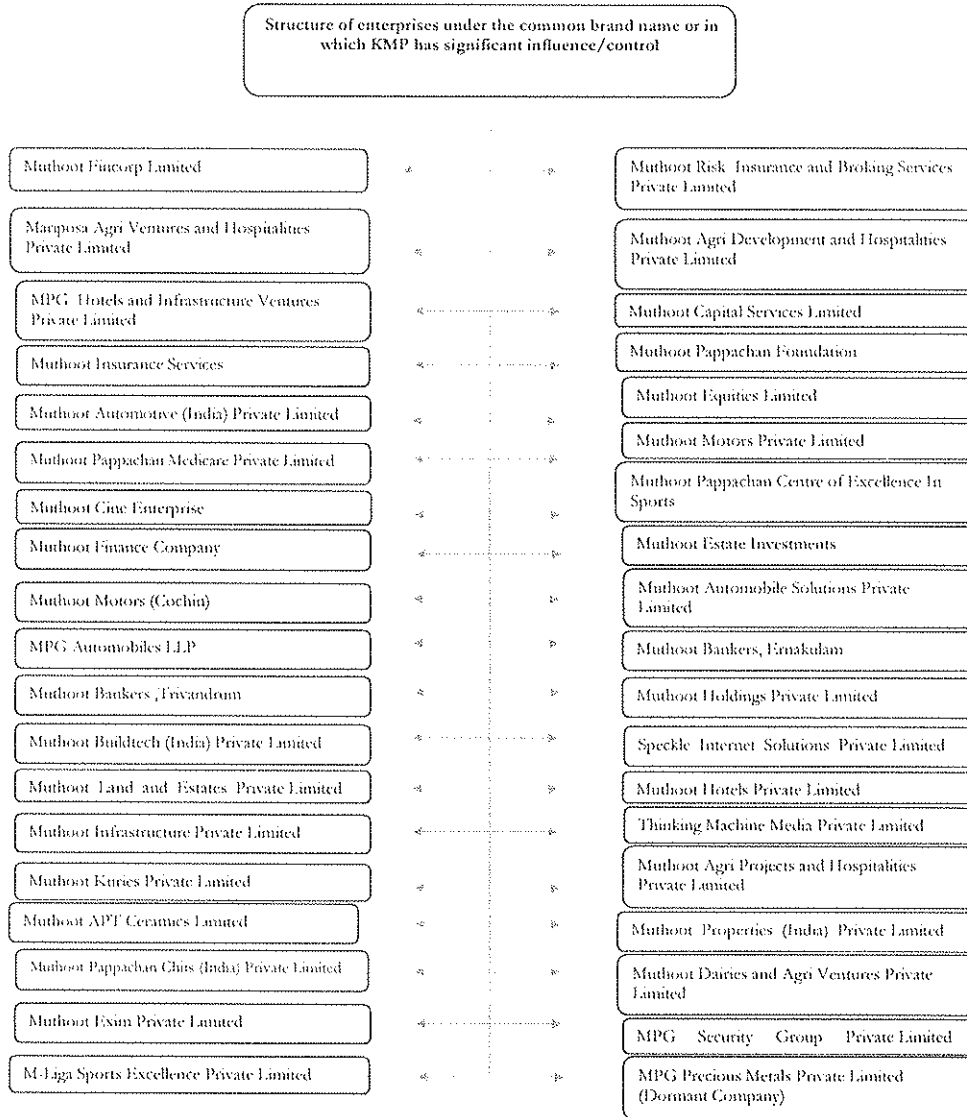


60 Diagramatic representation of Group Structure

A) Structure of holding company.



B) Structure of enterprises under the common brand name or in which KMP has significant influence, other than above.



61 **Rating assigned by credit rating agencies and Migration of Rating during the year**  
 Company has been rated Crisil A+ /Stable for its long term bank loans.

62 **Remuneration of Directors**  
 Company during the year has not paid any Remuneration to Directors.

63 **Changes in accounting policies**  
 During the year company has not made any major changes in accounting policy. During the previous year company has not made any major changes in accounting policy except for accounting of interest income on credit impaired assets. Refer Note No 63.1

63.1 **Change in Accounting policy with respect to "Accounting of Interest Income on credit impaired assets"**

Since adoption of Ind-AS framework under Section 133 of the Companies Act 2013 during the financial year ended 31 March 2019, the Company had been recognising interest income on credit impaired financial assets by applying the effective interest rate to the amortised cost (net of provisions) of such assets, although necessary adjustments were also being made in the Expected Credit Loss model to address the incremental income so recognised.

During the year ended 31 March 2023, as a matter of prudence, the company has changed this accounting treatment by recognising interest income on credit impaired financial assets only on receipt basis. This is also in line with the RBI guidelines relating to Income Recognition and Asset Classification and Provisioning norms and the discussion paper on 'Introduction of Expected credit loss (ECL) framework for provisioning by banks' issued on 16<sup>th</sup> January 2023, which are considered as directional guidance pending issuance of guidelines/clarifications/directions by RBI under the Ind-AS accounting framework as stated in Note 44.

Since the above change in accounting policy will also have an impact on the components used for computing the ECL provision for prior periods, which are practically difficult to estimate, the said change in accounting policy has been applied only on prospective basis from the financial year ended 31 March 2023. Based on an overall assessment of the management, the impact on financial results for earlier years arising from the above stated change (including corresponding impact of ECL provision) is not expected to be material.

The adjustments arising from the change in accounting policy for the financial year 2022-23 are as below –

(a) Amounts in the Balance Sheet as at 31 March 2023 increase/(decrease) by -

Particulars	Amount (Rs. in lakhs)
Loans	(92.96)
Other Equity	(92.96)

(b) Amounts in the statement of Profit and Loss for the year FY 2022-23 increase/(decrease) by

Particulars	Amount (Rs. in lakhs)
Interest Income	(92.96)
Profit before Tax	(92.96)
Profit After Tax	(92.96)
Basic EPS (In Rupees)	(Rs. 0.13)
Diluted EPS (In Rupees)	(Rs. 0.13)

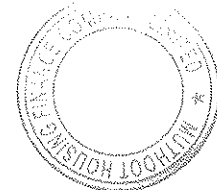
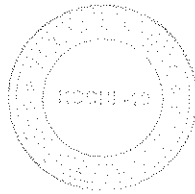
(c) Amounts in Cash flow statement for the FY 2022-23 -increase/(decrease) by

Particulars	Amount (Rs. in lakhs)
Profit before Tax	(92.96)
Increase/decrease in Loans	92.96

64 **Revenue Recognition**  
 Company during the year has not postponed revenue recognition pending the resolution of significant uncertainties

65 **Provisions and contingencies**

Break up of 'Provisions and Contingencies' included in the Statement of Profit and Loss Account	Year ended 31 March 2024	Year ended 31 March 2023
Provisions for depreciation on investment	-	-
Provision made towards income tax	1,125.27	762.19
Provision towards NPA	105.92	(961.44)
Provision for standard assets	(11.06)	(388.23)
Provision for diminution of assets acquired	24.62	336.37
Provision towards loan commitment	-	-



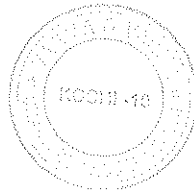
66 Provisions on loans

Break up of Loans and Advances and Provisions thereon	Housing		Non housing	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
<b>Standard Assets</b>				
a) Total outstanding amount	1,46,120.29	1,10,998.28	57,041.93	36,489.75
b) Provision made	357.18	436.30	95.58	27.52
<b>Sub Standard Assets</b>				
a) Total outstanding amount	842.60	885.95	263.94	317.12
b) Provision made	530.71	762.04	107.50	73.10
<b>Doubtful Assets - 1</b>				
a) Total outstanding amount	350.32	13.16	127.33	30.67
b) Provision made	236.11	11.24	51.86	8.05
<b>Doubtful Assets - 2</b>				
a) Total outstanding amount	13.11	-	10.02	2.68
b) Provision made	8.83	-	4.08	0.72
<b>Doubtful Assets - 3</b>				
a) Total outstanding amount	-	-	14.13	14.13
b) Provision made	-	-	5.76	3.78
<b>Loss Assets</b>				
a) Total outstanding amount	-	-	-	-
b) Provision made	-	-	-	-
<b>Total</b>				
a) Total outstanding amount	1,47,326.32	1,11,897.40	57,457.35	36,854.35
b) Provision made	1,152.83	1,209.58	264.78	113.17

66.1 The total outstanding amount reported are before EIR and ECL adjustments.

66.2 Balance outstanding is inclusive of respective loans towards insurance

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67 Draw down from reserves  
During the year, the Company has not withdrawn any sum from its reserves.

68 Foreign currency exposure and transaction  
a) Earnings in Foreign Currency during the year is Nil (31 March 2023: Nil)

**b) Expenditure in Foreign Currency**

Particulars	Year ended	Year ended
	31 March 2024	31 March 2023
Finance cost	2,471.80	383.16

**c) Foreign currency exposure**

Particulars	As at	As at
	31 March 2024	31 March 2023
Borrowings (other than debt securities)	16,435.56	25,069.28

69 Concentration of loans and advances

Particulars	As at	As at
	31 March 2024	31 March 2023
Total loans and advances to twenty largest Borrowers	1,143.89	934.48
Percentage of loans and advances to twenty largest borrowers to total advances of the HFC	0.56%	0.63%

70 Concentration of all exposures (including off-balance sheet exposures)

Particulars	As at	As at
	31 March 2024	31 March 2023
Total exposures to twenty largest borrowers	1,146.54	963.84
Percentage of exposures to twenty largest borrowers to total exposures of the HFC	0.54%	0.62%

**Concentration of NPAs**

Particulars	As at	As at
	31 March 2024	31 March 2023
Total exposure to top ten NPA accounts	239.93	219.00

72 Sector wise NPAs

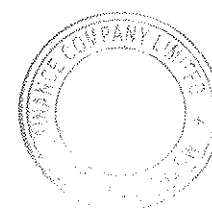
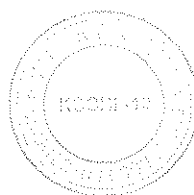
Sector	Percentage of NPAs to total advances in that sector	
	As at March 31 2024	As at March 31 2023
<b>A. Housing Loans</b>		
1. Individuals	0.82%	0.80%
2. Builders/Project Loans	-	-
3. Corporates	-	-
4. Others	-	-
<b>B. Non Housing Loans</b>		
1. Individuals	0.72%	0.99%
2. Builders/Project Loans	-	-
3. Corporates	-	-
4. Others	-	-

73 Movement of NPAs

Particulars	As at	As at
	31 March 2024	31 March 2023
(I) Net NPAs to net advances** (in %)	0.32%	0.27%
(II) Movement of NPAs (Gross)		
a) Opening balance		5,845.69
b) Additions during the year	1,049.85	1,173.11
c) Reductions during the year*	692.12	5,755.08
d) Closing balance	1,621.45	1,263.72
(III) Movement in Net NPAs		
a) Opening balance	404.79	4,025.32
b) Additions during the year	425.78	360.85
c) Reductions during the year*	173.97	3,981.38
d) Closing balance	656.60	404.79
(IV) Movement of provisions for NPAs (excluding provisions on standard assets)		
a) Opening balance	858.93	1,820.37
b) Provisions made during the year	624.07	812.26
c) Write-off/write-back of excess provisions	518.15	1,773.70
d) Closing balance	964.85	858.93

\*Includes stressed loans transferred to ABC during the year ended 31 March 2024

\*\*Net advances represents loan assets net of provisions, before EIR adjustment.



74 Disclosure pursuant to RBI/DOR/2021-22/86 DOR,STR,REC.51/21.04.048/2021-22 dated September 24,2021

74.1 There are no transfer of stressed loans classified as NPA to ARC/Other Entities during the year ended 31 March 2024.

74.2 Details of stressed loans classified as NPA transferred to ARC during the year ended 31 March 2023

Particulars	To ARC	To Permitted transferees	To Others transferees
No. of accounts (Includes 84 stressed loan assets written off in earlier years)	653	-	-
Aggregate principal outstanding of loans transferred (Gross book value of principal outstanding net of write off cases as on date of transfer)	3,592.94	-	-
Weighted average residual tenor of the loans transferred (in years)	13.41	-	-
Net Book value of Loans transferred (Book value inclusive of interest accrued and net of provision/write off as on date of transfer)	2,865.88	-	-
Aggregate consideration	3,131.86	-	-
Additional consideration realised in respect of accounts transferred in earlier years	-	-	-
Investment in Security Receipts	2,662.07	-	-

75 Overseas Assets

Company does not have any overseas assets.

76 Off-Balance Sheet SPVs sponsored (which are required to be consolidated as per accounting norms)

Company has not sponsored any SPV.

Details of customers complaints

Particulars	As at 31 March 2024	As at 31 March 2023
No. of complaints pending at the beginning of the year	-	1
No. of complaints received during the year	296	162
No. of complaints disposed during the year	295	163
- Of which, no. Of complaints rejected	-	-
No. of complaints pending at the end of the year	1	-

The company is not included under the "Reserve Bank Integrated ombudsman Scheme, 2021" and hence the details of maintainable complaints received by the Company from office of ombudsman is not applicable

Grounds of complaints received by the Company from customers

Grounds of complaints	Number of complaints pending at the beginning of the year	Number of complaints received during the year	%increase/(decrease) in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Number of complaints pending beyond 30 days
<b>For the year ended March 31, 2024</b>					
Documents Related	-	19	19%	-	-
Loan Processing Related	-	246	98%	-	-
Loan Settlement Related	-	6	50%	1	1
Policy Related	-	25	59%	-	-
Miscellaneous	-	0	0%	-	-
<b>Grand Total</b>	-	<b>296</b>	<b>83%</b>	-	-
<b>For the year ended March 31, 2023</b>					
Documents Related	1	16	220%	-	-
Loan Processing Related	-	124	-16%	-	-
Loan Settlement Related	-	4	100%	-	-
Policy Related	-	18	-5%	-	-
Miscellaneous	-	0	-100%	-	-
<b>Grand Total</b>	<b>1</b>	<b>162</b>	<b>-7%</b>	-	-

78 No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entities), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

79 Breach of covenant

The company has been generally regular in complying with the covenants in respect of loans availed during the financial years ended 31 March, 2024 and 31 March, 2023. There were no instances of default or breach of covenants of material nature during the reporting period.

80 Divergence in Asset Classification and Provisioning

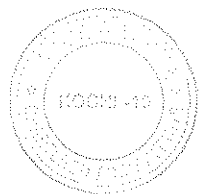
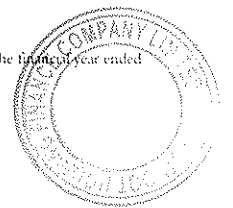
The NHB/RBI has neither assessed any additional provisioning requirements in excess of 5 percent of the reported profits before tax and impairment loss on financial instruments for the financial year ended March 31, 2022, nor identified any additional Gross NPAs in excess of 5% of the reported Gross NPAs for the said period.

81 Intra-group exposures

Particulars	As at 31 March 2024	As at 31 March 2023
Total amount of intra-group exposures	42.24	42.85
Total amount of top 20 intra-group exposures	42.24	42.85
Percentage of intra-group exposures to total exposure of the Company on borrowers/ customers	0.02%	0.03%

82 Outstanding against the gold loan/Jewellery

Particulars	As at 31 March 2024	As at 31 March 2023
Outstanding Loans granted against the collateral gold jewellery	-	-
% of above to total outstanding loans	-	-



83 Loans to Directors, Senior Officers and relatives of Directors

Disclosure pursuant to RBI notification RBI/2022-23/29 DOR.CRI.RFC.No.25/03.10.061/2022-23 dated April 19, 2022.

Aggregate amount of sanctioned loans and advances	Year ended 31 March 2024	Year ended 31 March 2023
i) Directors and their relatives	-	-
ii) Entities associated with directors and their relatives	-	-
iii) Senior Officers and their relatives	-	-

84 Instances of fraud

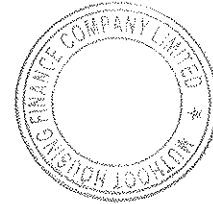
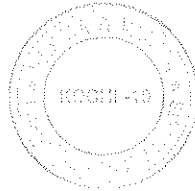
No cases of fraud were reported during the financial year 2023-24. (FY 2022-23 - Nil)

Resolution Framework for Covid 19 related Stress

85 Pursuant of Resolution Framework - 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses vide DORSTR.FFC.11/21.04.048/2021-22 dated May 5, 2021, company extended resolution to 63 borrowers aggregating to Rs.433.85 lakhs under the said framework. Company has created adequate provision in relation to these customers as per the directions.

Type of Borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of this half-year
Personal Loans	270.55	6.29	-	8.20	256.66

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86 Previous year's figures have been regrouped and reclassified, wherever necessary to conform to current year's presentation / classification.



For VARMA & VARMA  
Chartered Accountants  
Firm's Registration No.: 0045325

Vijay Narayan Govind  
Partner  
Membership No: 203094  
Place : Kochi

For and on behalf of the Board of Directors of  
Muthoot Housing Finance Company Limited

Thomas Muthoot  
Managing Director  
DIN: 06082699  
Place : Kochi

Suresh Mahalingam  
Director  
DIN: 01781750  
Place : Kochi

Laxan Kumar Gupta  
Chief Executive Officer  
Place : Kochi

Yogesh Udhoji  
Chief Financial Officer  
Place : Kochi

S. Suresh  
Chief Compliance Officer and Company Secretary  
Place : Kochi

Date : 7th May 2024

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## Annexure 7



Date: 17/01/2025

To

**BSE Ltd**

P.J. Towers, Dalal Street Fort  
Mumbai 400001

Dear Sir/Madam,

**Subject:** In-principle Approval for listing of Non-Convertible Debt Securities (NCDs)/Nonconvertible Redeemable Preference Shares (NCRCPs)/ Perpetual Debt Instruments (PDIs)/ Perpetual Non-Cumulative Preference Shares (PNCPS)/ Structured or Market linked securities (MLDs) to be issued on private placement basis coming for **existing issuer** of debt securities.

We hereby, confirm that the Articles of Association of the Company shall be amended on or before September 30, 2023 in terms of Regulation 23 (6) of SEBI (Issue And Listing Of Nonconvertible Securities) Regulations, 2021 as amended from time to time and subsequent clarifications/amendments issued thereto.

OR

We hereby, confirm that we have complied with Regulation 23 (6) of SEBI (Issue And Listing Of Non-Convertible Securities) Regulations, 2021 as amended from time to time and subsequent clarifications/amendments issued thereto.

**Yours faithfully,**

**For Muthoot Housing Finance Company Limited**

**SUMESH** Digitally signed  
by SUMESH S  
Date: 2025.01.17  
18:19:38 +05'30'

**S Sumesh Company**  
**Secretary**

Note: Strike off whichever clause is not applicable and indicate the reasons for no applicability.

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## Annexure 8

### Lending Policy:

Credit Criteria	Salaried Applicants	Self employed Applicants
Minimum Age at the date of Application.	21 years	21 years
Maximum age at the time of Maturity of loan for Applicant	60 years or Retirement age whichever is lower.(65 years for pensioners)	65 years.
Maximum age at the time of Maturity of loan for Co-applicant	75 years for Co-applicants who are only co-owners but income is not considered  Where income considered the norms for applicant would apply	75 years for Co-applicants who are only co-owners but income is not considered.  Where income considered the norms for applicant would apply
Minimum household Income	Rs 15000 pm	Rs 15000 pm
Cash Salary	Cash salary would be considered to the extent of Rs 20000 pm	
Acceptable co-applicant relationship for availing the loan	Father, mother, spouse, son and brother.	Father, mother, spouse, son and brother.
Employment/Business Stability	Minimum of 3 years of working experience and minimum of 2 years in the current assignment.	Minimum of 5 years of business experience of which at least 2 years in the current business in the same locality
Residence Stability	Should be staying in the same city for 5 years and minimum of 3 years in the same location	Should be staying in the same city for 5 years and minimum of 3 years in the same location
DIR Norms	90%	90%
Credit Bureau Checks	Mandatory	Mandatory
Document Verifications & Reference Check	Mandatory	Mandatory
Personal Discussion	Mandatory at work place by Credit officer / FI Agency	Mandatory at Business Site by Credit officer / FI Agency
Residence Verification	Mandatory by Credit Officer / FI	Mandatory by Credit Officer / FI

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Eligible Household Income Calculation	Last 3 months average salary + 50% of non-fixed components if received consistently for last 6 months. Non fixed components would be validated during Personal Discussion.	Assessed Net Household Income calculated after Personal Discussion and after including income of eligible family members.
Loan Amount Eligibility	Eligible Household Income Less Contingency amount, Household Expenses and other fixed obligations would be considered as eligible EMI for Home Loan subject to, this amount not exceeding the applicable FOIR on Assessed Income.	Eligible Household Income Less Contingency amount, Household Expenses and other fixed obligations would be considered as eligible EMI for Home Loan subject to, this amount not exceeding the applicable FOIR on Assessed Income.
Security	First charge of the property financed in favour of Muthoot Housing. Additional security may be collected at the sole discretion of Muthoot Housing.	First charge of the property financed in favour of Muthoot Housing. Additional security may be collected at the sole discretion of Muthoot Housing.
Creation of Mortgage	Mortgage to be created by deposition of the Original Title Deeds of the property	Mortgage to be created by deposition of the Original Title Deeds of the property
Property Age	On completion of loan tenor, the residual age of the collateral should be atleast 10 years.	On completion of loan tenor, the residual age of the collateral should be atleast 10 years.
Guarantors	In the absence of a Co-applicant guarantor is mandatory.	In the absence of a Co-applicant guarantor is mandatory.
Valuation of the Financed Property	Empanelled valuers or Internal valuers to conduct site inspection and report the value of the property.	Empanelled valuers or Internal valuers to conduct site inspection and report the value of the property.
	(For Loan amount, Market value or Agreement value whichever is lower	(For Loan amount, Market value or Agreement value whichever is lower
Legal Vetting	Muthoot Housing empanelled legal counsel's title clearance report mandatory.	Muthoot Housing empanelled legal counsel's title clearance report mandatory.

**Borrowing Policy:**

Nature of Borrowings/Sources	Instrument	Limits	Lenders/Investors

(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

Long Term	• Term Loans and Refinance Loans	Upto 100%	<ul style="list-style-type: none"> <li>• Banks (PSU/Pvt./Foreign)</li> <li>• National Housing Bank</li> <li>• Financial Institutions,</li> <li>• NBFCs/HFCs &amp; others</li> <li>• Mutual Funds PF Trusts/HNIs etc.</li> </ul>
	<ul style="list-style-type: none"> <li>• NCDs Secured/Unsecured</li> <li>• Sub-ordinated Debt</li> <li>• Perpetual Debt</li> </ul>	Upto 30%	
Short Term	<ul style="list-style-type: none"> <li>• Working Capital Limits (Cash Credit/WCDL)</li> <li>• Commercial Papers</li> </ul>	Upto 5%	
Off Balance Sheet Items	<ul style="list-style-type: none"> <li>• Securitisation (PTC)</li> <li>• Direct Assignment</li> </ul>	Upto 20%	



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c) Commercial Papers (CPs)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	<b>0.00</b>
<b>6. Borrowings</b>	<b>1475.11</b>	<b>0.00</b>	<b>1464.82</b>	<b>1483.91</b>	<b>4539.87</b>	<b>8985.44</b>	<b>18831.85</b>	<b>73224.74</b>	<b>58019.02</b>	<b>41349.48</b>	<b>209374.24</b>		
a) Term money borrowings	71.11	0.00	1464.82	1483.91	4539.87	7581.18	16030.85	62430.46	48751.50	36469.22	<b>178822.92</b>		
b) Bank borrowings in the nature of WCDL, CC etc.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		<b>0.00</b>
c) From RBI, NHB, Govt, & others	1404.00	0.00	0.00	0.00	0.00	1404.25	2801.00	10794.28	9267.52	4880.26	<b>30551.32</b>		
<b>7. Current Liabilities &amp; provisions:</b>	<b>1157.49</b>	<b>1590.00</b>	<b>1359.35</b>	<b>2630.07</b>	<b>108.00</b>	<b>440.66</b>	<b>348.26</b>	<b>1089.53</b>	<b>206.06</b>	<b>104.59</b>	<b>9034.02</b>		
a) Sundry creditors	1016.98	1550.00	1250.00	2626.12	100.00	200.00	309.63	0.00	0.00	0.00	<b>7052.73</b>		
b) Expenses payable (other than interest)	140.51	40.00	107.35	1.95	0.00	225.66	3.59	1036.53	0.00	0.00	<b>1555.59</b>		
c) Advance income received, receipts from borrowers pending adjustment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		<b>0.00</b>
d) Interest payable on bonds/deposits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		<b>0.00</b>
e) Provisions for NPAs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	17.34	0.00	<b>17.34</b>		
f) Provisions (other than for NPAs)	0.00	0.00	2.00	2.00	8.00	15.00	35.04	53.00	188.72	104.59	<b>408.35</b>		
<b>8. Contingent Liabilities</b>	<b>511.84</b>	<b>2384.35</b>	<b>1465.27</b>	<b>1625.38</b>	<b>206.87</b>	<b>1177.09</b>	<b>1551.53</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>8922.33</b>		
a) Letters of credit/guarantees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		<b>0.00</b>
b) Loan commitments pending disbursement (outflows)	511.84	2384.35	1465.27	1625.38	206.87	1177.09	1551.53	0.00	0.00	0.00	<b>8922.33</b>		
c) Lines of credit committed to other institutions (outflows)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		<b>0.00</b>
d) Outflows on account of forward exchange contracts, rupee/dollar swap & bills rediscounted	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		<b>0.00</b>
<b>9. Others (Please specify, if any)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>		<b>0.00</b>

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<b>(A) TOTAL OUTFLOWS</b>	<b>3144.44</b>	<b>3974.35</b>	<b>4289.44</b>	<b>5739.35</b>	<b>4854.74</b>	<b>10603.19</b>	<b>20731.64</b>	<b>74314.27</b>	<b>58225.08</b>	<b>78008.17</b>	<b>263884.68</b>
<b>(A_1) CUMULATIVE OUTFLOWS</b>	<b>3144.44</b>	<b>7118.79</b>	<b>11408.23</b>	<b>17147.59</b>	<b>22002.33</b>	<b>32605.52</b>	<b>53337.16</b>	<b>127651.43</b>	<b>185876.51</b>	<b>263884.68</b>	
<b>B. INFLOWS</b>											
<b>1. Cash</b>	98.45	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	<b>98.45</b>
<b>2. Remittance in transit</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	<b>0.00</b>
<b>3. Balances with banks (in India only)</b>	<b>2057.02</b>	<b>4000.00</b>	<b>2300.00</b>	<b>5000.00</b>	<b>6000.00</b>	<b>753.62</b>	<b>1040.67</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>21151.31</b>
a) Current account	2057.02	0.00	0.00	0.00	0.00	0.00	228.56	0.00	0.00	0.00	<b>2285.58</b>
b) Deposit /short-term deposits	0.00	4000.00	2300.00	5000.00	6000.00	753.62	812.11	0.00	0.00	0.00	<b>18865.73</b>
c) Money at call & short notice	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	<b>0.00</b>
<b>4. Investments (net of provisions)</b>	<b>1700.00</b>	<b>360.24</b>	<b>59.90</b>	<b>59.90</b>	<b>59.90</b>	<b>130.00</b>	<b>359.38</b>	<b>1064.83</b>	<b>238.67</b>	<b>4.50</b>	<b>4037.30</b>
a) Mandatory investments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	<b>0.00</b>

<b>PART-1: STATEMENT OF STRUCTURAL LIQUIDITY AS ON PERIOD ENDING</b>											
RESIDUAL MATURITY	1 day to 7 days	8 days to 14 days	15 days to 30/31 days (one month)	Over one month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years and upto 5 years	Over 5 years	Total
b) Non Mandatory Listed	1700.00	300.34	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	<b>2000.34</b>
c) Non Mandatory unlisted securities (e.g. shares, etc.)	0.00	59.90	59.90	59.90	59.90	130.00	359.38	1064.83	238.67	4.50	<b>2036.96</b>
d) Non-mandatory unlisted securities having a fixed term maturity	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	<b>0.00</b>
e) Venture capital units	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	<b>0.00</b>
<b>5. Advances (Performing)</b>	<b>0.00</b>	<b>0.00</b>	<b>626.32</b>	<b>1683.92</b>	<b>3437.24</b>	<b>8400.53</b>	<b>16888.17</b>	<b>46208.33</b>	<b>44380.69</b>	<b>105281.36</b>	<b>226906.54</b>



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amount due beyond the next five years													
<b>7. Inflows from assets on lease</b>	0.00	0.00	0.00	0.00	0.00	0.00		0.00	646.44	0.00	0.00		<b>646.44</b>
<b>8. fixed assets (excluding assets on lease)</b>	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00	770.17		<b>770.17</b>
<b>9. Other assets :</b>	<b>0.00</b>	<b>0.00</b>	<b>215.65</b>	<b>323.48</b>	<b>107.83</b>		<b>323.48</b>	<b>1186.09</b>	<b>0.00</b>	<b>489.10</b>	<b>34.52</b>		<b>2680.16</b>
(a) Intangible assets and items not representing cash inflows.	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00	34.52		<b>34.52</b>
(b) Other items (such as accrued income, other receivables, staff loans, etc.)	0.00	0.00	215.65	323.48	107.83	323.48		1186.09	0.00	489.10	0.00		<b>2645.64</b>
c) Others (Please specify, if any)	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00		<b>0.00</b>
<b>10. Lines of credit committed by other institutions (inflows)</b>	0.00	0.00	2000.00	3000.00	0.00	0.00		0.00	0.00	0.00	0.00		<b>5000.00</b>
<b>11. Bills rediscounted (inflow)</b>	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00		<b>0.00</b>
<b>12. Inflows on account of forward exchange contracts, dollar/rupee swaps (sell/buy)</b>	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00		<b>0.00</b>
<b>13. Others (Please specify, if any)</b>	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00		<b>0.00</b>



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## Annexure 9

### **LEGAL AND OTHER INFORMATION OUTSTANDING LITIGATIONS AND DEFAULTS**

The Company is subjected to various legal proceedings from time to time, mostly arising in the ordinary course of its business. The legal proceedings are initiated by us and also by customers, past employees and other parties. These legal proceedings are primarily in the nature of (a) consumer complaints, (b) criminal complaints, and (c) civil suits. We believe that the number of proceedings in which we are involved is not unusual for a company of our size in the context of doing business in India.

As on the date of this General Information Document, except as disclosed below, there are no failures or defaults to meet statutory dues, institutional dues and dues towards instrument holders including holders of debentures, fixed deposits, and arrears on cumulative preference shares, etc., by the Company.

For the purpose of disclosures in this General Information Document, our Company has considered the following litigation as 'material' litigation:

- all pending proceedings whether civil, arbitral, tax related litigations, or otherwise, against our promoters and directors;

Save as disclosed below, there is no:

- material event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the issuer/promoters, litigations resulting in material liabilities, corporate restructuring event etc.) at the time of issue which may affect the issue or the investor's decision to invest / continue to invest in the non-convertible securities/ commercial paper.
- litigation or legal action pending or taken by a Government Department or a statutory body or regulatory body during the three years immediately preceding the year of the issue of the issue document against the promoter of the company.
- details of default and non-payment of statutory dues for the preceding three financial years and current financial year.
- details of pending litigation involving the issuer, promoter, director, subsidiaries, group companies or any other person, whose outcome could have material adverse effect on the financial position of the issuer, which may affect the issue or the investor's decision to invest / continue to invest in the debt securities and/ or non-convertible redeemable preference shares.
- details of acts of material frauds committed against the issuer in the preceding three financial years and current financial year, if any, and if so, the action taken by the issuer.
- details of pending proceedings initiated against the issuer for economic offences, if any.

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## **Litigations involving the Directors**

### **Civil proceedings involving any director of the Company**

1. M. Mathew has filed a suit before the district court at Kottayam, against the Muthoot Pappachan Group and others alleging infringement of the trademark "MUTHOOT". The mark "MUTHOOT" has been registered as a trademark by M. Mathew, Chairman and Managing Director of Muthoot Mercantile Limited. Thomas John Muthoot, Thomas George Muthoot and Thomas Muthoot on behalf of "Muthoot Pappachan Group", have contended that "Muthoot" is a family name and they have the right to use the same for their business and also that the Muthoot Pappachan Group was using the same much prior to M. Mathew. The matter is currently pending.
2. Thomas John Muthoot, Thomas George Muthoot and Thomas Muthoot have filed an application before the Intellectual Property Appellate Board, Chennai ("IPAB"), to remove/cancel/rectify the trademark "MUTHOOT". The mark "MUTHOOT" has been registered as a trademark by M. Mathew, Chairman and Managing Director of Muthoot Mercantile Limited. After the abolition of IPAB, the matter has been transferred to the High Court of Madras and is currently pending before the High Court.

### **Criminal proceedings involving any director of the Company**

1. The service tax department has initiated prosecution against Thomas John Muthoot consequent to a tax claim made on another concern. Technically such prosecution will not lie as no claim was made by the department against Thomas John Muthoot. Also, all actions on the assessment made by the department are currently stayed by the appellate tribunal. However, based on a departmental circular, wherein it is mentioned that they can even initiate criminal action in cases which are stayed by the Tribunal, the department has initiated prosecution before the Chief Judicial Magistrate, Kochi. However, the same is challenged before the high court and the court was pleased to grant a stay in the matter.
2. Legal Metrology Department had filed a complaint under the sections 190 and 200 of the Criminal Procedure Code before the Judicial First Class Magistrate Court, Manjeri against the Company in 2019. Thereafter summons was issued to the Directors of the Company as well. The offence alleged is that lesser weight is mentioned in the pledge card as against the original weight and hence the allegation is that the customer will get cheated since the company is liable to return only the weight mentioned in the pledge card. However, in reality we mention both the gross and net weight of the ornaments and for the purpose of considering the weight of ornaments for pledge we rely upon the net weight which is after nominal deduction towards impurities and / stones. As the allegation is baseless. We have moved the Kerala High Court for quashing the proceedings and the matter has been stayed. The stay was extended by an interim order dated February 19, 2020. Our Company has filed a counter petition before the Judicial First Class Magistrate, Manjeri for quashing of the complaint filed by the Senior Inspector. The matter is currently stayed and is pending.
3. Abdul Kahder ("Complainant") filed an FIR on April 28, 2016 under Sections 457 and 380 of the Indian Penal Code for recovery of gold ornaments that were allegedly stolen from his residence. The charge sheet on the matter was submitted by an investigating officer before the Chief Metropolitan Magistrate, Hyderabad on September 16, 2020 against Mohammed Sameer for allegedly stealing the gold ornaments and mortgaging the same with MFL, which were subsequently sold through an auction. This matter is currently pending. Subsequently we have filed W.P. No. 536/20 and procured favourable order whereby CMD and BM are dispensed from attendance of trial court proceedings on filing appropriate application. This matter is currently pending.
4. Complainant third party Ranjith C H filed private complaint against CMD and MFL staff in CMM court Secunderabad, Court directed Police station Marredpally to register crime and investigate. We have filed petition to quash the FIR against CMD and staff wide CRLP Nos. 15856 /14 and 15830 /2014 and have obtained stay. Both CRLP's are pending for final hearing.

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## Tax proceedings involving any director of the Company

### Tax related disputes

#### 1. Thomas John Muthoot

Sr. No.	Assessment Year	Amount Involved (₹)	Nature of Demand	Status
	2005-06	1,37,05,006	Penalty under Section 271 C of the Income Tax Act.	Penalty was dismissed by ITAT Kochi vide order dated September 24, 2014. The Income Tax Department had gone on appeal before the Honourable High Court of Kerala. The High Court of Kerala allowed the appeal filed by the department. In this regard, Special Leave Petition has been filed by the assessee and the same has been admitted by the Supreme Court of India.
	2005-06	7,43,50,423	Order under Section 143(3) and disallowance under Section 40(a)(ia) of the Income Tax Act.	The appeal was dismissed by the ITAT Kochi and the Honourable High Court of Kerala by orders dated August 28, 2014 and July 03, 2015 respectively. In this regard, the assessee has filed a special leave petition in the Supreme Court of India and the same has been admitted by the Supreme Court.
	2006-07	70,49,302	Penalty under Section 271C of the Income Tax Act.	The Honourable High Court of Kerala by way of order dated July 03, 2015 allowed the appeal filed by the Revenue against order of the ITAT. In this regard, the assessee has filed a Special Leave Petition in the Supreme Court of India and the same has been admitted.
	2006-07	3,56,55,872	Order under Section 143(3) and disallowance under Section 40(a)(ia) of the Income Tax Act.	The appeal was dismissed by the ITAT Kochi and the Honourable High Court of Kerala by orders dated August 28, 2014 and July 03, 2015 respectively. Special Leave Petition has been filed by the assessee in this regard and the same has been admitted by Supreme Court of India.
	2007-08	69,09,500	Penalty under Section 271 C of the Income Tax Act.	Penalty was dismissed by ITAT Kochi vide order dated September 24, 2014. The Income Tax Department had gone on appeal before the Honourable High Court of Kerala. The High Court of Kerala allowed the said appeal (order dated February 02, 2015). In this regard, the assessee has filed a Special Leave Petition and the same has been admitted by Supreme Court of India.
	2007-08	3,04,68,287	Order under Section 143(3) and disallowance under Section 40(a)(ia) of the Income Tax Act.	The appeal was dismissed by the ITAT Kochi and the Honorable High Court of Kerala by orders dated August 28, 2014 and July 03, 2015 respectively. Special Leave Petition has been filed by the assessee in this regard and the same has been admitted by Supreme Court of India.
	2008-09	8,37,750	Order under Section 143 (3) of the Income Tax Act.	Appeal before CIT (Appeals) / Kochi was dismissed by Order of The CIT(Appeals)-3/Kochi dated November 20, 2023. An appeal was filed before the

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Sr. No.	Assessment Year	Amount Involved (₹)	Nature of Demand	Status
				ITAT, Kochi which has been dismissed vide the Order pronounced on 21/10/2024, certified copy of which is awaited.
	2009-10	16,97,280	Order under Section 143 (3) of the Income Tax Act and disallowance under Section 40(a)(ia) of the Income Tax Act.	ACIT /Circle -I /Tvla completed the Assessment making a disallowance of ₹ 46.78 lakhs u/s 40(a)(ia). Appeal against this order was dismissed by CIT(A)/, Kottayam, dated December 12, 2015. Appeal against this order was filed in the Income Tax, Appellate Tribunal, Cochin bench, Cochin. The same was dismissed by way of order dated April 28, 2016. Appeal against the said order was filed in the High Court of Kerala at Ernakulam. The said appeal has been dismissed by the High Court of Kerala vide its order dated July 13, 2016. SLP filed before the Hon. Supreme Court.
	2011-12	69,73,170	Tax under Section 143(3) of the Income Tax Act and penalty under Section 271(1)(c).	The Appeal was dismissed by Order of the CIT(Appeals)-3/Kochi dated November 20, 2023. An appeal has been filed before the ITAT, Kochi.
	2012-13	1,63,72,070	Order u/s 143(3) - disallowance u/s 14 A	The Appeal was dismissed by Order of the CIT(Appeals)-3/Kochi dated November 20, 2023. An appeal has been filed before the ITAT, Kochi.
	2013-14	-	Order u/s 143(3) - disallowance u/s 14 A	The Appeal was dismissed by Order of the CIT(Appeals)-3/Kochi dated November 20, 2023. An appeal has been filed before the ITAT, Kochi.
	2014-15	1,50,76,100	Order u/s 143(3) rws 153A of the Income Tax Act (Block Assessment)	Appeal filed was dismissed by Order of the CIT(Appeals)-3/Kochi dated November 20, 2023. An appeal has been filed before the ITAT, Kochi. ₹ 8,19,880/- was remitted on August 27, 2024 as directed by the Honourable High Court of Kerala granting stay vide order dated August 9, 2024.
	2015-16	2,15,71,830	Order u/s 143(3) rws 153A of the Income Tax Act (Block Assessment)	Appeal filed was dismissed by Order of the CIT(Appeals)-3/Kochi dated October 31, 2023. An appeal has been filed before the ITAT, Kochi. ₹17,25,690/- was remitted on August 27, 2024 as directed by the Honourable High Court of Kerala granting stay vide order dated August 9, 2024.
	2016-17	-	Order u/s 143(3) rws 153A of the Income Tax Act (Block Assessment)	Appeal filed was dismissed by Order of the CIT(Appeals)-3/Kochi dated October 31, 2023. An appeal has been filed before the ITAT, Kochi.
	2017-18	-	Order u/s 143(3) rws 153A of the Income Tax Act (Block Assessment)	Appeal filed was dismissed by Order of the CIT(Appeals)-3/Kochi dated October 31, 2023. An appeal has been filed before the ITAT, Kochi.
	2020-21	16,74,02,536	Order under Section 143 (3) rw Order under Section 154 of the Income Tax Act.	The Appeal was dismissed by Order of the CIT(Appeals)-3/Kochi dated October 31, 2023. The Company filed a writ petition bearing case no. WP(C) No. 10359 of 2024 before the High Court of Kerala. The court allowed the writ petition vide order

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Sr. No.	Assessment Year	Amount Involved (₹)	Nature of Demand	Status
				dated 14 March 2024 directing the Appellate Authority to pass fresh orders after affording to the petitioner an opportunity to be heard and the matter is currently pending. ₹ 3,34,80,510/- was remitted on 27/08/2024 as directed by the Honourable High Court of Kerala granting stay vide order dated August 9, 2024.

## 2. Thomas George Muthoot

Sr. No.	Assessment Year	Amount Involved (₹)	Nature of Demand	Status
	2005-06	9,53,71,446	Order under Section 143 (3) of the Income Tax Act and disallowance under Section 40(a)(ia) of the Income Tax Act.	Appeal dismissed by ITAT / Kochi Bench by order dated August 12, 2011
	2006-07	1,43,54,083	Penalty under Section 271 C of the Income Tax Act.	Penalty was dismissed by the ITAT Kochi vide its order dated September 24, 2014. The department appealed before the High Court of Kerala and the same was allowed. Special Leave Petition has been filed by Thomas George Muthoot in this regard and the same has been admitted by Supreme Court.
	2006-07	7,53,51,608	Order under Section 143(3) and 143(4) and disallowance under Section 40(a)(ia) of the Income Tax Act.	Appeal was dismissed by ITAT/ Kochi and the Honourable High Court of Kerala vide orders dated August 28, 2014 and July 03, 2014 respectively. Special Leave Petition has been filed by the assessee in this regard and the same has been admitted by Supreme Court of India.
	2007-08	2,69,12,085	Order under Section 143(3) and 143(4) and disallowance under Section 40(a)(ia) of the Income Tax Act.	Appeal was dismissed by ITAT/ Kochi and the Honourable High Court of Kerala vide orders dated August 28, 2014 and July 03, 2014 respectively. Special Leave Petition has been filed by the assessee in this regard and the same has been admitted by Supreme Court of India.
	2011-12	99,71,610	Order under Section 143(3) of the Income Tax Act.	The Appeal was dismissed by Order of The CIT(Appeals)-3/Kochi dated November 20, 2023. Appeal has been filed before the ITAT, Kochi.
	2012-13	2,61,68,000	Order u/s 143 (3) - Disallowance u/s 14 A	The Appeal was dismissed by Order of The CIT(Appeals)-3/Kochi dated November 20,2023. Appeal has been filed before the ITAT, Kochi.
	2013-14	60,02,360	Order u/s 143 (3) - Disallowance u/s 14 A	The Appeal was dismissed by Order of The CIT(Appeals)-3/Kochi dated November 20,2023. Appeal has been filed before the ITAT, Kochi.
	2014-15	3,28,62,750	Order u/s 143(3) rws 153A of the Income Tax Act (Block Assessment)	Appeal filed was dismissed by Order of The CIT(Appeals)-3/Kochi dated October 31, 2023. Appeal has been filed before the ITAT, Kochi. ₹ 13,32,870/- was remitted on 27/08/2024 as directed

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Sr. No.	Assessment Year	Amount Involved (₹)	Nature of Demand	Status
				by the Honourable High Court of Kerala granting stay vide order dated 09/08/2024.
	2015-16	2,84,92,810	Order u/s 143(3) rws 153A of the Income Tax Act (Block Assessment)	Appeal filed was dismissed by Order of The CIT(Appeals)-3/Kochi dated October 31, 2023. Appeal has been filed before the ITAT, Kochi. ₹ 22,78,790/- was remitted on 27/08/2024 as directed by the Honourable High Court of Kerala granting stay vide order dated 09/08/2024.
	2016-17	12,01,195	Order u/s 143(3) rws 153A of the Income Tax Act (Block Assessment)	Appeal filed was dismissed by Order of The CIT(Appeals)-3/Kochi dated October 31, 2023. Appeal has been filed before the ITAT, Kochi. ₹ 95,520/- was remitted on 27/08/2024 as directed by the Honourable High Court of Kerala granting stay vide order dated 09/08/2024.
	2017-18	-	Order u/s 143(3) rws 153A of the Income Tax Act (Block Assessment)	Appeal filed was dismissed by Order of The CIT(Appeals)-3/Kochi dated October 31, 2023. Appeal has been filed before the ITAT, Kochi.
	2020-21	18,22,27,006	Order under Section 143 (3) rw Order under Section 154 of the Income Tax Act.	The Appeal was dismissed by Order of The CIT(Appeals)-3/Kochi dtd 31.10.2023. Giving effect to the Order of the CIT, Appeals-33, Kochi, the ACIT, Central Circle, Trivandrum vide order dated 21/12/2023 received on 26/12/2023 determined the tax payable. A writ petition bearing case no. WP(C) No. 10108 of 2024 was filed before the High Court of Kerala. The court Vide order dated 14 March 2024 held that its findings in case no. WP(C) No. 10359 of 2024 order dated March 14, 2024 would apply to this case and accordingly, directed the Appeallate Authority to pass fresh orders after affording to the petitioner an opportunity to be heard and the matter is currently pending. ₹ 3,64,45,410/- was remitted on 27/08/2024 as directed by the Honourable High Court of Kerala granting stay vide order dated 09/08/2024.

### 3. Thomas Muthoot

Sr. No.	Assessment Year	Amount Involved (₹)	Nature of Demand	Status
	2005-06	18,18,200	Penalty under Section 271 C of the Income Tax Act.	Penalty was dismissed by ITAT Kochi vide order dated August 24, 2014. The department had appealed before the Honorable High Court of Kerala and the same was allowed. In this regard, Special Leave Petition has been filed in Supreme Court of India and the same has been admitted.
	2005-06	1,06,17,873	Order under Section 143(3) of the Income Tax Act and	Appeal was dismissed by ITAT /Kochi and Honorable High Court of Kerala by orders dated August 28, 2014 and July 03, 2015 respectively. In this regard,

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Sr. No.	Assessment Year	Amount Involved (₹)	Nature of Demand	Status
			disallowance under Section 40(a)(ia) of the Income Tax Act.	Special Leave Petition has been filed in the Supreme Court of India and the same has been admitted.
	2006-07	15,69,664	Penalty under Section 271 C of the Income Tax Act.	The Honorable High Court by order dated July 03, 2015 allowed the appeal filed by the Revenue against the order of the ITAT Kochi. In this regard Special Leave Petition has been filed by the assessee in the Supreme Court of India and the same has been admitted.
	2006-07	83,09,102	Order under Section 143(3) of the Income Tax Act.	Appeal was dismissed by ITAT /Kochi and Hon. High Court of Kerala by orders dated August 28, 2014 and July 03, 2015 respectively. In this regard, Special Leave Petition has been filed in the Supreme Court of India and the same has been admitted.
	2007-08	30,60,400	Penalty under Section 271 C of the Income Tax Act.	Penalty was dismissed by ITAT Kochi by order dated September 09, 2014. The department had gone on appeal before the Honorable High Court of Kerala and the same was allowed. In this regard, Special Leave Petition has been filed in the Supreme Court of India and the same has been admitted.
	2007-08	1,29,78,162	Order under Section 143(3) of the Income Tax Act.	Appeal was dismissed by ITAT /Kochi and Honorable High Court of Kerala by orders August 28, 2014 and July 03, 2015 respectively. In this regard, Special Leave Petition has been filed in the Supreme Court of India and the same has been admitted.
	2008-09	9,29,923	Order under Section 271(1) C of the Income Tax Act.	Appeal was dismissed by the CIT (A) / Kochi. The ITAT, Kochi has vide order dated 08/12/2022 allowed the appeal and deleted the penalty and the Assessing Officer vide order dated 28/06/2023 has given effect to the Order of the ITAT and deleted the demand.
	2011-12	92,99,010	Order under Section 143(3) of the Income Tax Act.	The Appeal was dismissed by Order of the CIT(Appeals)-3/Kochi dated November 20, 2023. Appeal has been filed before the ITAT, Kochi.
	2012-13	2,49,66,580	Order u/s 143(3) - Disallowance u/s.14 A of the Income Tax Act, 1961.	The Appeal was dismissed by Order of the CIT(Appeals)-3/Kochi November 20, 2023. Appeal has been filed before the ITAT, Kochi.
	2013-14	1,65,83,600	Order u/s 143(3) - Disallowance u/s.14 A of Income Tax Act, 1961.	The Appeal was dismissed by Order of the CIT(Appeals)-3/Kochi November 20, 2023. Appeal has been filed before the ITAT, Kochi. ₹ 93,520/- was remitted on 27/08/2024 as directed by the Honourable High Court of Kerala granting stay vide order dated 09/08/2024.
	2014-15	3,11,48,770	Order u/s 143(3) rws 153A of the Income Tax Act (Block Assessment)	Appeal filed was dismissed by Order of the CIT(Appeals)-3/Kochi dated October 31, 2023. Appeal has been filed before the ITAT, Kochi.
	2015-16	3,14,11,810	Order u/s 143(3) rws 153A of the Income Tax Act (Block Assessment)	Appeal filed was dismissed by Order of the CIT(Appeals)-3/Kochi dated October 31, 2023. Appeal has been filed before the ITAT, Kochi.

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Sr. No.	Assessment Year	Amount Involved (₹)	Nature of Demand	Status
	2016-17	3,76,50,585	Order u/s 143(3) rws 153A of the Income Tax Act (Block Assessment)	Appeal filed was dismissed by Order of the CIT(Appeals)-3/Kochi dated October 31, 2023. Appeal has been filed before the ITAT, Kochi. ₹ 30,00,020/- was remitted on 27/08/2024 as directed by the Honourable High Court of Kerala granting stay vide order dated 09/08/2024.
	2017-18	54,84,474	Order u/s 143(3) rws 153A of the Income Tax Act (Block Assessment)	Appeal filed was dismissed by Order of the CIT(Appeals)-3/Kochi dated October 31, 2023. Appeal has been filed before the ITAT, Kochi. ₹ 4,38,750/- was remitted on 27/08/2024 as directed by the Honourable High Court of Kerala granting stay vide order dated 09/08/2024.
	2020-21	7,96,04,592	Order under Section 143 (3) rw Order under Section 154 of the Income Tax Act.	The Appeal was dismissed by Order of the CIT(Appeals)-3/Kochi dtd 31.10.2023. Giving effect to the Order of the CIT, Appeals-3, Kochi, the ACIT, Central Circle, Trivandrum vide order dated December 21, 2023 received on January 2, 2024 determined the tax payable. A writ petition bearing case no. WP(C) No. 10497 of 2024 was filed before the High Court of Kerala. The court vide order dated 14 March 2024 held that its findings in case no. WP(C) No. 10359 of 2024 order dated March 14, 2024 would apply to this case and accordingly, directed the Appeallate Authority to pass fresh orders after affording to the petitioner an opportunity to be heard and the matter is currently pending. ₹ 1,59,20,920/- was remitted on 27/08/2024 as directed by the Honourable High Court of Kerala granting stay vide order dated 09/08/2024.