



A N N U A L   R E P O R T   2 0 2 1 - 2 0 2 2



## M. MATHEW MUTHOOTTU

**KOZHENCHERRY**

(Guiding Light Of Muthoottu)

### DIRECTORS

MRS. NIZZY MATHEW

MR. MATHEW MUTHOOTTU

MR. MALIAKAL JOSE PAUL

MR. M S RAJAGOPAL

MR. MANOJ KUMAR R

CHAIRMAN &

WHOLE TIME DIRECTOR

MANAGING DIRECTOR

INDEPENDENT DIRECTOR

INDEPENDENT DIRECTOR

ADDITIONAL DIRECTOR

### CHIEF EXECUTIVE OFFICER

MR. P.E. MATHAI

### CHIEF FINANCIAL OFFICER

MRS. ANN MARY GEORGE, ACA

### COMPANY SECRETARY

MRS. K.S. SMITHA, ACS

### STATUTORY AUDITORS

RAMDAS & VENUGOPAL,

CHARTERED ACCOUNTANTS

NO. 7A, GREEN PARK, NEAR DAYA HOSPITAL,

THIRWAMBADY P.O., THRISSUR 682 022, KERALA

### DEBENTURE TRUSTEES

(PRIVATE PLACEMENT)

1. MR. VARGHESE MATHEW

THEKKEMALA P.O., PATHANAMTHITTA, KERALA

2. \* MR. K.S. HARIKUMAR

KIZHAKKE PUSHPAKAM, RAVIPURAM, ERNAKULAM

### DEBENTURE TRUSTEES (PUBLIC ISSUE OF NCDS)

#### MITCON CREDENTIA TRUSTEESHIP SERVICES LIMITED

1402/1403, B-WING, 14TH FLOOR,  
DALAMAL TOWERS, FREE PRESS  
JOURNAL MARG, 211,  
NARIMAN POINT,  
MUMBAI – 400021

### VISTRA ITCL (INDIA) LIMITED

THE IL&FS FINANCIAL CENTRE, PLOT NO.C-22  
G-BLOCK, BANDRA KURLA COMPLEX,  
BANDRA (EAST), MUMBAI-400051

### BANKERS

A. HDFC BANK LIMITED

B. STATE BANK OF INDIA

C. THE SOUTH INDIAN BANK LIMITED

D. CANARA BANK

E. INDUSIND BANK LIMITED

F. DHANLAXMI BANK LIMITED

G. PUNJAB NATIONAL BANK

(ERSTWHILE ORIENTAL BANK OF COMMERCE)

H. UNION BANK OF INDIA

I. DCB BANK LIMITED

J. THE KARUR VYSYA BANK LIMITED

K. CSB BANK LIMITED

L. IDBI BANK LIMITED

M. BANK OF BARODA

N. INDIAN BANK

O. PUNJAB & SIND BANK

### REGISTERED & CORPORATE OFFICE

65/623 K, MUTHOOTTU ROYAL TOWERS,  
KALOOR, KOCHI, ERNAKULAM, KERALA-682017



# **OUR VISION**

To Be The One-Stop Financial Services  
Provider For The Common Man

## CONTENTS

Directors Report	06
Management Discussion and Analysis Report	14
CSR Reporting for the financial year 2021-2022	18
Secretarial Audit Report	22
Independent Auditor's Report	31
Financial Statement	40
Notes to Financial Statement	47

# DIRECTORS REPORT

The Members,  
Muthoottu Mini Financiers Limited

Your Directors have pleasure in presenting the Twenty Fourth Annual Report on the business and operations of your Company together with the audited accounts for the Financial Year ended March 31, 2022.

## Financial Performance

### FINANCIAL RESULTS

Rs. In lakhs

	2021-22	2020-21
Total Revenue	43,024.59	36,825.38
Total Expenditure	37,082.12	31,500.93
<b>Profit before Tax</b>	<b>5,942.47</b>	<b>5,324.45</b>
Add: Prior Period items (Net)		
Tax Expense	-1,313.07	-2,133.31
<b>Profit for the period</b>	<b>4,629.40</b>	<b>3,191.14</b>
<b>Other Comprehensive Income</b>	<b>-192.59</b>	<b>-18.11</b>
<b>Total comprehensive income</b>	<b>4,436.81</b>	<b>3,173.03</b>
Surplus appropriated as follows:		
- Transfer to Special Reserve	-925.88	-634.61
- Transfer from/(to) Debenture Redemption Reserve	0.00	0.00
Balance brought forward from previous year	12811.98	10,273.56
<b>Surplus Carried Forward</b>	<b>16322.91</b>	<b>12,811.98</b>

### Dividend

No dividend is being declared by the company.

### Raising of Additional Capital

Company has not allotted any shares during the financial year 2021-22

### Capital Adequacy

Your Company is well capitalized and has a capital adequacy ratio (Capital to risk weighted asset ratio- CRAR) of 21.65% as on March 31, 2022. This is as against the minimum regulatory requirement of 15 % for non-deposit accepting NBFCs.

### Resource Mobilization

#### a) Share Capital

The authorized share capital of the Company is Rs. 32,500 Lakhs and the paid-up share capital of the Company is Rs. 24,953 Lakhs. The Company had not issued any equity shares either with or without differential rights during the FY 2021-22.

#### b) Debentures

##### • Private Placement of Debentures

The Company has not made any Private placement of debentures during the FY 2021-22

##### • Public Issue of Secured and Unsecured NCDs

During the period under review, your Company has

successfully completed three public issues of Secured and Unsecured Non-Convertible Debenture and has raised Rs. 538.49 Crores.

#### c) Bank Finance:

Bank Finance remains one of the important sources of funding for your Company. During the year we have added 7 new banks and enhancements/ fresh facilities from existing banks who have sanctioned limits totaling to 406 crores to the Company. As at the end of the financial year there were 16 Banks continuing their support to your Company with a total sanctioned limits amounting to Rs 850 crores

### Non Acceptance of Fixed Deposits

Your Company is classified as a non-deposit taking Company (NBFC-ND-SI). The Company has not accepted any fixed deposit during the year under review.

### Listing

The public issues of secured and unsecured non-convertible redeemable Debentures are listed in Bombay Stock Exchange limited and listing fees have been paid by the Company.

### Debenture Redemption Reserve

Pursuant to Regulation 16 of the SEBI Debt Regulations and Section 71(4) of the Companies Act, 2013 states that where debentures are issued by any company, the company shall create a debenture redemption reserve out of the profits of the company available for payment of dividend. Rule 18(7) of

the Companies (Share Capital and Debentures) Rules, 2014, as amended by Companies (Share Capital and Debentures) Amendment Rules, 2019, listed NBFC is not required to create a DRR in case of public issue of debentures. The rules further mandate that the company which is coming with a Public Issue shall deposit or invest, as the case may be, before the 30th day of April of each year a sum which shall not be less than 15% of the amount of its debentures maturing during the year ending on the 31st day of March of the next year in any one or more prescribed methods.

Accordingly, your Company is not required to create a DRR for the Public NCDs. The Company has maintained liquid assets amounting to Rs. 63 crores in the form of Deposits with Scheduled Banks, which represents 15% of amount of its public issue of debentures maturing during the financial year 2022-23.

#### Change of Registered Office:

The Company shifted its Registered Office from Muthoottu Buildings, Kozhencherry Pathanamthitta to 65/623K, Muthoottu Royal Towers, Kaloor Kochi, Ernakulam, Kerala-682017 effective from 21<sup>st</sup> February 2022.

#### Ratings

The Credit ratings for the Company are as detailed hereunder:

Credit Rating Agency	Instrument	Rating as at 31.03.2022	Rating as on 13/08/2022
CARE	Non-Convertible Debentures and Bank Loans	CARE BBB+; (Stable outlook) vide press release dated July 28, 2021- for NCD's	CARE A-; Stable For Bank Loans and NCD
India Ratings & Research	Bank loan Non-Convertible Debentures	IND BBB+/ Stable vide letter dated August 26, 2021	Under Annual review

#### Energy Conservation, Technology absorption and foreign exchange earnings and outgo

The provisions of Section 134(3) (m) of the Companies Act, 2013, and the rules made there under relating to conservation of energy, technology absorption do not apply to your Company as it is not a manufacturing company. However, your Company has been increasingly using information technology in its operations and promotes conservation of resources. During the year under review, there was no foreign earning or expenditure in the Company.

#### Corporate Social Responsibility

The Company believes in achieving its CSR objectives through sustained intervention and in the future looks forward to partnering with implementing agencies having strong credentials in the areas the Company seeks to make

a difference.

The Company also believes that it is well positioned to build on the foundations put in place and the understanding gained in the current year to broaden and accelerate its CSR interventions so as to make a difference and meet its own as well as the legislated expectations.

An amount of Rs. 77.53 Lakhs has been spent towards CSR in the current Financial Year. The total amount to be spent for the Financial Year 2021-22, including the activities earmarked pertaining to the FY 2020-21 is Rs. 102.87 Lakhs and the amounts unspent is identified to be spent in a approved projects and an amount of Rs.25.34 lakhs have been deposited in a separate account, to be utilized in the approved projects during the ensuing Financial Year.

**The report on CSR activities is annexed to this report and marked as Annexure 1**

#### Corporate Governance:

The Company's philosophy of Corporate Governance is aimed at assisting the management of the Company in the efficient conduct of its business and meeting its obligations to stakeholders, guided by a strong emphasis on transparency, accountability and integrity.

Your Company upholds the standards of governance and is Compliant with corporate Governance provisions as Stipulated by Reserve Bank of India. The Board of Directors reviewed the corporate governance policy on 20<sup>th</sup> July 2020. The Composition of Board of Directors and Committees are as detailed hereunder:

#### Board of Directors

The present strength of Board of Directors is Five (5) Directors which include two Executive Directors and three Non- Executive Directors, out of which our Board has two Independent Directors as detailed below:

Category	Name of Directors
<b>Executive Director</b>	<b>Mathew Muthoottu</b> <i>Managing Director</i>
	<b>Nizzy Mathew</b> <i>Chairperson</i>
<b>Non-Executive Director</b>	<b>Manoj Kumar R</b> <i>Additional Director</i>
	<b>Jose Paul Maliakal</b> <i>Independent Director</i>
	<b>Rajagopal M.S</b> <i>Independent Director</i>

#### Assessment of independence & Fit and proper criteria.

While considering the appointment of an Independent Director, the Nomination committee and the board ensures that the incumbent satisfies the test of independence as provided under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligation and Disclosure Requirements) 2015 and also reviews the maintenance of their independence during their tenure on the board.



### Directors retiring by rotation:

In terms of Section 152(6) of the Companies Act 2013 and Articles of Association of the Company, Mrs. Nizzy Mathew retires by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment.

### Change in Board of Directors and KMP (During 2021-2022)

Name of Director & Designation	Date of Change	Reason
Jose Paul Maliakal Designation: Independent Director DIN: 07218120	April 1, 2021	Appointment as an Independent Director -2nd tenure
John V George Designation: Additional Director DIN: 09121961	September 30, 2021	Cessation of tenure of appointment as an Additional Director
Rajagopal M.S. Designation: Independent Director DIN: 08114376	October 1, 2021	Appointment as an Independent Director – 2 <sup>nd</sup> tenure
Manoj Kumar R Designation: Additional Director DIN: 09357326	October 1, 2021	Appointment as an Additional Director

### Meetings of Directors:

During FY 2021-22 the Board met ten times to discuss and decide on various business and policy matters of the Company. Board meeting dates and the attendance of members in meeting were as under.

Date of Board meeting	Board Strength	Directors Present
03.05.2021	5	5
25.06.2021	5	5
25.08.2021	5	4
16.09.2021	5	4
01.10.2021	5	5
09.11.2021	5	5
18.12.2021	5	5
03.01.2022	5	5
14.01.2022	5	5
14.02.2022	5	5

### Committees of the Board

#### Audit Committee

The Audit Committee of our Company was constituted on April 24, 2009 pursuant to Section 292A of the Companies Act, 1956 and other applicable regulations. The Audit Committee was last reconstituted by the Board on October 09, 2020.

The Committee currently comprises 3 Directors.

Name of the Director	Designation in Committee	Nature of Directorship
Jose Paul Maliakal	Chairman	Non- Executive & Independent Director
Rajagopal M.S	Member	Non- Executive & Independent Director
Mathew Muthoottu	Member	Managing Director

### Meetings of Audit Committee:

During FY 2021-22 the Committee met 7 times to discuss and decide on various business and policy matters of the Company. Meeting dates and the attendance of members in meeting were as under.

Date of Committee meeting	Strength	Directors Present
02.04.2021	3	3
25.06.2021	3	3
01.10.2021	3	3
09.11.2021	3	3
18.12.2021	3	3
14.01.2022	3	3
12.02.2022	3	3

### The terms of reference of the Audit Committee, *inter alia*, include:

1. Review of the financial statements (including interim financial statements) and oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is transparent, accurate, correct, sufficient and credible, prior to their submission to the Board for approval;
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of remuneration and terms of appointment;
3. Review of the robustness and effectiveness of the internal control systems in place in the Company;
4. review and monitor the auditor's independence and performance, and effectiveness of audit process;
5. examination of the financial statement and the auditors' report thereon;

6. approval or any subsequent modification of transactions of the company with related parties;
7. scrutiny of inter-corporate loans and investments;
8. valuation of undertakings or assets of the company, wherever it is necessary;
9. evaluation of internal financial controls and risk management systems;
10. Monitoring the end use of funds raised through public offers and related matters.
11. May make omnibus approval for related party transactions proposed to be entered into by the company subject to conditions prescribed under the act.
12. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
13. Must also ensure that an Information System Audit of the internal systems and processes is conducted at least once in two years to assess operational risks faced by the applicable NBFCs.

The powers of the Audit Committee shall inter alia include the power:

1. To invite such of the executives, as it considers appropriate (and particularly the head of finance function) to be present at the meetings of the Committee;
2. To investigate any activity within its terms of reference;
3. To seek information from any employee;
4. To obtain outside legal or other professional advice; and
5. To secure attendance of outsiders with relevant expertise, if it considers necessary.

## 2. Nomination and Remuneration Committee

The Nomination and Remuneration Committee was formed pursuant to Section 178 of the Companies Act, vide board resolution dated April 10, 2014, and was last reconstituted on November 9, 2021.

The committee consists of the following members:

Name of the Director	Designation in Committee	Nature of Directorship
Rajagopal M.S	Chairman	Non- Executive & Independent Director
Jose Paul Maliakal	Member	Non- Executive & Independent Director
Manoj Kumar R	Member	Additional Director

The Committee met 4 times during the FY on 03-05-2021, 16-09-2021, 01-10-2021, 18-12-2021.

### Terms of reference of the Nomination and Remuneration Committee inter alia include the following:

1. Identify persons who are qualified to become directors and recommended to the Board their appointment

/ removal and carry out evaluation of every director's performance.

2. Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, Key managerial personnel and other employees.
3. Ensure that:
  - a. The Diversity of the Board, level and composition of remuneration is reasonable and sufficient to attract, retained motivate directors of the quality required to run the company successfully;
  - b. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - c. Remuneration to director, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.
  - d. to ensure 'fit and proper' status of proposed/ existing directors.

## 3. Stakeholders Relationship Committee

The Investor Grievance Committee constituted by a board resolution dated December 10, 2013, has been renamed as "Stakeholders Relationship Committee" as per the provisions of Section 178(5) of Companies Act, 2013, reconstituted on March 7, 2016 and further reconstituted on October 9, 2020, currently consists the following members:

Name of the Director	Designation in Committee	Nature of Directorship
Rajagopal M.S	Chairman	Non- Executive & Independent Director
Nizzy Mathew	Member	Chairman & Whole-time Director
Mathew Muthoottu	Member	Managing Director

### Terms of reference of the Stakeholders Relationship Committee inter alia include the following:

1. Consider and resolve the grievances of security holders of the company.
2. Monitoring transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of Equity Shares, debentures and other securities issued by the Company, including review of cases for refusal of transfer/transmission of shares and debentures;
3. Ensure proper and timely attendance and redressal of investor queries and grievances; and
4. To do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers.



#### 4. Corporate Social Responsibility Committee ("CSR Committee")

The CSR Committee has been constituted vide a board resolution dated April 10, 2014 and was reconstituted on October 9, 2020 as per the provisions of Companies Act, 2013 with following members:

Name of the Director	Designation in Committee	Nature of Directorship
Nizzy Mathew	Member	Whole-time Director
Mathew Muthoottu	Member	Managing Director
Rajagopal M.S	Member	Non- Executive & Independent Director

**Terms of reference of the CSR Committee interalia include the following:**

- To formulate an annual action plan in consonance with the company's CSR policy and recommend the same to the board of the company
- Recommend the amount of expenditure to be budgeted for the activities referred to above
- Monitor the implementation of CSR projects in accordance with project timelines and to ensure that the funds are utilized for the approved purpose and report the same to Board of Directors.
- Power to recommend to the Board alterations to the projects if deemed necessary, to ensure better implementation with the prescribed time period
- Recommending to the Board engagement of external organizations, international or national for design, evaluation, capacity building and monitoring of CSR projects as well as collaboration with other companies to undertake CSR projects

#### 5. Debenture Committee

The Debenture Committee was constituted by a board resolution dated December 10, 2013 was reconstituted on October 9, 2020. The Committee currently comprises of three Directors.

Name of the Director	Designation in Committee	Nature of Directorship
Nizzy Mathew	Member	Whole-time Director
Mathew Muthoottu	Member	Managing Director
Rajagopal M.S	Member	Non- Executive & Independent Director

**Terms of reference of the Debenture Committee include the following:**

- Determining and approving the terms and conditions of the debentures to issued, number of the Debentures to be issued, the timing, nature, type, pricing and

such other terms and conditions of the issue including coupon rate, minimum subscription, retention of oversubscription, if any, etc.;

- To approve and make changes to the Prospectus;
- To approve the final Prospectus, including any corrigendum, amendments supplements thereto, and the issue thereof;
- To issue and allot the Debentures;
- To approve all other matters relating to the issue and do all such acts, deeds, matters and things including execution of all such deeds, documents, instruments, applications and writings as it may, at its discretion, deem necessary and desirable for such purpose including without limitation the utilization of the issue proceeds, modify or alter any of the terms and conditions, including size of the Issue, as it may deem expedient, of Issue and/or early closure of the Issue.

#### 6. Risk Management Committee

The Risk Management Committee was constituted vide a board resolution dated April 22, 2013. Further the committee was reconstituted on October 9, 2020 as Board Committee and presently the committee consists of the following members;

Name of the Director	Designation in Committee	Nature of Directorship
Nizzy Mathew	Member	Whole-time Director
Mathew Muthoottu	Member	Managing Director
Rajagopal M.S	Member	Non- Executive & Independent Director

**Terms of reference**

- To assist the Board in setting risk strategy policies in liaison with management and in the discharge of its duties relating to corporate accountability and associated risk in terms of management assurance and reporting;
- To review and assess the quality, integrity and effectiveness of the risk management systems and ensure that the risk policies and strategies are effectively managed;
- To review and assess the nature, role, responsibility and authority of the risk management function within the MMFL
- To monitor external developments relating to the practice of corporate accountability and the reporting of specifically associated risk, including emerging and prospective impacts;
- To review the risk bearing capacity of MMFL in light of its reserves, insurance coverage or other such financial structures.

## 7. Borrowings & Investment Committee

The Borrowings & Investment Committee was constituted vide a board resolution dated October 1, 2021 and presently the committee consists of the following members;

Name of the Director	Designation in Committee	Nature of Directorship
Rajagopal M.S	Chairman	Non- Executive & Independent Director
Nizzy Mathew	Member	Whole-time Director
Mathew Muthoottu	Member	Managing Director

### IT Strategy Committee:

IT strategy committee was constituted by the Board of Directors in their meeting held on 28th September 2017. The Committee was last reconstituted on March 31, 2021 with the following members:-

1. Mr. M S Rajagopal-Independent Director- Chairperson of the Committee
2. Mr. Vinodhkumar.C- Chief Technology Officer( CTO)- Member
3. Mr. Mathew Muthoottu – Managing Director- Member.

### Role of Committee:

1. Approving IT strategy and policy documents and ensuring that the management has put an effective strategic planning process in place;
2. Ascertaining that management has implemented processes and practices that ensure that the IT delivers value to the business;
3. Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable;
4. Monitoring the method that management uses to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resources;
5. Ensuring proper balance of IT investments for sustaining NBFC's growth and becoming aware about exposure towards IT risks and controls.
6. Review and amend the IT strategies in line with the corporate strategies
7. Institute an effective governance mechanism and risk management process for all IT outsourced operations

### Management Committees:

#### Asset Liability Management Committee

The Asset Liability Management Committee was constituted by a board resolution dated April 22, 2012 was reconstituted on March 27, 2017 and thereafter on July 20, 2020. The Asset Liability Management Committee comprises of:

Name of the Member	Designation
Nizzy Mathew	Chairman & Whole time Director
Mathew Muthoottu	Managing Director
P E Mathai	Chief Executive Officer
Ann Mary George	Chief Financial Officer
Krishnan Y	Deputy CFO

The ALCO Policy of the company will be based on the monitoring of the following performance parameters:

1. To ensure that the asset liability management strategy and Company's market risk management policies are implemented;
2. To provide a strategic framework to identify, asses, quality and manage market risk, liquidity risk, interest rate risk, price risk etc.
3. To ensure adherence to the risk limits;
4. To articulate current interest rate view of the Company and base its decisions on future business strategy on this view;
5. To monitor the risk levels of the Company;
6. To report to the Board of Directors on the adequacy of the Company's systems and controls for managing risk, and for recommending any changes or improvements, as necessary;
7. To ensure that all activities are within the overall regulatory framework and government regulation;
8. To review and assess the management of funding undertaken by Company and formulate appropriate actions;
9. To review and assess the management of the Company's liquidity with the framework and policies established by the Board, as the case may be, and formulate appropriate actions to be taken;
10. To consider, if appropriate, the composition of the Company's capital structure, taking account of future regulatory requirements and rating agency views.

### Steering Committee:

The Steering Committee ( IT) was constituted by the Board of Directors in their meeting held on 28<sup>th</sup> September 2017. The Committee was last reconstituted on March 31, 2021 with the following members:-

Mr. Mathew Muthoottu – Managing Director

Mr. Vinodh Kumar- CTO

Mr P E Mathai- Chief executive Officer

### Role of the Committee

1. Provide strategic leadership for IT through the alignment of IT strategic objectives and activities with enterprise strategic objectives and processes.
2. Provide oversight and monitoring of the progress of the

project, including deliverables to be realized at each phase of the project and milestones to be reached according to the project timetable

3. Prioritize IT investment initiatives and deliver final approvals and recommendations on proceeding with proposed IT projects.
4. Ensure open communication between the IT department and the other departments/branches of MMFL to promote collaborative planning
5. Focusing on priority setting, resource allocation and project tracking

#### **Frauds reported to the Audit Committee by Auditors**

There was no reporting of frauds by Auditors under Rule 13 of the Companies (Audit and Auditors) Rules 2014.

Details in respect of frauds reported by auditors under sub-section (12) of section 143 other than which are reportable to the central government - Nil

#### **Directors' Responsibility Statement**

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013.

- i. That in preparation of the annual financial statements for the year ended March 31, 2022 the applicable Indian Accounting Standards have been followed along with proper explanation relating to material departures, if any.
- ii. That appropriate accounting policies have been selected and applied consistently and judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended March 31, 2022.
- iii. That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. That the annual accounts have been prepared on a going concern basis.
- v. The Company has an established internal financial control framework including internal controls over financial reporting, operating controls and for the prevention and detection of frauds and errors. The framework is reviewed periodically by management and tested by the internal audit team appointed by the management to conduct the internal audit. Based on the periodical testing, the framework is strengthened from time to time to ensure the adequacy and effectiveness of internal financial controls and
- vi. That systems to ensure compliance with the provisions

of all applicable laws were in place and that such systems were adequate and operating effectively.

#### **Board Evaluation:**

Pursuant to Section 134 (3)(p) of the Companies Act, 2013, the Board reviewed the performance of the individual Directors on the basis of the duly filled evaluation forms submitted by the Directors. Each evaluation form prescribes various norms for evaluation such as understanding and knowledge of the market in which the Company is operating, ability to appreciate the working of the Company and the challenges it faces, composition of the Board and its Committees, attendance of meetings of the Board and its Committees, extent of participation and involvement in the meetings.

A Separate meeting of Independent Directors was conducted during the FY 2021-22, to review:

- a The performance of the Non-Independent Directors and the Board as a whole;
- b The performance of the Chairman of the Company; and
- c The quality, quantity and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

#### **Whistle Blower policy**

The Company as part of the 'vigil mechanism' has in place a 'Whistle Blower Policy' to deal with instances of fraud and mismanagement, if any. This vigil mechanism of the Company is overseen by the Audit Committee and provides adequate safeguard against victimization of employees and directors who avail of the vigil mechanism and also provide direct access to the Chairperson of the Audit Committee in exceptional circumstances.

#### **HR Policy against Sexual Harassment**

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Sexual Harassment Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary and trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed during the year 2021-22 Complaint Status:

Opening	Received during the year	Disposed during the year	Pending cases
Nil	0	0	Nil

#### **Fair Practices Code, Auction Policy and NPA policy**

The Company has a well-defined Fair Practices Code, Auction Policy and NPA policy, consistent with the guidelines issued by the Reserve Bank of India and the policies are reviewed from time to time

#### **Maintenance of Cost Records**



The Company is an NBFC, and hence the requirement under sub-section (1) of section 148 of the Companies Act, 2013 w.r.t Maintenance of cost records is not applicable.

### **Related Party Transactions Policy:**

Policy on related party transactions has been approved by the Board in their meeting held on May 20, 2022.

### **Identification of Related Party Transactions**

1. Transactions considered as related party as per section 188 of Companies Act 2013:
2. Transactions considered as related party transaction as per Reg. 2(1)(zc) of SEBI(LODR) Regulations, 2015
3. Transactions within the ambit of IND AS-24, of the Companies (Indian Accounting Standards) Rules, 2015

### **Approval of Transactions:**

1. Transactions that require prior approval of Audit Committee
2. Transactions that require approval by the Board
3. Transactions that require approval by shareholders

Related Party Transaction policy is available on the website of the Company ([https://muthootmini.com/policy/Related\\_party\\_transaction\\_policy.pdf](https://muthootmini.com/policy/Related_party_transaction_policy.pdf))

The company has entered in to a related party transaction with its promoters/ Directors for which necessary approvals have been taken in the meeting of Board of Directors and wherever necessary in the meeting of the Members of the company.

Pursuant to the provisions of Section 134(3)(h) read with Rule 8(2) of the Companies (Accounts) Rules, 2014, particulars of the contracts or arrangements with related parties referred to in section 188(1) in **Form AOC-2 is annexed as 'Annexure 2'.**

These have also been discussed in detail in the Notes to the Financial Statements in this Annual Report.

### **Secretarial Auditors**

Pursuant to the provisions of Section 204 of the Companies Act, 2013, the Board of Directors at its meeting held on 14-02-2022 had appointed M/s. Satheesh and Remesh Practicing Company Secretaries, as the Secretarial Auditor of the Company to conduct the secretarial audit of the Company for the Financial Year 2021-22.

The Secretarial Audit Report in form MR-3, submitted by the Secretarial Auditors for the FY 2021-22 is enclosed to this report as **Annexure 3**. The Directors of your Company confirm that the Secretarial Audit Report for the period under review is without any qualifications.

### **Statutory Auditors**

M/s. Manikandan & Associates were appointed as the statutory auditors of the Company at the Annual General Meeting held on September 28, 2020 for a period of 3 years

from 01/04/2020 till 31/03/2023. However Reserve Bank of India vide its circular dated April 27, 2021 issued Guidelines for Appointment of Statutory Auditors and advised to implement the same within the second half of the FY 2021-22. In Compliance with the said guidelines and consequent to resignation of M/s Manikandan and Associates, M/s. Ramdas & Venugopal, Chartered Accountants, Firm Registration No. 010669S were appointed as the Statutory Auditors of the Company at the Extra Ordinary General Meeting ('EGM') held on February 7, 2022 on the casual vacancy arising due to the resignation, to hold office up to the conclusion of the Annual General Meeting of the Company for the FY 2021-22.

Upon the recommendation of the Audit Committee, the Board of Directors in their Meeting held on 20th May 2022 have proposed appointment of M/s Ramdas and Venugopal as Statutory Auditors for Two financial Years commencing from 2022-23, and the said matter will be included in the Notice to the Annual General Meeting for FY 2021-22.

### **Significant and Material Orders Passed by the Regulators or Courts**

During the year under review, there were no significant and material Orders passed by any Regulators or Courts or Tribunals against the Company impacting its going-concern status and operations in future.

### **Fines paid during FY 2021-22:**

No penalties were levied during the FY 2021-22

### **Report on Frauds**

In compliance with Master Direction - Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016 dated September 29, 2016 all frauds of Rs 1 lakh and above are reported to the Board of Directors promptly on their detection.

During FY 2021-22, 4 frauds amounting to Rs. 17.15 lakhs were reported to Reserve Bank of India. Out of the said amounts, Rs. 13.39 lakhs was fully provided, Rs. 2.26 lakhs was recovered and Rs.1.50 lakhs written off.

There were 63 fraudulent cases under Rs.1 lakhs reported during the FY 2021-22. The entire amount has been recovered in all the cases

Details of the frauds are reported in note no. 6 (A & B) under Disclosures as per RBI guidelines in the financial statements

### **Auctions Held During the Year 2021-22**

31394 Gold loan accounts were auctioned during the FY 2021-22. An amount of Rs. 18091.12 lakhs was received by the Company on account of the Auction. Details of Auction are reported in Note number 5 under Disclosures as per RBI guidelines in the financial statements. No sister concerns participated in the auctions.

### **Extract of Annual Return**

In accordance with Section 134 (3) (a) of the Companies Act, 2013 and Section 92(3) read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014

an extract of the Annual Return in Form MGT- 9 is appended as **Annexure 4** to the Board's Report.

### Internal Financial Control

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the Financial and accounting records, and the timely preparation of reliable Management Information reports and Disclosures.

### Human Resources

Your Company believe that the most important resource of the company is its employees who have been contribute a major factor for the growth of the organization. The Company aimed at providing employee satisfaction, enabling them to deliver better results year over year. As on March 31, 2022, the Company had 3581 employees in its rolls at various level of organizational structure.

### Particulars of employees - Disclosure as per Section 197(12) of the Companies Act, 2013

A statement containing the names of employees employed throughout the financial year and in receipt of remuneration of Rs.60 lakh or more, or employed for part of the year and in receipt of Rs.5 lakh or more a month, under Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is appended as **Annexure 5**

### Board Diversity and Board Evaluation policy

Pursuant to the provisions of Section 134(3) (e), of the Companies Act 2013 the Company has a policy in place on appointment and remuneration including interalia criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Section 178(3) of the Companies Act 2013.

### Customer Grievance

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

### RBI Guidelines

Reserve Bank of India (RBI) granted the Certificate of Registration to the Company to do the business of non-banking financial institution without accepting deposits. Your Company is a Systemically Important Non-Banking Financial Company (NBFC-ND-SI). The Company has complied with and continues to comply with all the applicable regulations and directions of the RBI.

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT OVERVIEW OF INDIAN ECONOMY

The COVID-19 pandemic and the resultant lockdown has seen significant impact on the economy and in people's livelihood .The disruption caused by the COVID-19

pandemic unfolded with such a speed and scale that the disruption of activities did not allow the economic activity to become normal throughout FY21.

India has got the COVID-19 cases under control,with optimal vaccinations and increased general awareness. Although may partsof the country have yet to witness full normalcy in terms of economic activity, the indicators are gradually recovering.

### Gold Loan Market in India

Gold enjoys a unique connection with Indians in terms of social status, financial security and rich cultural legacy. Along with the country's growing population and ever-increasing disposable income, India's inclination and liking for gold has also increased. Due to the emotional value associated with household jewellery, people are hesitant to sell their gold to meet their immediate financial needs; as an alternative, people pledge their gold ornaments as collateral and secure a short-term loan. The pledging of gold ornaments and other gold assets to local pawnbrokers and money lenders to avail loans has been prevalent in Indian society over ages. The increased holding of gold as an asset among large section of people, and the practices related to borrowing against gold in the informal sector, have encouraged some loan companies to provide loans against the collateral of used household gold jewelleryes. Over a period of time, many companies have emerged as 'specialised gold loan companies.

Most of the gold in India is held by people in rural market. Rural residents and low-income groups are the major customers of gold loans, as gold is usually the only asset they possess, in some quantity. They also typically lack access to banking facilities. Thus, gold loan has emerged as one of the most reliable credit sources for these categories of customers.

The key factors that drove the rapid growth phase of Gold loan in India included low cost of funds (eligibility under Priority Sector Lending), rise of India's middle class, consumerism and urbanization, rising gold prices, and high Loan to Value (LTV) of up to 75.0%. Convenience of access, quick disbursals and lower interest rates compared to moneylenders led to NBFCs becoming the customer's choice.

The COVID-19 pandemic and the subsequent nationwide lockdown resulted in a significant amount of job losses, leaving people to burn out their savings for a living. People heavily relied on borrowings through banks and other sources to fulfil their financing needs amid the pandemic. Consumers used their gold holdings as collateral to obtain their financing needs rather than outright selling. These higher borrowings lifted demand for gold loans during the pandemic both through NBFCs and banks.. Demand during the pandemic has pushed gold loan Asset Under Management (AUM) higher by 20-30% for most of India's leading gold loan NBFCs and banks.

### KEY GROWTH DRIVERS FOR GOLD LOAN

As banks and NBFCs offer gold loans at interest rates much lower than those of informal moneylenders; they have been able to successfully target a new segment of customers who would have otherwise not taken a gold loan.

The key growth drivers for gold loan are provided below:

**Lack of Reach of Banking to Rural and Lower-Income Groups:** - In India, the reach of NBFCs in rural areas is comparatively higher than the banks. Due to which NBFCs have an advantage in terms of business revenue and larger base of customer over the banks. The relative ease in obtaining a loan approval has boosted the popularity of gold loans.

**Expected Revival in Rural Consumption:** - Major portion of the Indian household gold belongs to rural communities, who are the biggest purchasers of gold loan. Additionally, the expected rise in consumerism in rural areas will lead to increased gold loans being taken for non-income generating purposes.

**Changing Attitudes Towards Gold Loan:** - Few decades back, the gold loan was a high-cost affair, interest charged were around 35-50% (local moneylenders) but now organized players in the market (banks and NBFCs) offer the loan at much lower rates. People are turning more towards depositing gold with banks and NBFCs because it is one of the easiest way to avail money. The overall process to avail gold loans has become more formal and transparent with an entry of organized financial players. Using gold loans to meet household exigencies is gaining popularity in Indian cities and metros.

**Ease of Availability of Gold Loan:** - NBFCs offer very competitive gold loan schemes with a wide range of tenures, interest slabs and repayment options making it very attractive for the customer. Unlike the rigid products offered by traditional banks, gold loan products are designed in a way that specifically meets the situation of the target customer segments. Disbursements are made within a quick time period after loan approval with a turnaround time (TAT) of around 10-20 minutes. The ability to choose product features (repayment scheme, tenure) has facilitated increased gold loan penetration.

**Untapped opportunities in the non-south regions:** - Mostly the gold loan companies have their maximum presence in the southern pockets of India. Western, northern and eastern region have minimal gold loan credit penetration, which reflects that gold loan companies can unlock this potential in the coming years.

**Lower default rates:** - There is very low NPA in gold loans. Default rates are most

often less than 2%. This makes gold loan attractive product for organised players.

**Development of online gold loan market:** - Many traditional players have started to offer innovative products such as online gold loans (OGL) catering to the young and urban population. Primary beneficiaries of online gold loan facilities

are digitally and financially literate customers who belong to the age group of 25 to 40 years. The increasing adoption of smartphones and expanding internet connectivity in rural and semi urban area will enable NBFCs in the coming years to get most of their customers to transact in the online gold loan platform.

## PERFORMANCE IN GOLD LOAN, MICROFINANCE AND AFFINITY PRODUCTS OF MMFL

### Gold Loans

We are a non-deposit taking systemically important NBFC in the gold loan sector lending money against the pledge of household gold jewellery ("Gold Loans") in the state of Kerala, Tamil Nadu, Karnataka, Andhra Pradesh, Telangana, Haryana, Maharashtra, Gujarat, Delhi, Uttar Pradesh, Goa and the union territory of Puducherry.

Our Gold Loan portfolio as on March 31, 2022, comprises 4,47,042 Gold Loan accounts aggregating to ₹2,42,697.48 lakhs, which is 97%, of our total loans and advances as on that date. We, as on March 31, 2022, had a network of 814 branches and we employ 3581 persons in our business operations.

### Microfinance Loans

Our microfinance loans are typically small ticket loans, unsecured and given to joint liability groups forming of woman customers only. We started our Microfinance business in Fiscal 2017 and we provide loan amounts typically within the range of Rs.10,000 to 80,000 per loan transaction and which remain outstanding approximately for an average tenor of 365 days to 730 days.

We offer micro finance loans which are targeted to economically active, married women, having regular cash flow from certain income generating activities, including but not limited to, self-managed business, vegetable vendors and tailoring business.

As on March 31, 2022 we had 21,289 micro finance loan accounts aggregating to Rs. 6435.43 lakhs.

### **Our Company has undertaken the following other business initiatives:**

**Money Transfer Business** – Our Company has entered into various agreements for rendering money transfer services with third parties.

**Insurance** - Our Company has obtained registration with the IRDAI, to act as a corporate agent for procuring and soliciting insurance business both in the life insurance and general insurance category, with effect from April 1, 2016. The license no. CA0122 was assigned to our Company and is valid till March 31, 2025. Pursuant to such registration, we have entered into corporate agency agreements with various insurance providers of life, health and general insurance products for soliciting and procuring business for such insurance providers.

**DP Services** – Our Company holds a certificate of registration dated July 5, 2012 bearing registration number



IN-DP-CDSL-660-2012 issued by SEBI to act as Depository Participant in terms of Regulation 20 of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as renewed of August 21, 2017. As on March 31, 2022, we have opened 44,896 security DP accounts.

**Travel Agency services** – Our Company has entered into an agreement for air travel related services, booking of tickets with any airlines for international or domestic travel, apply for and obtain VISA, arranging for travel insurance, forex services, corporate services etc, as a non-International Air Travel Association agent.

**PAN card related services** – Our Company has entered into an agreement as PAN card service agent for collecting and receiving PAN application forms and providing related services to PAN applicants.

**Consignee services for sale of bullion and jewellery** – Our Company has entered into an agreement dated February 23, 2021 with Muthoottu Royal Gold (“MRG”), a proprietorship concern, to act as a consignee for exclusive sale of gold and silver coins and selected jewellery items supplied by or through MRG. The agreement came into effect from April 1, 2021 and will be valid for a period of 5 years.

## RISKS & CONCERNS

Traditionally, risks in an Organization have been classified into the broad categories of

1. Credit Risks
2. Market Risks
3. Operational Risks
4. Financial Risk

**Credit Risk** is defined as the risk of failure of the counter party in keeping up its commitments. Credit Risk for MMFLs core business of Gold Loans is perceived to be relatively lower due to the fully secured nature of gold loans. However, it is recognized that risk is inherent due to the criticality of the value of collateral. The degree of comfort will depend on the Loan to Value at which loan is sanctioned followed by the subsequent price movements. Significantly downward movement in the gold prices especially when accompanied by non-servicing of interest can impact the company's financials significantly.

Gold loans are granted for a tenure of maximum one year which is essentially short-term. With the current LTV of 75% on monthly moving average price of 22 ct. gold, the risks are contained to the bare minimum. Timely action on non-performing loans by continuous monitoring followed by recovery action through auctions, therefore, will mitigate the Credit Risks.

**Market Risk** is defined as the risks arising from movements in interest rates and exchange rates on the overall business of the Company. Adverse movements in interest rates could possibly pose a risk to the ability to raise funds for managing liquidity gaps – giving rise to ‘Liquidity Risks’.

The Asset Liability Management Committee (ALCO) at the Management level and both Audit Committee and Risk Management Committee of the Board will closely monitor any mismatch positions and the macro-environment to consider all indicators of risk and plan and advise suitable action.

**Operational Risk** is the risk of losses arising from failed or inadequate processes, systems, people or due to external events. The definition includes Legal Risk such as exposure to fines, penalties, and punitive damages resulting from supervisory actions as well as private settlements. MMFL will facilitate implementation of processes to support the proactive identification and assessment of the significant operational risks inherent in all products, activities processes and systems.

**Financial Risk** is defined as the risks arising from any disruption in the funding sources which have a material adverse effect on our liquidity and financial condition. The Company is proactively pursuing a system of identifying and accessing newer and cheaper sources of funds, to finance the AUM and to grow the business. There is a regular meeting of our asset liability management committee which reviews the liquidity position of the Company and arranges for sufficient funding in advance, for growth.

**Risk based Internal Audit (RBIA):** The Company has in place a risk based internal Audit covering gold loan and other segments. The Company has a Board approved Internal Audit Policy which is reviewed periodically.

The Company is an NBFC coming under the regulatory purview of Reserve Bank of India, SEBI, Stock Exchange and Ministry of Corporate Affairs. In addition, the Company is also required to comply with various Central, State and commercial laws applicable in the conduct of various activities of business. The Company recognizes that the regulatory landscape is under periodical review and this requires the Company to proactively prepare for the challenges posed by the changes. The Company will respond effectively and competitively to regulatory changes, maintain appropriate relationship with the regulators/authorities, strengthen the reliance on capital and improve the quality of ‘in-house’ compliance.

## Branch Network

As on March 31, 2022, we had 814 branches in the states of Kerala, Karnataka, Tamil Nadu, Andhra Pradesh, Telangana, Haryana, Maharashtra, Gujarat, Delhi, Goa, Uttar Pradesh and the union territory of Puducherry.

State	As on March 31, 2022
Andhra Pradesh	80
Delhi	7
Goa	6
Gujarat	5
Haryana	3

State	As on March 31, 2022
Karnataka	112
Kerala	180
Maharashtra	2
Tamil Nadu	339
Puducherry (Union Territory)	1
Telangana	78
Uttar Pradesh	1
Total	814

The Company has an Internal Control System which is commensurate with the size, scale and complexity of its operations. The Internal Auditors monitor the efficiency and efficacy of the internal control systems in the Company, compliance with operating systems/accounting procedures and policies of the Company. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

The Company has adequate systems and procedures to provide assurance of recording transactions in all material respects. During the year, the internal audit department of the Company reviewed the adequacy and operating effectiveness of the internal financial controls as per Section 134 (5) of the Companies Act, 2013.

#### Internal audit and compliance

The Company conducts its internal audit and compliance functions within the parameters of regulatory framework which, in our opinion, is well commensurate with the size, scale and complexity of the operations. The internal controls and compliance functions are installed, evolved, reviewed, and upgraded periodically. The Company has its own internal audit team to cover all areas of operations including branches. The reports are placed before the Audit Committee of the Board. The Audit Committee reviews the performance of the audit and compliance functions, the effectiveness of controls and compliance with regulatory guidelines and gives such directions to the Management as necessary / considered appropriate.

#### Acknowledgement

Your Directors take this opportunity to place on record their appreciation to all employees for their hard work, spirited efforts, dedication and loyalty to the Company which has helped the Company maintain its growth.

The Directors also wish to place on record their appreciation for the support extended by the Reserve Bank of India, other regulatory and government bodies, Registrars and share

transfer Agents, Company's auditors, customers, bankers, promoters and shareholders.

#### By order of the Board

#### MATHEW MUTHOOTTU

Managing Director

DIN:01786534

#### NIZZY MATHEW

Chairman & Whole Time Director

DIN:01680739

## ANNEXURE-1

### CSR Reporting for Financial Year 2021-22

#### Brief outline on CSR Policy of the Company.

Muthoottu Mini Financiers Ltd., ( “the Company”) since its inception has seen itself as a corporate citizen responsible to the society. To streamline and provide more focus and direction to the activities undertaken by the company in this sphere, Corporate Social Responsibility was formulated on 30-05-2014 and was last reviewed on 31-03-2021.

The Company focusses on the key areas outlined in schedule VII of the Companies Act 2013, which inter alia included the following:

1. Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water
2. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects
3. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups
4. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, etc

#### Composition of the CSR Committee:

Composition as detailed hereunder:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Nizzy Mathew	Chairperson and Whole Time Director	6(Six)	6(Six)
2	Mathew Muthoottu	Managing Director	6(Six)	6(Six)
3	M S Rajagopal	Independent Director	6(Six)	6(Six)

The Meetings of the Committee were held on 26-04-2021, 25-06-2021, 25-08-2021, 18-12-2021, 14-02-2022 and 31-03-2022

The web-link for the CSR matters is [https://muthoottumini.com/policy/CSR\\_policy.pdf](https://muthoottumini.com/policy/CSR_policy.pdf)

5. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report). - Not Applicable
- 6.. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
1	2020-2021	28,59,816	28,59,816
	Total	28,59,816	28,59,816

7. Average net profit of the company as per section 135(5).

The Average net profit of the Company as per section 135(5) is Rs.37,13,69,130/-

8. (a) Two percent of average net profit of the company as per section 135(5)

The Two percent of average net profit of the company as per section 135(5) is Rs. 74,27,383/-

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.- NIL

(c) Amount required to be set off for the financial year, if any : Rs. 28,59,816/-

(d) Total CSR obligation for the financial year (7a+7b-7c):. Rs.1,02,87,199/-



## 9. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Total Amount transferred to Unspent CSR Account as per section 135(6).				
	Amount.	Date of transfer.	Name of the Fund	Amount	Date of transfer
77,53,127	25,34,072	28-04-2022	N/A		

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

(1) Sl. No.	(2) Name of the Project.	(3) Item from the list of activities in Schedule VII to the Act.	(4) Local area (Yes/No).	(5) Location of the project.		(6) Project duration.	(7) Amount allocated for the project (in Rs.).	(8) Amount spent in the current financial Year (in Rs.).	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	(10) Mode of Implementation - Direct (Yes/No).	(11) Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
1.	Child welfare Poor housing	(i) Eradicating hunger, poverty malnutrition (ii) promoting education, and employment enhancing vocation skills especially among children, and livelihood enhancement projects	yes	Kerala	pathanamthitta	1 year	7,00,000	7,00,000	NA	No	Ardra Charitable Society	CSR 00006804
2.	Raincoat	(i) Promoting health care including preventive healthcare	Yes	Kerala	Ernakulam	1 year	3,32,585	3,32,585	NA	yes	-	-
3.	Oxygen concentrators	(i) Promoting health care including preventive healthcare	Yes	Kerala	Kottayam	1 year	3,60,000	3,60,000	NA	No	Round Table India Trust	CSR 00000895
4	Vocational Education to children	(ii) promoting education, including special education and employment enhancing vocation skills especially among children	No	Karnataka	Bangalore	1 year	1,00,000	1,00,000	NA	No	YWCA, Bangalore	CSR 00010402
5	Sasneham project	(i) Eradicating hunger, poverty and malnutrition, "promoting health care including preventive health care" and sanitation	yes	Ernakulam	Kerala	2 years	20,00,000	4,95,000	15,05,000	No	Rotary Midtown Services	CSR 00014528
6.	Covid outreach programme	(i) Promoting health care including preventive healthcare	No	Dindigul	TamilNadu Thrissur Kerala Mysore Karnataka	1 year	17,49,840	17,49,840	NA	No	Sendhur Educational Trust	CSR 00020268
7	Metro Median	iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water	yes	Kerala	Ernakulam	2 years	12,20,56	92,800	29,256	yes	NA	-
8	Branch Covid relief	(i) Promoting health care including preventive healthcare	yes	Alappuzha	Kerala	1 years	62902	62902	NA	yes	-	-
9	Asha	(i) Promoting health care including preventive healthcare	No	Kerala Kochi	Tamil Nadu Coimbatore Karnataka Mysore Hyderabad Andhra Pradesh	2 years	20,00,000	10,00,000	10,00,000	No	Opus Dei Foundation	CSR 00021825
Total							74,27,383	48,93,127	25,34,256			

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

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act.	(4) Local area (Yes/No).	(5) Location of the project.		(6) Amount spent for the project (in Rs.).	(7) Mode of implementation - Direct (Yes/No).	(8) Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
1.	Mask Distribution	(i)Promoting health care including preventive healthcare	yes	Kerala	Ernakulam	21,60,000	yes	N/A	N/A
2.	COVID HMS	(i)Promoting health care including preventive healthcare	No	Ernakulam	Kerala & Pune Maharashtra	7,00,000	No	Science and Technology Park, Pune	CSR 00003979
	Total					28,60,000			

(d) Amount spent in Administrative Overheads- Nil

(e) Amount spent on Impact Assessment, if applicable

- Not Applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 77,53,127/-

(g) Excess amount for set off, if any:

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	No Excess amount for set off
(ii)	Total amount spent for the Financial Year	
(iii)	Excess amount spent for the financial year [(ii)-(i)]	
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs.).	Date of transfer.	
1.	2020-2021	28,59,816	28,60,000	NA	NA	NA	NA
	Total	28,59,816	28,60,000	NA	NA	NA	NA

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1) Sl. No.	(2) Project ID.	(3) Name of the Project.	(4) Financial Year in which the project was commenced.	(5) Project duration.	(6) Total amount allocated for the project (in Rs.).	(7) Amount spent on the project in the reporting Financial Year (in Rs.).	(8) Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	(9) Status of the project - Completed / Ongoing.
1		Mask Distribution	2020-21	2 years	51,35,416	21,60,000	51,35,600	completed
2		COVID HMS	2020-21	2years	7,00,000	7,00,000	7,00,000	completed
	Total				58,35,416	28,60,000	58,35,600	

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year- NA

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).- NA

Sd/-

Sd/-

Mathew Muthoottu  
DIN: 01786534  
Managing Director

Rajagopal MS  
DIN: 08114376  
(Chairman CSR Committee).

## Annexure- II

### FORM NO. AOC -2

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

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

- Details of contracts or arrangements or transactions not at Arm's length basis. NIL
- Details of contracts or arrangements or transactions at Arm's length basis:

Sl. No.	Name (s) of the Related Party	Nature of Relationship	Nature of Arrangements	Transaction value (Rs. in Lakhs)
1	Mathew Muthoottu	KEY MANAGERIAL PERSONNEL	Rent paid	3,49,625.00
			Salary received	2,39,00,000.00
			Debenture/subdebt Interest	2,79,096.76
			Travelling expenses	13,55,716.43
			Debenture redeemed	5,40,000.00
2	Nizzy Mathew	KEY MANAGERIAL PERSONNEL	Rent paid	1,12,294.00
			Salary received	1,80,00,000.00
			Travelling expenses	48,638.00
			Debenture redeemed	3,00,000.00
			Debenture/subdebt Interest	3,87,056.19
3	Roy M Mathew	RELATIVES OF KEY MANAGERIAL PERSONNEL	Rent paid	4,16,060.00
			Debenture/subdebt Interest	18,671.00
4	Mini Muthoottu Nidhi Kerala Ltd	ENTITY IN WHICH KMP HAS SIGNIFICANT INFLUENCE	Rent paid	6,17,250.00
			Rent Received	17,21,250.00
5	Mini Muthoottu Nirman & Real Estate Pvt Ltd	ENTITY IN WHICH KMP HAS SIGNIFICANT INFLUENCE	Rent paid	4,15,000.00
6	Muthoottu Mini Hotels Pvt Ltd	ENTITY IN WHICH KMP HAS SIGNIFICANT INFLUENCE	Principal repayment of Loan against property	34,13,489.81
			Rent paid	2,39,831.00
			Interest on Loan against property	91,63,091.42
7	Royal Gold	RELATIVES OF KEY MANAGERIAL PERSONNEL	Rent received	2,62,500.00
			Commission	1,85,290.00
			Purchase of Gold coin	1,98,472.80
8	MILANCHE	ENTITY IN WHICH KMP HAS SIGNIFICANT INFLUENCE	Purchase of Masks	21,21,900.00
			Purchase of Saree	6,20,700.00
			Rent received	1,20,000.00
9	KOZHENCHERRY MM FINANCIALS	RELATIVES OF KEY MANAGERIAL PERSONNEL	Printing expenses	61,17,850.00
10	Ann Mary George	KEY MANAGERIAL PERSONNEL	Salary	42,12,372.00
11	Smitha K S		Salary	20,52,372.00
12	Pothanattu Ethappiri Mathai		Salary	61,62,372.00
13	Manojkumar R	Additional Director	Sitting Fee	1,25,000.00
14	John V George	Additional Director	Sitting Fee	45,000.00
15	M S Rajagopal	Independent Director	Sitting Fee	3,15,000.00
16	Maliakal Jose Paul		Sitting Fee	2,55,000.00



# FORM NO. MR-3

## Secretarial Audit Report

For The Financial Year Ended March 31, 2022

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

To,  
The Members,  
Muthoottu Mini Financiers Limited  
Muthoottu Royal Tower  
Kaloar, Kochi

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Muthoottu Mini Financiers Limited** (U65910KL1998PLC012154) (hereinafter called the **Company**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed with various regulatory authorities and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the financial year ended on **March 31, 2022** ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to reporting made hereinafter.

We further report that maintenance of proper and updated Books, Papers, Minute Books, filing of Forms and Returns with applicable regulatory authorities and maintaining other records is responsibility of management and of the Company, our responsibility is to verify the content of the documents produced before us, make objective evaluation of the content in respect of compliance and report thereon.

We have examined on test check basis, the books, papers, minute books, forms and returns filed and other records maintained by the Company and produced before us for the financial year ended March 31, 2022, as per the provisions of:-

1. The Companies Act, 2013 (**the Act**) and the Rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the Rules made there under;
3. Provisions of the Reserve Bank of India Act, 1934 and its guidelines and regulations to the extent the same is applicable to the Company.
4. Foreign Exchange Management Act, 1999 and the rules and regulations to the extent the same was applicable

to the company.

5. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under to the extent of its applicability;

The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent of its applicability

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011- Not applicable to the Company during the audit period.
- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; Not applicable since the Company is not equity listed Company.
- c. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; Not applicable since the Company is not equity listed Company.
- d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ;( Not applicable to the Company during the audit period)
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities, 2008)  
The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; Not applicable
- f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; ( Not applicable to the Company during the audit period)
- g. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; ( Not applicable to the Company during the audit period)
- h. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under and
- i. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021- Not applicable

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India

- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.
- (ii) The Debt Listing Agreements entered into by the Company with Stock Exchanges;

Based on the aforesaid information provided by the Company, we report that during the financial year under review, the Company has complied with the provisions of the above mentioned Act/s, Rules, Regulations, Guidelines, Standards etc. and we have no material observation or instances of non-compliance in respect of the same except delayed remittance of amount due to Investor Education and Protection Fund pertaining to the financial year 2021-2022.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non- Executive Directors and Independent Directors. The Changes in the Composition of Board of Directors that took place during the period under review were carried out in compliance with provisions of the Companies Act 2013.

Adequate notice along with detailed notes on agenda is given to all the directors to schedule the Board meetings at least 7 days in advance and a reasonable system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through and proper system is in place which facilitates / ensure to capture and record, the dissenting member's views, if any, as part of the Minutes.

Based on the representation made by the Company and its Officers explaining to us in respect of internal systems and mechanism established by the Company which ensures compliances of other Acts, Laws and Regulations applicable to the Company, We report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, there are no specific events / actions having a major bearing on the Company's affairs in pursuance of the laws, rules, regulations, guidelines, etc, referred to above.

**For Satheesh and Remesh**  
 Company Secretaries

**N. Satheesh Kumar**  
 Partner  
 Company Secretary in Practice

C P No.6607  
 UDIN. A016543D000757283

Date : 08/08/2022  
 Place : Kochi

To,  
The Members  
Muthoottu Mini Financiers Limited  
(U65910KL1998PLC012154)  
Kochi

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For Satheesh and Remesh,**  
Company Secretaries

**N. Satheesh Kumar**  
Partner  
Company Secretary in Practice  
C P No.6607  
UDIN. A016543D000757283

Date : 08.08.2022  
Place : Kochi

# ANNEXURE-4

## FORM NO. MGT 9

### EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2022

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

#### I. REGISTRATION & OTHER DETAILS:

i	CIN	U65910KL1998PLC012154
ii	Registration Date	18-Mar-98
iii	Name of the Company	MUTHOOTTU MINI FINANCIERS LIMITED
iv	Category/Sub-category of the Company	PUBLIC LIMITED COMPANY
v	Address of the Registered office & contact details	65/623K, MUTHOOTTU ROYAL TOWERS, KALOOR, KOCHI, ERNAKULAM, KERALA-682017
vi	Whether listed company	DEBT LISTED COMPANY
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	<p>Debentures:</p> <p>LINK INTIME INDIA PRIVATE LIMITED C-101, 247 PARK, L.B.S. MARG VIKHROLI (WEST), MUMBAI - 400083 C- 13 PANNALAL SILK MILLS COMPOUND, LBS MARG, BHANDUP (WEST), MUMBAI – 400 078, MAHARASHTRA, INDIA</p> <p>Equity Shares:</p> <p>CDSL VENTURES LIMITED A WING, 25<sup>TH</sup> FLOOR, MARATHON FUTUREX, MAFATLAL MILL COMPOUND, NM JOSHI MARG, LOWER PAREL(E) MUMBAI - 400013</p>

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

SL No.	Name & Description of main products/ services	NIC Code of the Product / service	% to total turnover of the company
1.	GOLD LOANS	99711352	97.04

#### III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

SI No.	Name & Address Of The Company	CIN/GLN	Holding/Subsidiary/ Associate	% Of Shares Held	Applicable Section
	NIL				

#### IV. SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change in year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individuals/HUF	1,91,34,353	0	1,91,34,353	76.683	1,91,34,353	0	1,91,34,353	76.683	0
b) Central Govt. or State Govt.									



Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change in year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Bodies Corporates	46,00,346	12,17,835	58,18,181	23.316	46,00,346	12,17,835	58,18,181	23.316	0
d) Bank/FI									
e) Any other									
SUB TOTAL:(A) (1)	237,34,699	12,17,835	2,49,52,534	99.99	237,34,699	12,17,835	2,49,52,534	99.99	0
(2) Foreign									
a) NRI- Individuals									
b) Other Individuals									
c) Bodies Corp.									
d) Banks/FI									
e) Any other...									
SUB TOTAL (A) (2)	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	237,34,699	12,17,835	2,49,52,534	99.99	237,34,699	12,17,835	2,49,52,534	99.99	0
<b>B. PUBLIC SHAREHOLDING</b>									
<b>(1) Institutions</b>									
a) Mutual Funds									
b) Banks/FI									
c) Central Govt.									
d) State Govt.									
e) Venture Capital Fund									
f) Insurance Companies									
g) FIIS									
h) Foreign Venture Capital Funds									
i) Others (specify)									
<b>SUB TOTAL (B)(1):</b>									
<b>(2) Non Institutions</b>									
a) Bodies corporates									
i) Indian									
iii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	5	0	5	0.00	5	0	5	0.00	0
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs									
c) Others (specify)									
<b>SUB TOTAL (B)(2):</b>	<b>5</b>	<b>0</b>	<b>5</b>	<b>0.00</b>	<b>5</b>	<b>0</b>	<b>5</b>	<b>0.00</b>	<b>0</b>
Total Public Shareholding (B)= (B)(1)+(B)(2)	0	0	0	0	0	0	0	0	0
C.Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	<b>237,34,704</b>	<b>12,17,835</b>	<b>2,49,52,539</b>	<b>100</b>	<b>237,34,704</b>	<b>12,17,835</b>	<b>2,49,52,539</b>	<b>100</b>	<b>0</b>

## V. SHARE HOLDING OF PROMOTERS & PROMOTER GROUP SHAREHOLDING

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No of shares	% of total shares of the company	% of shares pledged/encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged/encumbered to total shares	
1	Mathew Muthoottu	14779912	59.23	Nil	14779912	59.23	Nil	0
2	Nizzy Mathew	3354446	13.44	Nil	3354446	13.44	Nil	0
3	Muthoottu Mini hotels Private Limited	2551298	10.22	Nil	2551298	10.22	Nil	0
4	Mini Muthoottu credit India Private Limited	14,19,841	5.69	Nil	14,19,841	5.69	Nil	0
5	Roy M. Mathew	999995	4.01	Nil	999995	4.01	Nil	0
6	Muthoottu Infotech Private Limited (Erst while RMM Properties India Private Limited)	6,29,207	2.52	Nil	6,29,207	2.52	Nil	0
7	MuthoottuMini theatres private limited	1217835	4.88	Nil	1217835	4.88	Nil	0
	<b>Total</b>	<b>249,52,534</b>	<b>99.99</b>	Nil	<b>249,52,534</b>	<b>99.99</b>	Nil	<b>0</b>

## VI. CHANGE IN PROMOTERS/PROMOTER GROUP SHAREHOLDING

Sl. No.		Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	<b>At the beginning of the year</b>	<b>249,52,534</b>	<b>99.99</b>	<b>249,52,534</b>	<b>99.99</b>
	Date wise increase/decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer /bonus /sweat equity etc)	No change during the FY 2021-2022.			
	<b>At the end of the year</b>	<b>249,52,534</b>	<b>99.99</b>	<b>249,52,534</b>	<b>99.99</b>

## VII. SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS & HOLDERS OF GDRS & ADRS)

Sl. No		Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
	<b>For Each of the Top 10 Shareholders</b>				
	At the beginning of the year	NOT APPLICABLE. 99.99% Shares held by promoters/promoter group			
	Date wise increase/decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer/ bonus / sweat equity etc)				
	At the end of the year (or on the date of separation, if separated during the year)				

## VIII. SHAREHOLDING OF DIRECTORS & KMP

Sl. No	Name of the Directors & KMP	Shareholding at the Beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
1.	Mathew Muthoottu-Whole time Director	14779912	59.23	14779912	59.23

Sl. No	Name of the Directors & KMP	Shareholding at the Beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
2.	Nizzy Mathew-Whole time Director	3354446	13.44	3354446	13.44
3.	Manojkumar R	0	0.00	0	0.00
4.	Rajagopal Saseendran Mangalathu	0	0.00	0	0.00
5.	Paul Jose Maliakal	0	0.00	0	0.00
6.	K S Smitha- Company Secretary	0	0.00	0	0.00
7.	Pothanattu Ethappiri Mathai	0	0.00	0	0.00
8.	Ann Mary George -CFO	0	0.00	0	0.00

## IX. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
Indebtedness at the beginning of the financial year	Secured Loans excluding deposits (Rs.in lakhs)	Unsecured Loans (Rs.in lakhs)	Deposits (Rs.)	Total Indebtedness (Rs.in lakhs)
i) Principal Amount	1,44,886.66	32,830.03		1,77,716.69
ii) Interest due but not paid		-		-
iii) Interest accrued but not due	8,946.87	12,892.01		21,838.88
<b>Total (i+ii+iii)</b>	<b>1,53,833.53</b>	<b>45,722.04</b>		<b>1,99,555.57</b>
<b>Change in Indebtedness during the financial year</b>			-	
Additions	94,641.50	14,636.50		1,09,278.00
Reduction	30,838.36	12,211.82		43,050.18
<b>Net Change</b>	<b>63,803.14</b>	<b>2,424.68</b>		<b>66,227.82</b>
<b>Indebtedness at the end of the financial year</b>			-	
i) Principal Amount	2,08,311.70	38,001.01		2,46,312.71
ii) Interest due but not paid	-	-		-
iii) Interest accrued but not due	9,324.97	10,145.71		19,470.68
<b>Total (i+ii+iii)</b>	<b>2,17,636.67</b>	<b>48,146.72</b>		<b>2,65,783.39</b>

## A. REMUNERATION TO MANAGING DIRECTOR, WHOLE TIME DIRECTOR AND/OR MANAGER:

Sl. No	Particulars of Remuneration	Name of the MD/WTD/Manager		Total Amount
1	<b>Gross salary</b>	<b>Nizzy Mathew</b>	<b>Mathew Muthoottu</b>	
	(a) Salary as per provisions of Sn 17(1) of the Income Tax. 1961.	Rs.1,80,00,000	Rs.2,39,00,000	Rs. 4,19,00,000
	(b) Value of perquisites u/s 17(2) of the IT Act, 1961	-	-	-
	(c ) Profits in lieu of salary under Sn 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock option	-	-	-
3	Sweat Equity	-	-	-
4	Commission as % of profit	-	-	-
5	others, please specify	-	-	-
	<b>TOTAL</b>	<b>Rs.1,80,00,000</b>	<b>Rs.2,39,00,000</b>	<b>Rs. 4,19,00,000</b>
Ceiling as per the Act	<i>*In terms of the provisions of the Companies Act, 2013, the remuneration payable to Managing Director / All executive Directors shall not exceed limits prescribed as per Section 197 of the Act. The above remunerations paid to Managing Director and Executive directors are well within the said limit</i>			

**B. REMUNERATION TO OTHER DIRECTORS:**

Particulars of Remuneration	Name of the Directors			
Independent/Non-Executive Directors	John V George*	Maliakal Jose Paul	MS Rajagopal	Manoj Kumar R
(a) Fee for attending Board / committee meetings Rs.)	45,000	2,55,000	3,15,000	1,25,000
(b) Commission	-	-	-	-
(c ) Others, please specify	-	-	-	-
<b>Total</b>	<b>45,000</b>	<b>2,55,000</b>	<b>3,15,000</b>	<b>1,25,000</b>

\* John V George ceased to be a Director effective from 30-09-2021

**C. REMUNERATION TO KMP OTHER THAN DIRECTORS**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CS	CFO	CEO	Total
1	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	20,52,000	42,12,000	61,62,000	<b>1,24,26,000</b>
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961				
	(c ) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission as % of profit				
5	Others, please specify				
	<b>TOTAL</b>	<b>20,52,000</b>	<b>42,12,000</b>	<b>61,62,000</b>	<b>1,24,26,000</b>

**X. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

NIL



## ANNEXURE 5

Statement showing the names and other particulars of the employee drawing remuneration in excess of the limits set out in terms of the provisions of Section 197(12) of the Act read with Rules 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

1	Name of the Employee :	<b>Mathew Muthoottu</b>	<b>Nizzy Mathew</b>	<b>P E Mathai</b>
2	Designation of the employee	Managing Director	Wholetime Director	Chief Executive* officer
3	Nature of employment, whether contractual or otherwise	Employment contractual	Employment contractual	Employment contractual
4	Qualification and experience of the employee	Bachelor's degree in Commerce, 14 years in NBFC & Financial Institutions.	Bachelor's degree in English literature, 25 years' experience in NBFC & Financial Institution	Bachelor's degree in Science, 40 years in NBFC & Financial Institution
5	Date of commencement of employment	07/03/2008	18/03/1998	04/02/2019
6.	The age of employee	33	69	72
7	The last employment held by such employee before joining the company	NA	NA	Chief Executive Officer, Muthoot Precious Metal Corporation
8	The percentage of equity shares held by the employee in the company	59.23%	13.44%	Nil
9	Whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager	Nizzy Mathew (Mother)	Mathew Muthoottu (Son)	Nil

# Independent Auditor's Report

**To the members of Muthoottu Mini Financiers Limited**

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

## Opinion

We have audited the accompanying financial statements of Muthoottu Mini Financiers Limited ("the Company") which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the Significant Accounting Policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted as at March 31, 2022, and its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

## Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act 2013 and the Rules made 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 on the Financial Statement

Information Other Than Financial Statements and Auditors Report Thereon

The Company's Board of Directors is responsible for other information. The other information comprises of information included in the Company's Annual Report, but does not include the Financial Statements and our report thereon.

Our Opinion on the Financial Statements does not cover the other information and we do not express any form of assurance.

In connection with our audit on the Financial Statements, our responsibility is to read the other information made available and, in doing so, consider whether the other information is

materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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.

## Managements Responsibility for the Financial Statements

The company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("The Act") with respect to preparation of these Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the Indian Accounting Standard (Ind AS) prescribed 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 asset of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis for 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 is also responsible for overseeing the Company's financial reporting process.

## Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- a. Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b. Obtain an understanding of the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Companies Act 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls systems in place and operating effectiveness of such controls.
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of the accounting estimates and related disclosures made by management.
- d. Conclude on the appropriateness of the management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However future events or conditions may cause the company to cease to continue as a going concern.
- e. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statement represents 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, we give in the "Annexure 1" to this report a statement on the matters specified in Paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by the Non-Banking Financial Companies Auditor's Report (Reserve Bank) Direction, 2016, issued by the Reserve Bank of India in exercise of the powers conferred by sub-section (1A) of Section 45MA of the Reserve Bank of India Act, 1934, we give in the "Annexure 2", an additional Audit Report addressed to the Board of Directors containing our statements on the matters specified therein.
3. As required by section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - 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. No report on accounts of any of the branch offices audited under sub section 8 of section 143 by any person has been received by us and therefore no comments need to be made on the matter.
  - d. The balance sheet, the statement of profit and loss (including Other Comprehensive Income), the cash flow statement and the statement of changes in equity dealt with by this report are in agreement with the books of account.

- e. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
- f. On the basis of the written representations received from the directors as on March 31, 2022 and 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.
- g. In our opinion there are no qualifications, reservations or adverse remarks relating to the maintenance of accounts and other matters connected therewith.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:  
  
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- i. With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our Report in "Annexure 3"
- j. With respect to the matters to be included in the Auditor's Report in accordance with the Rule 11 of the Companies (Audit and Auditors) Rule, 2014, as amended, in our opinion and to the best of our information and according to explanations given to us:
  - i. The company has disclosed the impact of pending litigations on its financial position in its financial statements.
  - ii. The company does not have any long-term contracts including derivative contracts for which there were any foreseeable losses.
  - iii. According to the information provided, an amount of Rs 2,39,712.00 being unclaimed matured debentures has been transferred to Investor Education & Protection Fund on 13.04.2022. According to the information provided, there are no other amounts, required to be transferred by the company to the Investor Education & Protection Fund as on 31.03.2022.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, 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, 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 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.

**For RAMDAS & VENUGOPAL**

Chartered Accountants  
FRN : 010669S

**CA SHAJAN T T, FCA**

Partner  
Membership No. 211270  
UDIN: 22211270AJHKS3978

PLACE: Thrissur

DATE : May 20, 2022



## ANNEXURE-1

### TO THE AUDITOR'S REPORT

The Annexure 1 referred to in our report to the members of Muthoottu Mini Financiers Limited (the Company) for the year ended on March 31, 2022. We report that:

- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, plant and Equipment.  
(B) The company is maintaining proper records showing full particulars of Intangible assets.
- (b) According to the information and explanation provided by the Management, the Company has a regular programme for the verification of its fixed assets. In our opinion, this periodicity of physical verification is reasonable having regard to the size and nature of the Company and the nature of its assets. Pursuant to such programme, a portion of such fixed assets has been physically verified by the management during the year and no material discrepancies were noticed on such verification.
- (c) In our opinion and according to the information and explanation given to us, the title deeds of immovable property are held in the name of the company.
- (d) The company has not revalued the property, plant and equipment or intangible assets or both during the year. Hence the clause not applicable
- (e) There has been no proceedings has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Hence the clause not applicable.
- ii. The company is a service company, primarily rendering financial services. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable.
- iii. (a) The company is a NBFC ( Principal business is to give loans), hence paragraph 3(iii)(e) (A) & (B) not applicable.
- (b) In our opinion and according to the information and explanations given to us, the company has granted loans to parties and the terms and conditions of the grant of such loans are not prejudicial to the company's interest.
- (c) In our opinion and according to the information and explanations given to us the company, in respect of Micro finance and term loans, the schedule of repayment of principal and payment of interest has been stipulated. The repayments or receipts are regular except in 2462 loans, outstanding amounting to Rs.469.66 Lakhs, against which appropriate provision has been made.
- (d) Out of the total loans and advances there are advances which are overdue for more than 90 days amounting to Rs.1526.34 Lakhs, against which appropriate provision has been made. The company has take necessary steps for the recovery of principal and interest. The details are given in the below table.

Type of Loan	No of cases	Principal overdue	Interest overdue	Total overdue	Remarks
Gold Loan	1570	1056.68	0.00	1056.68	These cases are classified as NPA as per RBI IRACP norms and income recognition also been done as per RBI-IRACP norms.
Micro finance	2461	377.73	0.00	377.73	
Loan against property	1	91.93	0.00	91.93	
<b>Total</b>	<b>4032</b>	<b>1526.34</b>	<b>0.00</b>	<b>1526.34</b>	

- (e) The company is a Non-Banking Financial company (Principal business is to give loans), hence paragraph 3(iii)(e) not applicable.
- (f) The company has granted loans and advances in the nature of Gold Loans which are repayable on demand and the principal outstanding as on 31.03.2022 is Rs. 2,35,700.11 lakhs which constitute 97% of total loans outstanding. The company has not granted any loans repayable on demand to the promoters or related parties as defined in clause 76 of section 2 of Companies Act,2013.
- iv. In our opinion and according to the information and explanations given to us, the Company has not given any loans, made any investments, provided any guarantees, and given any security to which the provision of Section 185 and 186 of the Companies Act are applicable.
- v. In our opinion and according to the information and explanation given to us, the Company has not accepted any deposits and accordingly paragraph 3(v) of the order is not applicable.
- vi. Being a Non- Banking Finance Company, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act. Thus paragraph 3(vi) of the order is not applicable.

- vii. a) The Company is regular in depositing undisputed statutory dues including provident fund, employers state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities. There are no arrears of statutory dues as at the last day of the financial year concerned for a period of more than six months from the date on which they became payable.
- b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise and value added tax which have not been deposited on account of any dispute, except the amounts disclosed in Note No. 13 Contingent liabilities forming part of the Financial Statements.
- viii. In our opinion and according to the information and explanation given to us, there are no transactions which were not recorded in the books of accounts which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) In our opinion and according to the information and explanation given to us, the Company has not defaulted in repayment of dues to a financial institution or bank or debenture holders during the period.
- (b) In our opinion and according to the information and explanation given to us, the company is not a declared willful defaulter by any bank or financial institution or other lender.
- (c) In our opinion and according to the information and explanation given to us, the term loan were applied for the purpose for which the loans were obtained.
- (d) In our opinion and according to the information and explanation given to us, the company has not utilized the funds raised on short term basis for long term purposes.
- (e) In our opinion and according to the information and explanation given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) In our opinion and according to the information and explanation given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x. (a) In our opinion and according to the information and explanations given to us, money raised by way of further public offer of debt instruments obtained have been applied by the Company during the year for the purpose for which they have been raised.
- (b) In our opinion and according to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- xi. (a) According to the information and explanations given to us, there were 4 fraud case amounting to Rs.17.15 lakhs reported in the company during the year, out of which 3 cases were in respect of spurious gold pledged with the company in 3 branches amounting to Rs.14.26 lakhs on which 1.99 Lakhs recovered during the year and 100% provision has been made for the balance outstanding. Police investigation under process. During the year company reported one employee fraud amounting to Rs.2.89 lakhs out of which Rs. 1.50 lakhs was written off & Rs.0.27 lakhs recovered during the year and 100% provision has been made on the balance amount outstanding.
- (b) There is no report under sub-section (12) of section 143 of the Companies Act that required to be filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) According to the information and explanations given to us and based on our examination of the records of the Company, no whistle – blower complaints has been received during the year by the company.
- xii. As the Company is not a Nidhi Company, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 177 and 188 of the Companies Act, 2013 and the details of such transactions have been disclosed in the Notes the financial statements of the Company as required by the applicable Ind AS.
- xiv. (a) The company has an internal audit system commensurate with the size and nature of its business;
- (b) The reports of the Internal Auditors for the period under audit were considered by the statutory auditors on a random basis.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with the directors or persons connected with them. Accordingly, paragraph 3(xv) of the order is not applicable to the Company.
- xvi. (a) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has obtained the required registration under Section 45-IA of the Reserve Bank of India Act, 1934.

- (b) The company has conducted Non-Banking Financial activities with a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
  - (c) The company is not a Core investment company (CIC) as defined in the regulations made by the Reserve Bank of India, Hence paragraph 3 (xvi)(c) & (d) not applicable.
- xvii. According to the information and explanations given to us and based on our examination of the records of the Company, the company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- xviii. According to the information and explanations given to us, the preceding Statutory auditors resigned during the year as part of compliance with RBI regulations regarding the appointment of statutory auditors vide RBI Circular No. RBI/2021-22/25 Ref.No.DoS.CO.ARG/SEC.01/08.91.001/2021-22 , and the statutory auditor has taken into consideration the issues, objections or concerns raised by the outgoing auditors
- xix. According to the information and explanations given to us and based on our examination of the records of the Company, on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report, that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due, within a period of one year from the balance sheet date.
- xx. (a) According to the information and explanations given to us and based on our examination of the records of the Company, there are no unspent amount to be transferred to a fund specified in Schedule VII to the Companies Act in respect of other than ongoing projects.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, there are unspent amount in respect of ongoing projects, which has been transferred to separate account.
- xxi. Since this is a standalone financial statement Paragraph 3(xxi) is not applicable.

Place : Thrissur  
Date : May 20,2022

For RAMDAS & VENUGOPAL  
Chartered Accountants  
FRN : 010669s

CA. SHAJAN T T, FCA  
Partner  
Membership No. 211270  
UDIN: 22211270AJHKSK3978

## ANNEXURE 2

### TO THE AUDITOR'S REPORT

#### To the Board of Directors of Muthoottu Mini Financiers Limited,

We have audited the Balance Sheet of Muthoottu Mini Financiers Limited for the year ended as on March 31, 2022, the Statement of Profit and Loss (Including Other Comprehensive Income), Cash Flow Statement and the Statement of Changes in Equity for the year then ended annexed thereto. As required by the Non-Banking Financial Companies Auditors' Report (Reserve Bank) Direction, 2016, and according to the information and explanations given to us, we provide herewith, a statement on the matters specified in paragraphs 3 and 4 of the aforesaid directions;

- i. The company is engaged in the business of Non-Banking Financial Institution and it has obtained the certificate of registration as provided in section 45-IA of the RBI Act, 1934.
- ii. The Company is entitled to continue to hold the Certificate of Registration in terms of the Asset/ Income pattern as on March 31, 2022
- iii. The Board of Directors of the Company has passed a resolution for non-acceptance of public deposit.
- iv. The Company has not accepted any public deposit during the period under review.
- v. According to the information and explanation given to us, the Company has complied with the prudential norms on Income Recognition, Indian Accounting Standards, Asset Classification, Provisioning for bad and doubtful debts as specified in the direction issued by the Reserve Bank of India in terms of the Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and deposit taking Company (Reserve Bank) Directions, 2016.
- vi. The capital adequacy ratio as disclosed in the return submitted to RBI in terms of Master Direction – Non-Banking Financial Company – Systemically Important Non- deposit taking Company and Deposit taking Company (Reserve Bank) Direction, 2016, has been correctly arrived and such ratio is in compliance with the minimum CRAR as prescribed by the Reserve Bank of India.
- vii. The Company has furnished to RBI the annual statement of Capital Fund, risk assets and risk assets ratio within the stipulated period.
- viii. The Company has not been classified as NBFC-MFI for the year ended March 31, 2022

The report has been issued pursuant to the Non-Banking Financial Companies Auditors' Report (Reserve Bank) Direction, 2016 and is issued to the Board of Directors of the Company as required by Paragraph 2 of such directions and should not be used for any other purpose.

For RAMDAS & VENUGOPAL  
Chartered Accountants  
FRN : 010669s

Place : Thrissur  
Date : May 20,2022

CA. SHAJAN T T, FCA  
Partner  
Membership No. 211270  
UDIN: 22211270AJHKSK3978



## ANNEXURE 3

### TO THE AUDITOR'S REPORT

**Annexure 3 to the Independent Auditor's Report of even date on the Financial Statements of Muthoottu Mini Financiers Limited for the year ended 31 March 2022.**

**Report on the Internal Financial Controls with reference to the aforesaid Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") (Referred to in paragraph 3(h) under Report on Other Legal and Regulatory Requirements 'section of our report of even date)**

#### Opinion

We have audited the internal financial controls over financial reporting of Muthoottu Mini Financiers Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has in all material respects, an adequate internal financial control over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the guidance note issued by the ICAI.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of the internal controls 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 Companies Act, 2013.

#### Auditors Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We have 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 ("the Standards") issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

#### Meaning of Internal Financial Control over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide a reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- i. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and the dispositions of the assets of the Company;
- ii. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made in accordance with authorization of the management and directors of the Company; and
- iii. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

#### Inherent limitation of internal financial controls over financial reporting

Because of the inherent limitation of internal financial controls over financial reporting, including the possibility of collusion

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

Place : Thrissur  
Date : May 20,2022

For RAMDAS & VENUGOPAL  
Chartered Accountants  
FRN : 010669s

CA. SHAJAN T T, FCA  
Partner  
Membership No. 211270  
UDIN: 22211270AJHKSK3978

## MUTHOOTTU MINI FINANCIERS LIMITED

CIN: U65910KL1998PLCO12154

Muthoottu Royal Tower, Kaloor, Kochi, Kerala - 682017

### BALANCE SHEET

(Rupees in Lakhs)

Particulars		Note No.	As at March 31, 2022 (Audited)	As at March 31, 2021 (Audited)
<b>I. ASSETS</b>				
<b>1</b>	<b>Financial assets</b>			
a)	Cash and cash equivalents	1.1	35,532.73	23,048.70
b)	Bank Balance other than (a) above	1.2	15,124.54	7,859.27
c)	Receivables			
	(I) Trade receivables			
	(II) Other receivables			
d)	Loans	2	2,47,664.61	1,97,894.20
e)	Investments	3	904.58	4.70
f)	Other financial assets	4	2,167.49	2,199.78
<b>2</b>	<b>Non-financial Assets</b>			
a)	Inventories			
b)	Current tax assets (Net)		2,340.28	1,820.54
c)	Deferred tax assets (Net)		294.03	371.54
d)	Property, Plant and Equipment	5	18,428.37	18,716.91
e)	Other intangible assets	6	10.24	51.59
f)	Other non-financial assets	7	613.39	380.82
	<b>Total Assets</b>		<b>3,23,080.26</b>	<b>2,52,348.05</b>
<b>II. LIABILITIES AND EQUITY</b>				
<b>LIABILITIES</b>				
<b>1</b>	<b>Financial Liabilities</b>			
a)	Debt Securities	8	1,61,162.47	1,28,066.82
b)	Borrowings (other than debt securities)	9	77,321.61	36,982.46
c)	Subordinated liabilities	10	26,587.21	33,802.18
d)	Other financial liabilities	11	1,472.49	1,676.84
<b>2</b>	<b>Non-financial Liabilities</b>			
a)	Provisions	12	470.70	156.65
b)	Other non-financial liabilities	13	295.62	329.75
<b>3</b>	<b>EQUITY</b>			
a)	Equity share capital	14	24,952.54	24,952.54
b)	Other equity	15	30,817.62	26,380.81
	<b>Total Liabilities and Equity</b>		<b>3,23,080.26</b>	<b>2,52,348.05</b>

See accompanying notes to the financial statements  
For Muthoottu Mini Financiers Limited

As per our report of even date attached  
**For Ramdas & Venugopal**  
Chartered Accountants (FRN.010669S)

**Mathew Muthoottu (DIN: 1786534)**  
Managing Director

**Nizzy Mathew (DIN:01680739)**  
Whole-time Director

**CA. Shajan.T.T, FCA**  
Partner (M.No.211270)  
UDIN : 2221270AJHKS3978

**P.E.Mathai**  
Chief Executive Officer

**Ann Mary George, ACA**  
Chief Financial Officer

**K S Smitha, ACS**  
Company Secretary

Place: Kochi  
Date: 20th May, 2022

**MUTHOOTTU MINI FINANCIERS LIMITED**

CIN: U65910KL1998PLCO12154

Muthoottu Royal Tower, Kaloor, Kochi, Kerala - 682017

**STATEMENT OF PROFIT AND LOSS**

(Rupees in Lakhs)

Particulars		Note No.	Year ended March 31, 2022 (Audited)	Year ended March 31, 2021 (Audited)
	<b>Revenue from operations</b>			
(i)	Interest income	16	42,262.94	36,266.72
(ii)	Dividend income		-	-
(iii)	Rental income		117.29	106.21
(iv)	Fees and Commission income		63.09	59.52
(v)	Net gain on derecognition of financial instruments under amortised cost category		-	31.74
(vi)	Net gain on fair value changes	17	-	1.46
(vii)	Sales of services	18	451.88	356.10
(I)	<b>Total Revenue from operations</b>		<b>42,895.20</b>	<b>36,821.75</b>
(II)	Other Income	19	129.39	3.63
(III)	<b>Total Income (I + II)</b>		<b>43,024.59</b>	<b>36,825.38</b>
	<b>Expenses</b>			
(i)	Finance costs	20	22,365.39	19,219.96
(ii)	Net loss on fair value changes	17	0.13	-
(iii)	Impairment on financial instruments	21	726.85	341.10
(iv)	Employee benefits expenses	22	8,454.11	7,161.97
(v)	Depreciation, amortization and impairment	23	510.30	587.21
(vi)	Other expenses	24	5,025.34	4,190.69
(IV)	<b>Total Expenses (IV)</b>		<b>37,082.12</b>	<b>31,500.93</b>
(V)	<b>Profit before tax (III- IV)</b>		<b>5,942.47</b>	<b>5,324.45</b>
(VI)				
	Tax Expense:			
	(1) Current tax		1,156.43	928.10
	(2) Earlier years adjustments			
	(3) Deferred tax		156.64	1,205.21
(VII)	<b>Profit for the year (V- VI)</b>		<b>4,629.40</b>	<b>3,191.14</b>
A)	<b>Other Comprehensive Income</b>			
	(i) Items that will not be reclassified to profit or loss			
	- Remeasurement of defined benefit plans		(271.72)	(25.09)
	- Fair value changes on equity instruments through other comprehensive income			
	(ii) Income tax relating to items that will not be reclassified to profit or loss		79.13	6.98
	<b>Subtotal (A)</b>		<b>(192.59)</b>	<b>(18.11)</b>
B)				
	(i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
	<b>Subtotal (B)</b>		<b>-</b>	<b>-</b>
(VIII)	<b>Other Comprehensive Income (A + B) (VIII)</b>		<b>(192.59)</b>	<b>(18.11)</b>

**MUTHOOTTU MINI FINANCIERS LIMITED**

CIN: U65910KL1998PLCO12154

Muthoottu Royal Tower, Kaloor, Kochi, Kerala - 682017

**STATEMENT OF PROFIT AND LOSS**
*(Rupees in Lakhs)*

Particulars		Note No.	Year ended March 31, 2022 (Audited)	Year ended March 31, 2021 (Audited)
(IX)	Total Comprehensive Income for the year (VII+VIII)		4,436.81	3,173.03
	Earnings per equity share			
	(Face value of Rs. 100/- each)			
	Basic (Rs.)	25	18.55	12.79
	Diluted (Rs.)	25	18.55	12.79

 See accompanying notes to the financial statements  
 For Muthoottu Mini Financiers Limited

 As per our report of even date attached  
**For Ramdas & Venugopal**  
 Chartered Accountants (FRN.010669S)

**Mathew Muthoottu (DIN: 1786534)**

Managing Director

**Nizzy Mathew (DIN:01680739)**

Whole-time Director

**CA. Shajan.T.T, FCA**

 Partner (M.No.211270)  
 UDIN : 22211270AJHKS3978

**P.E.Mathai**

Chief Executive Officer

**Ann Mary George, ACA**

Chief Financial Officer

**K S Smitha, ACS**

Company Secretary

Place: Kochi

Date: 20th May, 2022



**MUTHOOTTU MINI FINANCIERS LIMITED**

CIN: U65910KL1998PLCO12154

Muthoottu Royal Tower, Kaloor, Kochi, Kerala - 682017

**CASH FLOW STATEMENT**
*(Rupees in Lakhs)*

Particulars	For the year Ended March 31, 2022 (Audited)		For the year Ended March 31, 2021 (Audited)	
<b>A. Cash Flow from Operating Activities</b>				
Profit before tax		5,942.47		5,324.45
Adjustments for :				
Impairment on financial instruments	726.85		341.10	
Net (gain)/loss on fair value changes	0.13		-1.46	
Net (Profit) / Loss on Sale of assets	1.27		5.92	
Finance Costs	22,365.39		19,219.96	
Depreciation, amortization and impairment	510.30		587.21	
Income from Non-Operating Business				
- Rental Income	-117.29		-106.21	
- Dividend Income	-	23,486.65	-	20,046.52
Operating Profit / (Loss) before working capital Adjustments		2 9,429.12		25,370.97
Adjustments for :				
Loans	-50,490.28		-30,723.65	
Investments	-900.00			
Other financial assets	25.31		107.04	
Other non financial assets	-232.57		-166.13	
Bank Balance other than "Cash and cash equivalents"	-7,265.27		-1,928.14	
Provisions	42.33		-10.56	
Other financial liabilities	-204.35		396.18	
Other non financial liabilities	-34.13	-59,058.96	196.37	-32,128.89
Cash Generated from operations		-29,629.84		-6,757.92
Income Tax paid		-1,676.17		-953.51
Finance cost paid		-22,533.53		-19,762.20
<b>Net Cash Flow from Operating Activity</b>		<b>-53,839.54</b>		<b>-27,473.63</b>
<b>B. Cash Flow from Investment Activities</b>				
Dividend Income		-		-
Rental Income		117.29		106.21
Sale of Fixed Assets		172.15		19.47
Purchase of Fixed Assets		-353.84		-369.34
<b>Net Cash Flow from Investment Activity</b>		<b>-64.40</b>		<b>-243.66</b>
<b>C. Cash Flow from Financing Activity</b>				
Net increase/(Decrease) in Borrowings(other than debt securities)		40,339.15		444.51
Net increase/(Decrease) in Subdebt		-7,214.97		5,111.34
Net increase/(Decrease) in Debt Securities		33,263.79		40,989.60
<b>Net Cash Flow from Financing Activity</b>		<b>66,387.97</b>		<b>46,545.45</b>
Net Increase/(Decrease) in Cash & Cash Equivalents(A+B+C)		1 2,484.03		18,828.16

## MUTHOOTTU MINI FINANCIERS LIMITED

CIN: U65910KL1998PLCO12154

Muthoottu Royal Tower, Kaloor, Kochi, Kerala - 682017

### CASH FLOW STATEMENT

(Rupees in Lakhs)

Particulars	For the year Ended March 31, 2022 (Audited)		For the year Ended March 31, 2021 (Audited)	
Opening Balance of Cash & Cash Equivalents		23,048.70		4,220.54
<b>Closing Balance of Cash &amp; Cash Equivalents</b>		<b>35,532.73</b>		<b>23,048.70</b>
<b>Components of Cash and Cash Equivalents</b>				
Current Account with Banks		10,721.33		20,477.90
Deposit with Banks		22,976.57		475.09
Cash in Hand		1,834.83		2,095.71
		<b>35,532.73</b>		<b>23,048.70</b>

See accompanying notes to the financial statements  
For Muthoottu Mini Financiers Limited

As per our report of even date attached  
**For Ramdas & Venugopal**  
Chartered Accountants (FRN.010669S)

**Mathew Muthoottu (DIN: 1786534)**

Managing Director

**Nizzy Mathew (DIN:01680739)**

Whole-time Director

**CA. Shajan.T.T, FCA**

Partner (M.No.211270)

UDIN : 22211270AJHKS3978

**P.E.Mathai**

Chief Executive Officer

**Ann Mary George, ACA**

Chief Financial Officer

**K S Smitha, ACS**

Company Secretary

Place: Kochi

Date: 20th May, 2022

**MUTHOOTTU MINI FINANCIERS LIMITED**

CIN: U65910KL1998PLCO12154

Muthoottu Royal Tower, Kaloor, Kochi, Kerala - 682017

**STATEMENT OF CHANGES IN EQUITY**
**a. Equity Share Capital**

Equity shares of Rs. 100/- each issued, subscribed and fully paid

(Rupees in Lakhs)

Particulars	As at March 31, 2022 (Audited)	As at March 31, 2021 (Audited)
<b>As at the beginning of the period</b>	24,952.54	24,952.54
Changes in Equity Share Capital due to prior period items	-	-
Restated balance at the beginning of the current reporting period	24,952.54	24,952.54
Changes in equity share capital during the current year	-	-
<b>Balance at the end of current reporting period</b>	24,952.54	24,952.54

**b. Other Equity**

(Rupees in Lakhs)

Particulars	Reserves and Surplus					Other comprehensive income		Total
	Special Reserve Fund(u/s 45 IC of RBI Act, 1934)	Securities Premium	Deben-ture Redemp-tio n Reserve	Reval- uati on Reserve	Retained Earnings	Equity instruments through Other Com-prehensive Income	Other Items of Other Compre-hensive Income (Remeasure-ment of defined benefit plans)	
<b>Balance as at March 31, 2020</b>	4,740.07	7,844.15	-	350.00	10,277.11	-	-3.55	23,207.78
Transfer from Retained earnings	634.61							634.61
Securities premium on share options exercised during the year								-
Amount transferred								-
Profit for the period					3,191.14		-18.11	3,173.03
Transfer to Special Reserve Fund					-634.61			-634.61
Transfer from/(to) Deben-ture Redemption Reserve			-		-			-
<b>Balance as at March 31, 2021</b>	5,374.68	7,844.15	-	350.00	12,833.64	-	-21.66	26,380.81
Transfer from Retained earnings	925.88							925.88
Securities premium on share options exercised during the year								-
Amount transferred								-
Profit for the period					4,629.40		-192.59	4,436.81
Transfer to Special Reserve Fund					-925.88			-925.88
Transfer from/(to) Deben-ture Redemption Reserve								-
<b>Balance as at March 31, 2022</b>	6,300.56	7,844.15	-	350.00	16,537.16	-	-214.25	30,817.62

See accompanying notes to the financial statements  
For Muthoottu Mini Financiers Limited

As per our report of even date attached  
**For Ramdas & Venugopal**  
Chartered Accountants (FRN.010669S)

**Mathew Muthoottu (DIN: 1786534)**  
Managing Director

**Nizzy Mathew (DIN:01680739)**  
Whole-time Director

**CA. Shajan.T.T, FCA**  
Partner (M.No.211270)  
UDIN : 22211270AJHKSK3978

**P.E.Mathai**  
Chief Executive Officer

**Ann Mary George, ACA**  
Chief Financial Officer

**K S Smitha, ACS**  
Company Secretary

Place: Kochi  
Date: 20th May, 2022

# Notes to financial statements for the Year ended March 31, 2022

## Note 1.1: Cash and cash equivalents

(Rupees in Lakhs)

Particulars	As at March 31, 2022 (Audited)	As at March 31, 2021 (Audited)
Cash on hand	1,834.83	2,095.71
Balances with Banks		
- in current accounts	10,721.33	20,477.90
- in fixed deposit (maturing within a period of three months)	22,976.57	475.09
<b>Total</b>	<b>35,532.73</b>	<b>23,048.70</b>

## Note 1.2: Bank balance other than cash and cash equivalents

(Rupees in Lakhs)

Particulars	As at March 31, 2022 (Audited)	As at March 31, 2021 (Audited)
Fixed deposits with bank (maturing after period of three months)	15,124.54	7,859.27
<b>Total</b>	<b>15,124.54</b>	<b>7,859.27</b>

## Note 1.3 : Additional details of Fixed Deposits

(Rupees in Lakhs)

Particulars	As at March 31, 2022 (Audited)	As at March 31, 2021 (Audited)
Fixed deposits given as security for borrowings	13,823.56	3,697.17
Fixed deposits given as security for guarantees	1,626.60	1,453.11
Fixed deposits held for redemption of debentures*		3,184.08
Free held fixed deposits	22,650.95	-
<b>Total</b>	<b>38,101.11</b>	<b>8,334.36</b>

\* The fixed deposit of ₹520.43 & ₹5782.41 lakhs has been deposited on 13/04/2022 & 28/04/2022 respectively.

## Note 2: Loans

(Rupees in Lakhs)

Particulars	As at March 31, 2022 (Audited)					Total
	Amortised Cost	At Fair value			Sub-total	
		Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss		
(A)						
i) Loans repayable on demand					-	-
ii) Term loans	2,49,860.46				-	2,49,860.46
iii) Leasing					-	-
iv) Factoring					-	-
v) Others					-	-
<b>Total (A) - Gross</b>	<b>2,49,860.46</b>					<b>2,49,860.46</b>
Less: Impairment loss allowance	2,195.85				-	2,195.85
<b>Total (A) - Net</b>	<b>2,47,664.61</b>	-	-	-	-	<b>2,47,664.61</b>
(B)						
<b>I) Secured by tangible assets</b>						
Gold Loan	2,42,697.48					2,42,697.48
Loan Against Property	727.55					727.55
<b>Total (I) - Gross</b>	<b>2,43,425.03</b>	-	-	-	-	<b>2,43,425.03</b>
Less: Impairment loss allowance	1,619.29					1,619.29
<b>Total (I) - Net</b>	<b>2,41,805.74</b>	-	-	-	-	<b>2,41,805.74</b>



Particulars	As at March 31, 2022 (Audited)					
	Amortised Cost	At Fair value				Total
		Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss	Sub-total	
<b>II) Covered by Bank / Government Guarantees</b>						
<b>III) Unsecured</b>						
Microfinance	6,435.43					6,435.43
<b>Total (III) - Gross</b>	<b>6,435.43</b>	-	-	-	-	<b>6,435.43</b>
Less: Impairment loss allowance	576.56					576.56
<b>Total (III) - Net</b>	<b>5,858.87</b>	-	-	-	-	<b>5,858.87</b>
<b>Total (B) (I+II+III) - Net</b>						
<b>(C) (I) Loans in India</b>						
i) Public Sector						-
ii) Others	2,49,860.46					2,49,860.46
<b>(C) (II) Loans outside India</b>	-					
<b>Total (C) - Gross</b>	<b>2,49,860.46</b>	-	-	-	-	<b>2,49,860.46</b>
Less: Impairment loss allowance	2,195.85					2,195.85
<b>Total (C)- Net</b>	<b>2,47,664.61</b>	-	-	-	-	<b>2,47,664.61</b>

Particulars	As at March 31, 2021 (Audited)					
	Amortised Cost	At Fair value				Total
		Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss	Sub-total	
(A)						
i) Loans repayable on demand					-	-
ii) Term loans	1,99,421.36				-	1,99,421.36
iii) Leasing					-	-
iv) Factoring					-	-
v) Others					-	-
<b>Total (A) - Gross</b>	<b>1,99,421.36</b>					<b>1,99,421.36</b>
Less: Impairment loss allowance	1,527.16				-	1,527.16
<b>Total (A) - Net</b>	<b>1,97,894.20</b>	-	-	-	-	<b>1,97,894.20</b>
(B)						
<b>I) Secured by tangible assets</b>						
Gold Loan	1,93,510.34					1,93,510.34
Loan Against Property	761.69					761.69
<b>Total (I) - Gross</b>	<b>1,94,272.03</b>	-	-	-	-	<b>1,94,272.03</b>
Less: Impairment loss allowance	1,429.55					1,429.55
<b>Total (I) - Net</b>	<b>1,92,842.48</b>	-	-	-	-	<b>1,92,842.48</b>
<b>II) Covered by Bank / Government Guarantees</b>						
<b>III) Unsecured</b>						
Microfinance	5,149.33					5,149.33
<b>Total (III) - Gross</b>	<b>5,149.33</b>	-	-	-	-	<b>5,149.33</b>
Less: Impairment loss allowance	97.61					97.61
<b>Total (III) - Net</b>	<b>5,051.72</b>	-	-	-	-	<b>5,051.72</b>

Particulars	As at March 31, 2021 (Audited)					
	Amortised Cost	At Fair value				Total
		Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss	Sub-total	
Total (B) (I+II+III) - Net						
(C) (I) Loans in India						
i) Public Sector						-
ii) Others	1,99,421.36					1,99,421.36
(C) (II) Loans outside India	-					
Total (C) - Gross	1,99,421.36	-	-	-	-	1,99,421.36
Less: Impairment loss allowance	1,527.16					1,527.16
Total (C)- Net	1,97,894.20	-	-	-	-	1,97,894.20

## 2.1 Expected Credit Loss (ECL)

As required by RBI, the Company is obliged to comply with the extant prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP). ECL computed by the Company as per the policy, laid down under significant accounting policies, is higher than the provision as per IRACP norms.

The Notification RBI/2019-20/170 dated 13 March, 2020, states that a comparison to be made between the provisions required under IRACP and impairment allowances made under Ind AS 109 and where the impairment allowance under Ind AS 109 is lower than the provisioning required under IRACP (including standard asset provisioning), the Company shall appropriate the difference from their net profit or loss after tax to a separate 'impairment reserve'.

Since, the ECL provision computed as per the policy laid down under significant accounting policies is higher than the provision as per IRACP norms, the requirement of appropriating the difference from the net profit after tax to a separate 'impairment reserve' doesnot arise.

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

## Reconciliation of Loan Outstanding

(Rupees in Lakhs)

Year ended March 31, 2022				
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount	1,72,820.18	24,880.02	1,721.16	1,99,421.36
Add: New Assets/increase/(Decrease) in Interest accrued	6,91,986.47	-1,391.61	-	6,90,594.86
Assets repaid	-6,17,437.32	-21,994.44	-672.82	-6,40,104.58
Transfer to Stage 1	-9,050.69			- 9,050.69
Transfer to Stage 2		8,551.14		8,551.14
Transfer to Stage 3			499.55	499.55
Write off	-21.92	- 7.72	- 21.54	-51.18
Closing carrying amount	2,38,296.72	10,037.39	1,526.35	2,49,860.46

Year ended March 31, 2021				
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount	1,62,808.87	3,110.96	3,190.14	1,69,109.97
Add: New Assets/increase/(Decrease) in Interest accrued	5,80,488.90	2,303.40	-	5,82,792.30
Assets repaid	-5,47,579.67	-2,573.94	-1,915.04	-5,52,068.65
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-22,039.60	22,039.60	-	-
Transfer to Stage 3	-858.32	-	858.32	-
Write off	-	-	-412.26	-412.26
Closing carrying amount	1,72,820.18	24,880.02	1,721.16	1,99,421.36

## Reconciliation of ECL Balance

(Rupees in Lakhs)

Year ended March 31, 2022				
ECL	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount	1,117.35	185.82	2 24.00	1,527.17
New Assets/increase in Interest accrued	4,028.92	- 8.05	-	4,020.87
Assets repaid	-3,596.59	-128.07	-79.54	-3,804.20
Transfer to Stage 1	-54.75			- 54.75
Transfer to Stage 2		51.67		51.67
Transfer to Stage 3			82.50	82.50
Write off	-0.18	-0.06	-4.16	-4.40
Impact of revision of ECL rates	29.21	1.70	4.68	35.59
Impact of MTM Loss	- 30.83	-42.39	-	-73.22
Additional Provision	2 93.32	121.30	-	414.62
Closing carrying amount	1,786.45	181.92	227.48	2,195.85

## Notes to financial statements

(Rupees in Lakhs)

Year ended March 31, 2021				
ECL	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount	651.24	12.44	931.76	1,595.44
Add: New Assets/increase/(Decrease)	3,624.79	13.31	-	3,638.10
Assets repaid	-3,336.91	-14.73	-141.63	-3,493.27
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-127.22	127.22	-	-
Transfer to Stage 3	-4.06	-	116.69	112.63
Write off	-	-	-31.68	-31.68
Impact of revision of ECL rates	278.68	5.18	-651.14	-367.28
Additional Provision				
Impact of provision for MTM loss	30.83	42.39	-	73.22
Closing carrying amount	1,117.35	185.81	224.00	1,527.16

## 2.2 MOVEMENT OF PROVISION FOR STANDARD AND NON-PERFORMING ASSETS

As per the Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Reserve Bank Directions, 2016, the Company has created provision for Standard Assets as well as Non-Performing Assets. Details are as per the table below:-

(Rupees in Lakhs)

Particulars	2021-22	2020-21
Provision for Standard Assets		
Provision at the beginning of the year	1,303.16	663.68
Additional provision made during the year	665.22	639.48
Provision at the close of the year	<b>1,968.38</b>	<b>1,303.16</b>
Non-Performing Assets	<b>As at 31st March 2022</b>	<b>As at 31st March 2021</b>
Sub-standard Assets	81.51	108.90
Doubtful Assets (Upto 1 year)	34.22	33.87
Doubtful Assets (1 – 3 years)	21.61	55.34
Doubtful Assets (More than 3 years)	78.82	24.37
Loss Assets	11.31	1.52
Total Non-performing Assets	227.47	224.00
Provision for non-performing assets	<b>2021-22</b>	<b>2020-21</b>
Provision at the beginning of the year	224.00	931.76
Additional provision made during the year	3.47	-707.76
Provision at the close of the year	227.47	224

The company is maintaining LTV (Loan to Value) within the maximum prescribed ratio of 75% of the securities as per RBI Guidelines.

### 2.3 Credit Quality of assets

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal credit rating system and year-end stage classification

As on 31/03/2022

(Rupees in Lakhs)

Internal Rating	Stage 1	Stage 2	Stage 3	Grand Total
High grade	2,38,296.72	-	-	2,38,296.72
Medium grade	-	10,037.39	-	10,037.39
Low grade	-	-	1,526.35	1,526.35
Total	2,38,296.72	10,037.39	1,526.35	2,49,860.46

As on 31/03/2021

(Rupees in Lakhs)

Internal Rating	Stage 1	Stage 2	Stage 3	Grand Total
High grade	1,72,820.18	-	-	1,72,820.18
Medium grade	-	24,880.02	-	24,880.02
Low grade	-	-	1,721.16	1,721.16
Total	1,72,820.18	24,880.02	1,721.16	1,99,421.36

### Note 3: Investments

(Rupees in Lakhs)

Particulars	As at March 31, 2022 (Audited)						
	Amortised Cost	At Fair value					Total
		Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss	Sub-total	At cost	
i) Mutual funds					-		-
ii) Government securities					-		-
iii) Debt securities					-		-
iv) Equity instruments							
Subsidiaries					-		-
Others			904.58		904.58		904.58
<b>Total Gross (A)</b>	-	-	<b>904.58</b>	-	<b>904.58</b>	-	<b>904.58</b>
i) Investments outside India					-		-
ii) Investments in India	-	-	904.58		904.58		904.58
<b>Total Gross (B)</b>	-	-	<b>904.58</b>	-	<b>904.58</b>	-	<b>904.58</b>
Less: Allowance for impairment loss (C)	-						
<b>Total - Net D = (A) - (C)</b>	-	-	<b>904.58</b>	-	<b>904.58</b>	-	<b>904.58</b>

Particulars	As at March 31, 2021 (Audited)						
	Amortised Cost	At Fair value					Total
		Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss	Sub-total	At cost	
i) Mutual funds					-		-
ii) Government securities					-		-
iii) Debt securities					-		-
iv) Equity instruments							

Particulars	As at March 31, 2021 (Audited)						
	Amortised Cost	At Fair value				At cost	Total
		Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss	Sub-total		
Subsidiaries					-		-
Others			4.70		4.70		4.70
<b>Total Gross (A)</b>	-	-	4.70	-	4.70	-	4.70
i) Investments outside India					-		-
ii) Investments in India	-	-	4.70		4.70		4.70
<b>Total Gross (B)</b>	-	-	4.70	-	4.70	-	4.70
Less: Allowance for impairment loss ( C )	-						
<b>Total - Net D = (A) - (C )</b>	-	-	4.70	-	4.70	-	4.70

### 3.1 Details of investments are as follows :-

#### Equity instruments

(Rupees in Lakhs)

Particulars	As at March 31, 2022 (Audited)		As at March 31, 2021 (Audited)	
	Number	Amount	Number	Amount
<b>Subsidiaries</b>				
<b>Quoted</b>				
<b>Unquoted</b>				
<b>Subtotal</b>	-	-	-	-
<b>Others</b>				
<b>Quoted</b>				
Wonderla Holidays Ltd	503	1.19	503	0.97
The South Indian Bank Limited	45,020	3.39	45,020	3.73
<b>Unquoted</b>				
Cochin International Airport Ltd	5,00,000	900.00		
<b>Subtotal</b>	5,45,523	904.58	45,523	4.70
<b>Total</b>	5,45,523	904.58	45,523	4.70

#### Note 4: Other financial assets

(Rupees in Lakhs)

Particulars	As at March 31, 2022 (Audited)	As at March 31, 2021 (Audited)
Security deposits		
Rent Deposit	1,659.72	1,636.38
Security Deposit with NSE, BSE & CDSL	401.65	396.25
Security Deposit	50.00	50.00
HDFC STD Life deposit	-	-
Insurance deposit	1.53	0.61
Other Receivables		
Commission/Incentive Receivable	19.29	26.98
Third Party Products	23.85	59.36
Rent Receivable	11.45	30.20
<b>Total</b>	<b>2,167.49</b>	<b>2,199.78</b>



**Note 5: Property, plant and equipment**

(Rupees in Lakhs)

Particulars	Land	Buildings	Plant and Equipment	Furniture and Fixtures	Computer	Vehicles	Electrical Installations	Total	Capital-work-in progress
<b>Gross block- at cost</b>									
<b>As at March 31, 2020</b>	14,599.67	3,352.75	684.53	1,462.98	152.52	183.18	72.86	20,508.49	-
Additions	-	-	55.31	81.20	177.46		8.87	322.84	-
Disposals	-		(0.07)	(8.99)	(0.34)	(40.17)	(0.07)	(49.64)	-
<b>As at March 31, 2021</b>	14,599.67	3,352.75	739.77	1,535.19	329.64	143.01	81.66	20,781.69	-
Additions			75.40	143.50	120.30	7.26	0.88	347.34	
Disposals	(90.05)		(2.54)	(31.68)	(0.70)	(15.92)	-	(140.89)	
<b>As at March 31, 2022</b>	14,509.62	3,352.75	812.63	1,647.01	449.24	134.35	82.54	20,988.14	-
<b>Accumulated depreciation</b>									
<b>As at March 31, 2020</b>	-	383.23	222.47	702.34	92.09	68.65	33.20	1,501.98	-
Charge for the period	-	172.01	92.68	225.46	51.50	33.05	12.35	587.05	-
Disposals						(24.25)		(24.25)	
<b>As at March 31, 2021</b>	-	555.24	315.15	927.80	143.59	77.45	45.55	2,064.78	-
Charge for the period	-	160.28	84.83	94.10	142.85	21.31	5.58	508.95	-
Disposals			-	-	-	(13.96)	-	(13.96)	
<b>As at March 31, 2022</b>	-	715.52	399.98	1,021.90	286.44	84.80	51.13	2,559.77	-
<b>Net Block</b>									
<b>As at March 31, 2020</b>	14,599.67	2,969.52	462.06	760.64	60.43	114.53	39.66	19,006.51	-
<b>As at March 31, 2021</b>	14,599.67	2,797.51	424.62	607.39	186.05	65.56	36.11	18,716.91	-
<b>As at March 31, 2022</b>	14,509.62	2,637.23	412.65	625.11	162.80	49.55	31.41	18,428.37	-

## Note 6: Other Intangible Assets

(Rupees in Lakhs)

Particulars	Computer Software	Intangible assets under development	Total
<b>Gross block- at cost</b>			
As at March 31, 2020	31.58	-	31.58
Additions	-	46.50	46.50
Disposals	-	-	-
<b>As at March 31, 2021</b>	31.58	46.50	<b>78.08</b>
Additions	6.50	-	6.50
Disposals*	-	(46.50)	-46.50
As at March 31, 2022	38.08	-	38.08
<b>Accumulated amortisation</b>			
As at March 31, 2020	26.33	-	26.33
Charge for the period	0.16	-	0.16
As at March 31, 2021	26.49	-	<b>26.49</b>
Charge for the period	1.35	-	1.35
As at March 31, 2022	27.84	-	<b>27.84</b>
Net book value:			
As at March 31, 2020	5.25	-	5.25
<b>As at March 31, 2021</b>	5.09	46.50	51.59
<b>As at March 31, 2022</b>	10.24	-	<b>10.24</b>

\*The figure represents the advance given for purchase of software. The same is under dispute. Hence regrouped under Other Advances/Receivables - Note 7 - Other Non financial assets.

### Note 6.1 Intangible assets under development aging schedule

(Rupees in Lakhs)

Intangible assets under development	Amount of CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-				-

## Note 7: Other Non-financial assets

(Rupees in Lakhs)

Particulars	As at March 31, 2022 (Audited)	As at March 31, 2021 (Audited)
Balances with government authorities		
-GST Receivable	423.86	278.54
Other Advances/Receivables**	189.53	102.28
<b>Total</b>	<b>613.39</b>	<b>380.82</b>

\*\*includes capital advance of ₹46.50 lakhs, under dispute.

## Note 8: Debt Securities

(Rupees in Lakhs)

Particulars	As at March 31, 2022 (Audited)			
	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
(i) Secured, Privately Placed NCD	817.46			<b>817.46</b>
(ii) Secured, Redeemable NCD Public Issue	1,30,172.63			<b>1,30,172.63</b>
(iii) Unsecured, Privately Placed NCD	-			-
(iv) Unsecured Public Placed NCD	18,062.10			<b>18,062.10</b>
(v) Unclaimed Matured Debentures	197.14			<b>197.14</b>
(vi) Interest accrued on above	12,947.57			<b>12,947.57</b>

Particulars	As at March 31, 2022 (Audited)			
	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
(vii) Unamortized expense of public issue	-1,034.43			-1,034.43
<b>Total (A)</b>	<b>1,61,162.47</b>			<b>1,61,162.47</b>
Debt securities in India	<b>1,61,162.47</b>			<b>1,61,162.47</b>
Debt securities outside India	-			-
<b>Total (B)</b>	<b>1,61,162.47</b>	-	-	<b>1,61,162.47</b>

(Rupees in Lakhs)

Particulars	As at March 31, 2021 (Audited)			
	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
(i) Secured, Privately Placed NCD	1,803.46			<b>1,803.46</b>
(ii) Secured, Redeemable NCD Public Issue	1,06,100.74			<b>1,06,100.74</b>
(iii) Unsecured, Privately Placed NCD	203.75			<b>203.75</b>
(iv) Unsecured Public Placed NCD	9,308.08			<b>9,308.08</b>
(v) Unclaimed Matured Debentures	108.48			<b>108.48</b>
(vi) Interest accrued on above	11,408.60			<b>11,408.60</b>
(vii) Unamortized expense of public issue	-866.29			<b>-866.29</b>
(viii) Debenture Application Money				-
<b>Total (A)</b>	<b>1,28,066.82</b>	-	-	<b>1,28,066.82</b>
Debt securities in India	<b>1,28,066.82</b>	-	-	<b>1,28,066.82</b>
Debt securities outside India	-	-	-	-
<b>Total (B)</b>	<b>1,28,066.82</b>	-	-	<b>1,28,066.82</b>

### 8.1 Secured Redeemable Non-Convertible Debentures – Listed

The outstanding amount of Secured Redeemable Non-Convertible Listed Debentures raised through Public Issue stood at ₹1,30,172.63 lakhs (Previous Year: ₹1,06,100.74 lakhs). During the FY 2021-2022. Secured Redeemable NCD -listed amounting to ₹45,095.42 lakhs (Previous year : 65,751.86 lakhs) raised.

(Rupees in Lakhs)

Date of maturity	Amount	Interest rates
24-04-2022	3,469.50	9.75%-10.22%
09-06-2022	3,198.71	9.25%
01-07-2022	5,406.23	9.75%-9.77%
25-08-2022	2,260.21	9.00%
12-09-2022	4,037.23	10.25%-10.50%
29-09-2022	4,191.10	9.75%-9.77%
23-11-2022	3,459.34	9.75%-9.77%
07-01-2023	2,375.48	8.75%
14-02-2023	6,629.28	9.50%-9.54%
17-02-2023	2,591.07	10.00%
27-04-2023	2,313.23	8.84%
02-05-2023	3,594.53	9.25%-9.27%
01-07-2023	2,693.53	10.00%
15-09-2023	8,221.78	9.00%-9.54%

Date of maturity	Amount	Interest rates
29-09-2023	2,140.40	10.00%
23-11-2023	2,122.55	10.00%
02-01-2024	4,221.49	9.09%-9.11%
17-04-2024	3,094.56	10.22%
24-04-2024	3,912.50	10.00%-10.47%
14-08-2024	4,727.33	10%
31-08-2024	1,686.07	10%
12-09-2024	3,878.94	10.35%-10.65%
02-11-2024	2,514.73	9.75%
29-11-2024	752.92	10.22%
02-01-2025	1,750.98	9.50%
23-01-2025	865.15	10.22%
17-02-2025	2,727.43	10.50%
15-03-2025	4,404.22	9.50%
01-07-2025	3,684.44	10.50%
02-07-2025	1,281.41	10.22%
29-09-2025	3,122.00	10.50%
15-11-2025	3,356.83	10.22%
21-11-2025	3,624.01	10.50%
17-12-2025	164.71	10.07%
02-01-2026	6,181.80	10.20%
14-08-2026	2,181.65	10.71%
17-03-2027	4,193.27	10.28%
02-07-2027	2,618.73	10.13%
31-07-2027	3,156.06	10.28%
29-10-2027	1,608.53	10.28%
23-12-2027	1,758.70	10.28%
<b>Total</b>	<b>1,30,172.63</b>	

## 8.2 Secured Redeemable Non-convertible Debentures - Unlisted

The Company had privately placed Secured Redeemable Non-convertible Debentures for a maturity period up to 66 months with an outstanding amount of ₹817.46 lakhs (Previous year: ₹1,803.46 lakhs). During the FY 2021- 2022, No Secured Privately Placed NCD was raised

(Rupees in Lakhs)

Date of maturity	Amount	Interest rates
12-06-2022	359.86	9.75% - 10.22%
18-11-2022	25.00	10.25%
12-06-2024	432.60	10.00% - 10.47%
<b>Total</b>	<b>817.46</b>	

## 8.3 Unsecured Debentures – UnListed

The outstanding amount of Unsecured Debentures raised through Private placement stood at ₹ Nil (Previous Year: ₹203.75 lakhs). There is no fresh issue of debentures during the FY 2021-2022.

## 8.4 Unsecured Debentures - Listed

The outstanding amount of Unsecured Debentures raised through Public Issue stood at ₹18,062.10 lakhs (Previous Year: ₹9,308.08 lakhs). During the FY-21-22 Unsecured Public Placed NCD's amounting to ₹8,754.02 lakhs (Previous year : ₹4,907.33 lakhs were raised

(Rupees in Lakhs)

Date of maturity	Amount	Interest Rate
27-07-2022	4,400.75	11.02%-11.25%
13-03-2026	2,770.94	10.25%
02-06-2026	2,405.20	10.25%
15-03-2027	2,592.39	10.00%
14-02-2028	2,136.39	10.41%
02-05-2028	1,348.82	10.41%
15-09-2028	2,407.61	10.41%
<b>Total</b>	<b>18,062.10</b>	

## 8.5 Unclaimed Matured Debentures

The outstanding amount of Unclaimed Matured Debentures as on 31st March 2022 is ₹197.14 lakhs. (Previous year ₹108.48 lakhs). The same has been transferred to current account maintained with INDUSIND BANK-201008866449/HDFC Bank - 50200005361298

(Rupees in Lakhs)

Period	Amount
2014-2015	4.69
2015-2016	23.54
2016-2017	33.24
2017-2018	3.53
2018-2019	54.73
2019-2020	4.56
2020-2021	50.30
2021-2022	22.55
<b>Total</b>	<b>197.14</b>

The debentures which has been matured and remained unclaimed and unpaid for a period of seven years has been transferred to Investor Education and Protection Fund.

## Note 9: Borrowings (other than debt securities)

(Rupees in Lakhs)

Particulars	As at March 31, 2022 (Audited)			
	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
<b>(a) Term loan</b>				
<i>(i) from banks</i>				
Vehicle Loans -State Bank of India, Commercial Br., Ernakulam	49.69			49.69
Term Loan -CSB Bank, Market Road, Ernakulam	2,600.67			2,600.67
Term Loan -Canara Bank, MG Road, Ernakulam	11,664.00			11,664.00
Term Loan -Bank of Baroda, M.G.Road, Ernakulam	3,191.70			3,191.70
Term Loan -Karur Vysya Bank, Coimbatore	2,500.00			2,500.00
Term Loan -Indian Bank, Shanmugam Road, Ernakulam	5,001.30			5,001.30
Term Loan -Punjab & Sind Bank, M.G.Road, Ernakulam	2,500.00			2,500.00
Unamortized expense of Term Loan	-377.95			-377.95
<i>(ii) from financial institutions</i>				



Particulars	As at March 31, 2022 (Audited)			
	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
<b>(b) Loans from related party</b>				
<b>(c) Loans repayable on demand</b>				
<i>(i) from banks</i>				
South Indian Bank, M.G. Road, Ernakulam	4,888.45			4,888.45
State Bank of India, Commercial Br., Ernakulam	3,635.68			3,635.68
Dhanlaxmi Bank, Shanmugam Road, Ernakulam	4,659.15			4,659.15
Indus Ind Bank, M.G Road. Ernakulam	7,369.59			7,369.59
Union Bank of India, Kottayam	9,686.77			9,686.77
Punjab National Bank Coimbatore	4,835.78			4,835.78
Karur Vysya Bank, Coimbatore	2,467.72			2,467.72
DCB Bank, Chennai	1,500.00			1,500.00
UCO Bank, M.G.Road, Ernakulam	1,407.78			1,407.78
IDBI Bank, Panampilly Nagar, Ernakulam	3,626.65			3,626.65
Indian Bank, Shanmugam Road, Ernakulam	1,000.25			1,000.25
HDFC Bank Ltd, Kaloore, Ernakulam	5,114.38			5,114.38
<i>(ii) from financial institutions</i>				
<b>Total (A)</b>	<b>77,321.61</b>	<b>-</b>	<b>-</b>	<b>77,321.61</b>
<b>Borrowings in India</b>	<b>77,321.61</b>	<b>-</b>	<b>-</b>	<b>77,321.61</b>
<b>Borrowings outside India</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total (B)</b>	<b>77,321.61</b>	<b>-</b>	<b>-</b>	<b>77,321.61</b>

(Rupees in Lakhs)

Particulars	As at March 31, 2021 (Audited)			
	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
<b>(a) Term loan</b>				
<i>(i) from banks</i>				
Vehicle Loans -State Bank of India, Commercial Br., Ernakulam	61.29			61.29
Term Loan -CSB Bank, Market Road, Ernakulam	2,999.94			2,999.94
Term Loan -Canara Bank, MG Road, Ernakulam	10,000.00			10,000.00
Unamortized expense of Term Loan	-242.90			-242.90
<i>(ii) from financial institutions</i>				-
<b>(b) Loans from related party</b>				-
<b>(c) Loans repayable on demand</b>				
<i>(i) from banks</i>				
South Indian Bank, M.G. Road, Ernakulam	2.36			2.36
State Bank of India, Commercial Br., Ernakulam	3,846.15			3,846.15
Dhanlaxmi Bank, Shanmugam Road, Ernakulam	1,948.10			1,948.10
Union Bank of India, Ernakulam (erstwhile Andhra Bank, M.G Road , Ernakulam)	3,655.93			3,655.93
Indus Ind Bank, M.G Road. Ernakulam	4,656.10			4,656.10
Union Bank Of India, Kottayam	2,264.40			2,264.40

Punjab National Bank Coimbatore (erstwhile Oriental Bank of Commerce, Coimbatore)	4,826.80			4,826.80
Karur Vysya Bank, Coimbatore	1,464.29			1,464.29
DCB Bank, Chennai	1,500.00			1,500.00
(ii) from financial institutions				
<b>Total (A)</b>	<b>36,982.46</b>	-	-	<b>36,982.46</b>
<b>Borrowings in India</b>	<b>36,982.46</b>	-	-	<b>36,982.46</b>
<b>Borrowings outside India</b>	-			
<b>Total (B)</b>	<b>36,982.46</b>	-	-	<b>36,982.46</b>

## 9.1 Security Details

### Term Loans

**a. State Bank of India- Sanctioned Amount ₹80 lakhs - Outstanding. ₹49.69 Lakhs (Previous year ₹61.29 Lakhs)**

Secured by way of first and exclusive charge by Hypothecation of the vehicle for the due payment Repayment terms: 84 monthly installments of ₹ 0.95 lakhs

**b. CSB Bank- Sanctioned Amount - ₹3,000 lakhs - Outstanding ₹2,600.67 Lakhs (Previous year ₹2,982.83 Lakhs)**

Secured by a)PariPasu first charge on all receivables under gold loans (both present and future) of the company with 25% margin along with existing secured lenders of the company , b)Collateral-The property situated in Sy nos 216/15A, 216/14 and 216/15B2 in pathanamthitta village, Kozhencherry Taluk, pathanamthitta Dist, Kerala - Muthoottu Mini Theaters Pvt Ltd , Fixed Deposit of Rs 2.50 Crores , c.) Personal guarantee of Nizzy Mathew and Mathew Muthoottu d) Corporate guarantee of M/s Muthoottu Mini Hotels Private Limited and M/s Muthoottu Mini Theatres Private Limited.

Repayment terms: 54 monthly installments of ₹55.56 lakhs

**c. Canara Bank - Sanctioned Amount\* - ₹10,000 lakhs - Outstanding ₹6,664 Lakhs (Previous year ₹10,000 lakhs)**

Secured by a)Paripassu first charge by way of hypothecation of gold loan receivables of the Company (excluding microfinance receivables) for the loans disbursed by them to individuals against pledge of gold ornaments. b) Collateral - Fixed Deposit of ₹2500 lakhs c) Personal guarantee of Nizzy Mathew and Mathew Muthoottu

Repayment terms: 35 monthly installments of ₹278 lakhs and last installment of ₹270 lakhs

**c. Canara Bank - Sanctioned Amount\* - ₹5,000 lakhs - Outstanding ₹5,000 Lakhs (Previous year nil)**

Secured by a)Paripassu first charge by way of hypothecation of gold loan receivables of the Company (excluding microfinance receivables) for the loans disbursed by them to individuals against pledge of gold ornaments. b) Collateral - Fixed Deposit of ₹1250 lakhs c) Personal guarantee of Nizzy Mathew and Mathew Muthoottu

Repayment terms(5000 Lakhs): 35 monthly installments of ₹139 lakhs and last installment of ₹135 crore

**d. Bank of Baroda - Sanctioned Amount\* - ₹3,500 lakhs - Outstanding ₹3,191.70 Lakhs (Previous year nil)**

Secured by a) First pari-passu charge by way of hypothecation of all chargeable current assets, book debts, loans and advances and receivables including gold loan receivables of the company both present and future, along with other lenders including NCD holders, Any underlying /receivables classified as NPA should be replaced / excluded. Minimum security coverage of 1.33 times to be maintained. b) Collateral-Cash collateral of minimum 25% of the sanctioned limit in the form of term deposit to be kept for the tenure of the loan. (Lien to be marked on the said FDR in favour of our bank for the principal amount along with the interest credited thereon in the account ). Interest accrued on fixed deposits may be released at the time of review subject to maintenance of minimum 25% cash collateral , Personal Guarantor-Mr. Mathew Muthoottu and Mrs.Nizzy Mathew

Repayment terms: 35 monthly installments of ₹100 lakhs

**e. Karur Vysya Bank- Sanctioned Amount\* - ₹2,500 lakhs - Outstanding ₹2,500 Lakhs (Previous year nil)**

Secured by a)Pari passu first charge over the gold loan receivables( both present and future); and other current assets of the company, with other secured lenders (Banks, Fis, and NCD holders) except those which are specifically charged to any term lenders (whether under refinance facility or otherwise) , b)Collateral-Extent of 24.37 ares (10.12 ares in Sy 332/8, 10.20 ares Sy No: 332/8-5, 4.05 ares in Sy.No: 332/8-5) in Kozhencherry Gramapanchayath ward No: Viii, Pazhayatheruvu Junction, Kozhencherry Village, Kozhencherry Taluk, Pathanamthitta District standing in the name of M/s Muthoottu Mini Hotels Private Limited. ,Extent of 32.79 ares in sy. No: 332/9A in Kozhencherry Gramapanchayath

ward No: Viii,Pazhayatheruvu Junction, Kozhencherry Village, Kozhencherry Taluk, pathanamthitta District standing in the name of M/s Muthoottu Mini Hotels Private Limited. Fixed deposits of RS 4.68 crore.

Repayment terms: 57 monthly installments of 44 Lakhs

**f. Indian Bank - Sanctioned Amount\* - ₹5,000 lakhs - Outstanding ₹5,001.3 (Previous year nil)**

Secured by a)First Pari-passu charge by way of hypothecation of current assets, loans & advance and book debts including Gold Loan receivables and excluding Micro Finance receivables with 20% margin to other lenders and NCD holders, b) Collateral-Exclusive charge on FDR or Elu of Land & Building with RSV of Rs.15 Crs (25% of credit facilities), c)Personal guarantor-Mrs.Nizzy Mathew and Mr. Mathew Muthoottu

Repayment terms:11 quarterly instalments of ₹455 Lakhs

**g. Punjab and Sind Bank \* - Sanctioned Amount - ₹2,500 lakhs - Outstanding ₹2,500 Lakhs (Previous year nil)**

Secured by a)First hypothecation charge on pari-passu basis on current assets of the company including book debts, loans and advances and receivables including gold loan receivables both present and future along with other Banks. (1.25 times) , b) Collateral-25% cash collateral. Collateral was exclusive charge on EM of 25% collateral in the form of land and building in the name of M/S Muthoottu Mini Financiers Ltd. Cash collateral for 6 months of 25% on the sanctioned term loan facility of Rs. 25.00 crore to be accepted till the party will identify Land & Building worth Rs. 6.25 Crore to replace the cash collateral. c)-Personal Guarantor -Mrs.Nizzy Mathew and Mr. Mathew Muthoottu

Repayment terms: 33 monthly installments of ₹76 Lakhs

**Loans repayable on demand**

**a. South Indian Bank – Sanctioned Amount - ₹5,000 lakhs Outstanding ₹4,888.45Lakhs (Previous year nil)**

Secured by a)First paripasu charge along with other secured lenders, by way of hypothecation of current portion of loan receivables of standard assets ( other than those secured to term loan lenders) and which are not overdue as per RBI/ Regulatory guidelines, b)Collateral-Fixed Deposit of Rs 12.50 Crores , c)Personal guarantor-Mr. Mathew Muthoottu and Mrs.Nizzy Mathew

**b. Dhanlaxmi Bank–Sanctioned Amount ₹4,900 lakhs- ₹Outstanding ₹4,659.15 Lakhs (Previous year ₹1,948.10Lakhs)**

Secured by a)Paripasu first charge by way of Hypotecation of Current Assets, loans and advances and book debts including gold loan receivables of the company with 25% margin with other lenders and NCD Lenders , b) Collateral-Wet Land -EM of 34.39 Ares. Re Sy no: 262/4-18-2, 262/4-7-1-39, 262/4-3, 262/4-10-1, 262/4-7-1, 262/4-6-3 of pathnamthitta village, Kozhencherry Taluk, Pathanamthitta Dist,2. Commercial Land with building EM of 2.4 Ares Land with 4500Sqft 3 storied building. Sno: 57/4 of Konni Village, Konni Taluk, Pathanamthitta Dist , Fixed Deposit Rs 5.54 CroresC) Personal guarantee of Nizzy Mathew, Mathew Muthoottu and Roy M. Mathew D) Corporate guarantee of Muthoottu Mini Theatres Private Limited and Muthoottu Mini Hotels Pvt Ltd

**c. State Bank of India–Sanctioned Amount - ₹5,000lakhs - Outstanding ₹3,35.68Lakhs (Previous year ₹3,846.15Lakhs)**

Secured by a)Hypothecation & Paripassu first charge over Gold Loan receivables and other current assets, both present and future except those which are specifically charged to any lenders. b)Collateral-EM of 32.86 ares of land Resy no 219/2, block no 13 in maradu village, in the name of M/s Muthoottu Theaters Pvt Limited , c)Personal Gurantor-Mrs. Nizzy Mathew, Mr. Mathew Muthoottu, Mr. Roy M Mathew , d) Corporate Guarantor-M/s Muthoottu Mini Theaters Pvt Limited

**d. Punjab National Bank Coimbatore (erstwhile Oriental Bank of Commerce,Coimbatore) - Sanctioned amount - ₹5000 lakhs lakhs Outstanding ₹4,835.78Lakhs (Previous year ₹4,826.80 Lakhs)**

Secured by a) 1st Pari passu charge on gold loan receivables and other current assets (excluding cash collateral specifically to each bank) of the company with minimum asset coverage of 1.33 times of the loan amount, b) Collateral-EM of 18.70 ares and 46.20 cents multiplex theatre Dhanya & Remya at S no. 34, MC Road, Kottayam standing in the name of Mr. Mathew Muthoot,Fixed Deposit of Rs 2.58 Crores, c) Personal Guarantor-Mrs. Nizzy Mathew and Mr. Mathew Muthoottu

**e. IndusInd Bank – Sanctioned amount - ₹7,500 lakhs -Outstanding ₹7,378.41Lakhs (Previous year ₹4,656.10 Lakhs)**

Secured by a)First Paripasu charge on receivables including gold loan receivables with banks under MBA and NCD holders with an asset cover of at least 1.33 Times , b)Collateral-. Commercial Land & Building, 9.25 Cents of property equalling 3.74 Ares comprised in Sy No: 2786/C-1, 2786/C-2-1 of Vanchiyoor Village, Thriruvananthapuram Taluk along with building bearing T.C nos 26/44 & 45, Commercial Land & Building ( Land), extent of 19 Cents(7.69 Ares) and all other things attached thereto comprised in Old Sy mo. 290/3 ( Re Sy No.170/2-1) of pandalam Village, Adoor Taluk,

Commercial Land & Buildings( Three Storied Buildings), 5.85 Ares along with three storied building compared in Re-Survey No.83 in Block No. 179 of Kollam East Village Kollam TalukC) Personal guarantee of Nizzy Mathew and Mathew Muthoottu

**f. Union Bank of India - Sanctioned amount - ₹10,000 lakhs Outstanding ₹9,686.77Lakhs (Previous year ₹2,264.40Lakhs)**

Secured by a) First Paripassu floating charge on current assets, book debts, loans and advances and receivables including gold loan receivables, b) Collateral-16.17 Ares ( 40 Cents) of Land Sy no: 33/3/1, 33/3/1-1, 33/3/1-2, 33/3/1/3 and 33/3/1/4 situated at pathnamthitta village, kozhenchery taluk, pathanamthitta District, Kerala belonging to Muthoottu Mini Hotels Pvt Ltd ,Fixed Deposit of ₹ 10.20 Crores, EM of land having its improvements and building there in to an extent of 4.05 Ares in survey no 93/1-2 of Tholicode Village, Nedumangadu Taluk, Thiruvananthapuram District, Kerala State in the name of M/s Muthoottu Mini Financiers Ltd, Personal C) Personal guarantee of Nizzy Mathew and Mathew Muthoottu d) Corporate Guarantee of M/s Muthoottu Mini Hotels Pvt Ltd.

**g. Karur Vysya - Sanctioned amount - ₹2,500 Lakhs Outstanding ₹2467.72Lakhs (Previous year ₹1,464.29 Lakhs)**

Secured by a)Pari passu first charge over the gold loan receivables( both present and future); and other current assets of the company, with other secured lenders (Banks, Fis, and NCD holders) except those which are specifically charged to any term lenders (whether under refinance facility or otherwise) , b)Collateral-Extent of 24.37 ares (10.12 ares in Sy 332/8, 10.20 ares Sy No; 332/8-5, 4.05 ares in Sy.No: 332/8-5) in Kozhencherry Gramapanchayath ward No: Viii, Pazhayatheruvu Junction, Kozhencherry Village, Kozhencherry Tatuk, Pathanamthitta District standing in the name of M/s Muthoottu Mini Hotels Private Limited. ,Extent of 32.79 ares in sy. No: 332/9A in Kozhencherry Gramapanchayath ward No: Viii,Pazhayatheruvu Junction, Kozhencherry Village, Kozhencherry Taluk, pathanamthitta District standing in the name of M/s Muthoottu Mini Hotels Private Limited. Fixed deposits of RS 4.68 crore.

**h. DCB Bank- Sanctioned amount - ₹1,500 lakhs Outstanding ₹1,500 Lakhs (Previous year ₹1,500 Lakhs )**

Secured by a)1st paripassu charge on receivables/book debts (Pertaining to gold loan book) other than those specifically charged to other lenders covering 125% of our exposure at all times., b) Collateral-Fixed Deposit of Rs 1.50 Crores

**i. UCO Bank - Sanctioned amount - ₹2,000 lakhs Outstanding ₹1,407.78 Lakhs (Previous year ₹nil)**

Secured by a)Paripasu first charge over gold loan receivables and standard other current assets, both present and future. The company has to maintain minimum ACR of 1.34 times of outstanding liability. B)Collateral-FDR to the tune of 25% of the limit proposed, ie 5crores.c)Personal Guarantor Mr. Mathew Muthoottu and Mrs.Nizzy Mathew

**j. IDBI Bank - Sanctioned amount - ₹4,000 Lakhs Outstanding ₹3,626.65 Lakhs (Previous year nil)**

Secured by a)Pari passu first charge on entire receivables/gold loans and other current assets of the company, both present and future. With other secured lenders and NCD holders , b)Collateral-25% of the sanctioned limit as cash margin in the form of FD with IDBI Bank, c)Persoanal Guarantor-Mr. Mathew Muthoottu and Mrs.Nizzy Mathew

**h. Indian Bank - Sanctioned amount - ₹1,000 Lakhs Outstanding ₹1,000 .25Lakhs (Previous year nil)**

Secured by a)First Pari-passu charge by way of hypothecation of current assets, loans & advance and book debts including Gold Loan receivables and excluding Micro Finance receivables with 20% margin to other lenders and NCD holders. , b) Collateral-Exclusive charge on FDR or EM of Land & Building with RSV of Rs.15 Crs (25% of credit facilities), Personal Gurantor-Mrs.Nizzy Mathew and Mr. Mathew Muthoottu

**i. HDFC Bank LTD - Sanctioned amount - ₹5,100 Lakhs Outstanding ₹5,114.38 Lakhs (Previous year nil)**

Secured by a)First pari passu charge on all current assets of the Co, both current and future including receivables (Gold loan receivables excluding Micro Finance receivables) for working capital limits , 100% Fixed Deposits for ODFD limits. b)Fixed Deposit ₹ 12.75 Crore for OD, Personal Guarantor-Mr. Mathew Muthoottu and Mrs.Nizzy Mathew , d) Corporate Guarantor-M/s. Muthoottu Mini Theatres Private Limited and M/s. Muthoottu Mini Hotels Private Limited

**Note 10: Subordinated Liabilities**

(Rupees in Lakhs)

Particulars	As at March 31, 2022 (Audited)			
	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
Subordinated Liabilities in India	25,015.34			25,015.34
Unclaimed Subordinated Liabilities in India	1,571.87			1,571.87
Subordinated Liabilities outside India	-			-
<b>Total</b>	<b>26,587.21</b>	<b>-</b>	<b>-</b>	<b>26,587.21</b>

(Rupees in Lakhs)

Particulars	As at March 31, 2021 (Audited)			
	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
Subordinated Liabilities in India	33802.18			33802.18
Subordinated Liabilities outside India	-			-
<b>Total</b>	<b>33802.18</b>	<b>-</b>	<b>-</b>	<b>33802.18</b>

#### Note 10.1 Details of Subordinated Liabilities

Subordinated Debt is subordinated to the claims of other creditors and qualifies as Tier II capital subject to discounting as may be applicable under the Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Reserve Bank Directions, 2016. The outstanding amount (excluding interest accrued) of privately placed subordinated debt stood at ₹19,938.91 lakhs (Previous year: ₹23,318.20 lakhs).

(Rupees in Lakhs)

Maturity Pattern	Amount*	Interest Rate
	As at 31 <sup>st</sup> March, 2022	
<b>Interest pay out-Monthly</b>		
2021-2022	299.15	10.75%- 11.00%
2022- 2023	5,370.74	10.5% - 11.00%
2023- 2024	183.89	10.50% - 10.75%
2025- 2026	1,574.61	10.50%
2026-2027	429.10	9.5%-10.25%
2027-2028	3,052.11	10.00%-10.50%
<b>Interest pay out- Maturity</b>		
2021-2022	639.30	16.67%
2022- 2023	5,763.26	10.75%-16.67%
2023- 2024	46.65	15.38%
2025- 2026	18.00	10.50%
2026-2027	133.50	12.26%
2027-2028	1,198.02	14.29%
2028-2029	1,230.58	10.00%-14.46%
<b>Total</b>	<b>19,938.91</b>	

\* Excluding interest accrued

#### Note 11: Other Financial liabilities

(Rupees in Lakhs)

Particulars	As at March 31, 2022 (Audited)	As at March 31, 2021 (Audited)
Expenses payable	429.50	661.14
Rent Payable	149.09	145.98
Rent Deposit	15.40	10.40
Kotak Insurance Payable	26.44	25.01
Auction Surplus Payable	727.56	709.44
Other Payable	124.50	124.87
<b>Total</b>	<b>1,472.49</b>	<b>1,676.84</b>

#### Note 12: Provisions

(Rupees in Lakhs)

Particulars	As at March 31, 2022 (Audited)	As at March 31, 2021 (Audited)
Provision for employee benefits		
- Gratuity	463.72	156.65
- Others	6.98	
<b>Total</b>	<b>470.70</b>	<b>156.65</b>



**Note 13: Other Non-financial liabilities**
*(Rupees in Lakhs)*

Particulars	As at March 31, 2022 (Audited)	As at March 31, 2021 (Audited)
Statutory dues payable	242.45	273.06
Others	53.17	56.69
<b>Total</b>	<b>295.62</b>	<b>329.75</b>

**Note 14: Equity share capital**
**14.1 The reconciliation of equity shares outstanding at the beginning and at the end of the period**
*(Rupees in Lakhs)*

Particulars	As at March 31, 2022 (Audited)	As at March 31, 2021 (Audited)
<b>Authorised</b>		
325,00,000 Equity Shares of Rs.100/- each	32,500.00	32,500.00
<b>Issued, subscribed and fully paid up</b>		
249,52,539 Equity shares of Rs. 100/- each fully paid up	24,952.54	24,952.54
<b>Total Equity</b>	<b>24,952.54</b>	<b>24,952.54</b>

**14.2 Terms/ rights attached to equity shares**

The Company has issued only one class of equity shares having a par value of Rs 100/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**14.3 Reconciliation of the number of Equity shares and of Equity share capital amount outstanding at the beginning and at the end of the year**
*(Rupees in Lakhs)*

Particulars	In Numbers	Amount
<b>As at March 31, 2021</b>	<b>2,49,52,539</b>	<b>24,952.54</b>
Shares issued during the period	-	-
<b>As at March 31, 2022</b>	<b>2,49,52,539</b>	<b>24,952.54</b>

**14.4 Details of Equity shareholders holding more than 5% shares in the company**
*(Rupees in Lakhs)*

Particulars	As at March 31, 2022 (Audited)	
	No. of shares held	% holding in the class
Mr. Mathew Muthoottu	1,47,79,912	59.23%
Mrs Nizzy Mathew	33,54,446	13.44%
Mini Muthoottu Hotels (P) Ltd	25,51,298	10.22%
Mini Muthoottu Credit India (P) Ltd	14,19,841	5.69%

*(Rupees in Lakhs)*

Particulars	As at March 31, 2021 (Audited)	
	No. of shares held	% holding in the class
Mr. Mathew Muthoottu	1,47,79,912	59.23%
Mrs Nizzy Mathew	33,54,446	13.44%
Mini Muthoottu Hotels (P) Ltd	25,51,298	10.22%
Mini Muthoottu Credit India (P) Ltd	14,19,841	5.69%

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

(Rupees in Lakhs)

Particulars	Fully paid up pursuant to contract(s) without payment being received in cash	Fully paid up by way of bonus shares	Shares bought back
<b>Equity Shares :</b>			
2019-2020	-	-	-
2018-2019	-	-	-
2017-2018	-	-	-
2016-2017	-	-	-
2015-2016	-	-	-

#### Shareholding of Promoters

Promoter name	Shares held by promoters at the end of the year		% change during the year
	No. of shares	% of total shares	
Mr. Mathew Muthoottu	1,47,79,912.00	59.23%	-
Mrs Nizzy Mathew	33,54,446.00	13.44%	-

#### Note 15: Other equity

(Rupees in Lakhs)

Particulars	As at March 31, 2022 (Audited)	As at March 31, 2021 (Audited)
<b>Statutory Reserves</b>		
<b>Special Reserve Fund(u/s 45 IC of RBI Act, 1934)</b>		
Balance at the beginning of the year	5,374.68	4,740.07
Add: Transfer from Retained earnings	925.88	634.61
<b>Balance at the end of the year</b>	<b>6,300.56</b>	<b>5,374.68</b>
<b>Debenture Redemption Reserve</b>		
Balance at the beginning of the year	-	-
Add: Transfer from/(to) Retained earnings	-	-
<b>Balance at the end of the year</b>	<b>-</b>	<b>-</b>
<b>Securities Premium</b>		
Balance at the beginning of the year	7,844.15	7,844.15
Add: Securities premium on share options exercised during the year	-	-
<b>Balance at the end of the year</b>	<b>7,844.15</b>	<b>7,844.15</b>
<b>Revaluation Reserve</b>		
Balance at the beginning of the year	350.00	350.00
Add: Amount transferred	-	-
<b>Balance at the end of the year</b>	<b>350.00</b>	<b>350.00</b>
<b>Retained Earnings</b>		
Balance at the beginning of the year	12,811.98	10,273.56
Add: Profit for the period	4,436.81	3,173.03
<b>Add/Less: Appropriation :-</b>		
Transfer to Special Reserve Fund	(925.88)	(634.61)
Transfer from/(to) Debenture Redemption Reserve	-	-
Transfer to Impairment Reserve	-	-
<b>Total appropriations</b>	<b>(925.88)</b>	<b>(634.61)</b>
<b>Balance at the end of the year</b>	<b>16,322.91</b>	<b>12,811.98</b>
<b>Total</b>	<b>30,817.62</b>	<b>26,380.81</b>

## 15.1 Nature and purpose of reserve

Statutory Reserve represents the Reserve Fund created u/s 45IC of the Reserve Bank of India Act, 1934. In current year ₹925.88 lakhs is appropriated from Statement of Profit and Loss to the Special Reserve Fund.

### Debenture Redemption Reserve

The Company, being an NBFC registered with the Reserve Bank of India under Section 45 IA of the RBI Act, 1934, is not required to create a Debenture Redemption Reserve, in respect of public issue of debentures and debentures issued by it on a private placement basis, Pursuant to Rule 18(7)(b)(iii) of the Companies (Share Capital and Debentures) Rules, 2014, as amended vide the Companies (Share Capital and Debentures) Amendment Rules dated August 16, 2019.

### Securities Premium

This Reserve represents the premium on issue of equity shares and can be utilized in accordance with the provisions of the Companies Act, 2013.

### Revaluation Reserve

Revaluation reserve represents a portion of the value of land that has been revalued based on the valuation made by approved external valuer during financial year 2012-13.

### Retained Earnings

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

## Note 16: Interest income

(Rupees in Lakhs)

Particulars	Year ended March 31, 2022 (Audited)	Year ended March 31, 2021 (Audited)
	On Financial asset measured at amortised cost	On Financial asset measured at amortised cost
<b>i) Interest on Loans</b>		
On Gold loan	40,120.99	34,990.43
On Micro Finance	1,089.30	853.67
On loan against property	91.63	82.80
<b>ii) Interest on deposits with bank</b>	961.02	339.82
<b>Total</b>	<b>42,262.94</b>	<b>36,266.72</b>

## Note 17: Net gain on fair value changes

(Rupees in Lakhs)

Particulars	Year ended March 31, 2022 (Audited)	Year ended March 31, 2021 (Audited)
(A) Net gain on financial instruments at fair value through profit or loss		
(i) On trading portfolio		
- Investments	-	1.46
- Derivatives	-	-
- Others	-	-
(B) Loss on fair valuation of equity shares	0.13	-
<b>Total Net gain on fair value changes (C)</b>	<b>(0.13)</b>	<b>1.46</b>
Fair Value changes:		
- Realised		
- Unrealised	(0.13)	1.46
<b>Total Net gain on fair value changes</b>	<b>(0.13)</b>	<b>1.46</b>

## Note 18: Sale of services

(Rupees in Lakhs)

Particulars	Year ended March 31, 2022 (Audited)	Year ended March 31, 2021 (Audited)
Other Operating Income	451.88	356.10
<b>Total</b>	<b>451.88</b>	<b>356.10</b>

**Note 19: Other Income**
*(Rupees in Lakhs)*

Particulars	Year ended March 31, 2022 (Audited)	Year ended March 31, 2021 (Audited)
Other non-operating income	129.39	3.63
<b>Total</b>	<b>129.39</b>	<b>3.63</b>

**Note 20: Finance Costs**
*(Rupees in Lakhs)*

Particulars	Year ended March 31, 2022 (Audited)	Year ended March 31, 2021 (Audited)
	On financial liabilities measured at amortised cost	On financial liabilities measured at amortised cost
Interest on borrowings (other than debt securities)	3,404.62	4,819.02
PTC loan amortization	-	5.89
Term Loan Amortisation	87.02	1.09
Interest on debt securities		
-Public issue	14,442.40	9,992.29
-NCD amortization	554.63	303.15
-Pvt Placement	234.05	320.06
Interest on subordinated liabilities	3,231.11	3,267.32
Bank Charges	411.56	511.14
<b>Total</b>	<b>22,365.39</b>	<b>19,219.96</b>

**Note 21: Impairment on financial instruments**
*(Rupees in Lakhs)*

Particulars	Year ended March 31, 2022 (Audited)	Year ended March 31, 2021 (Audited)
	On financial instruments measured at amortised cost	On financial instruments measured at amortised cost
Loans	668.69	(68.28)
Bad Debts Written Off	51.18	412.26
Investments		
Other Assets	6.98	(2.88)
<b>Total</b>	<b>726.85</b>	<b>341.10</b>

**Note 22: Employee Benefits Expenses**
*(Rupees in Lakhs)*

Particulars	Year ended March 31, 2022 (Audited)	Year ended March 31, 2021 (Audited)
Salaries and Wages	7,488.96	6,317.24
Gratuity	123.69	47.57
Bonus	221.04	219.52
Contributions to Provident and Other Funds	616.78	577.37
Staff Welfare Expenses	3.64	0.27
<b>Total</b>	<b>8,454.11</b>	<b>7,161.97</b>

**Note 23: Depreciation, amortization and impairment**
*(Rupees in Lakhs)*

Particulars	Year ended March 31, 2022 (Audited)	Year ended March 31, 2021 (Audited)
Depreciation of tangible assets	508.95	587.05
Amortization of intangible assets	1.35	0.16
<b>Total</b>	<b>510.30</b>	<b>587.21</b>

## Note 24: Other Expenses

(Rupees in Lakhs)

Particulars	Year ended March 31, 2022 (Audited)	Year ended March 31, 2021 (Audited)
Rent, taxes and energy costs	2,480.50	2,130.56
Repairs and maintenance	243.80	381.19
Communication Costs	296.28	286.84
Printing and stationery	162.23	188.21
Advertisement and publicity	602.04	185.87
Director's fees, allowances and expenses	21.44	8.55
Auditor's fees and expenses	26.22	22.60
Legal and Professional charges	174.29	217.32
Insurance	175.30	88.25
General Office Expenses	131.44	143.68
Travelling Expenses to Staff	305.18	227.03
Vehicle Running & Maintenance Expenses	5.17	4.79
Security Charges	197.92	195.38
Subscription Charges	18.63	2.23
Corporate social responsibility	74.28	57.21
Public Issue NCD Expenses	107.97	38.04
Loss on sale of Fixed assets	1.27	5.92
Other expenditure	1.38	7.02
<b>Total</b>	<b>5,025.34</b>	<b>4,190.69</b>

### Note 24.1 Auditor's fees and expenses

(Rupees in Lakhs)

Particulars	Year ended March 31, 2022 (Audited)	Year ended March 31, 2021 (Audited)
For Statutory audit	15.00	20.00
Tax Audit	5.00	
For Limited Review	4.01	2.60
For other services	2.21	-
<b>Total</b>	<b>26.22</b>	<b>22.60</b>

## Note 25: Earnings per share

Basic earnings per share (EPS) is calculated by dividing the net profit for the year attributable to equity holders of Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the net profit attributable to equity holders of the company (after adjusting for interest on the convertible preference shares and interest on the convertible bond, in each case, net of tax, if any) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

Particulars	Year ended March 31, 2022 (Audited)	Year ended March 31, 2021 (Audited)
Net profit attributable to ordinary equity holders in lakhs	4,629.40	3,191.14
<b>Weighted average number of equity shares for basic earnings per share</b>	<b>2,49,52,539</b>	<b>2,49,52,539</b>
Effect of dilution:		
<b>Weighted average number of equity shares for diluted earnings per share</b>	<b>2,49,52,539</b>	<b>2,49,52,539</b>
<b>Earnings per share:</b>		
<b>Basic earnings per share ( )</b>	<b>18.55</b>	<b>12.79</b>
<b>Diluted earnings per share ( )</b>	<b>18.55</b>	<b>12.79</b>



# Notes to Financial Statements

## for the year ended 31<sup>st</sup> March, 2022

### I. Corporate Information :

Muthoottu Mini Financiers Limited is a public limited company incorporated under the provisions of the Companies Act, 1956. The Company was primarily incorporated as a private limited company on March 18, 1998 under the provisions of the Companies act 1956 and the certificate of incorporation was issued by the registrar of companies Kochi. Pursuant to a special resolution passed in the general meeting of the Shareholders of the Company held on September 14, 2013, the Company was converted into a public limited company and a fresh certificate of incorporation was issued by the Registrar of Companies on November 27, 2013. The Company currently operates through 807 branches across the country.

The Company is engaged in full-fledged Gold Loan business, its debt securities are listed on Bombay Stock Exchange and has accepted debentures under private placement complying with the provisions as per RBI guidelines. As part of diversification of business the Company, apart from the core business of Gold Loan and Public issue of Debentures have entered the arena of Microfinance, Insurance agency business, Money transfers, Travel & Tourism etc.

### II. Basis of Preparation, Critical Accounting Estimates and Judgments

The financial statements have been prepared on the following basis:

#### A. Basis for preparation of Financial statements

The 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).

For all periods up to and including the year ended 31 March 2019, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP or previous GAAP). The financial statements for the year ended 31 March 2020 are the first financial statement of the Company prepared in accordance with Ind AS.

The financial statements have been prepared under the historical cost convention, as modified by the application of fair value measurements required or allowed by relevant Indian Accounting Standards.

Accounting policies have been consistently applied to all periods presented, unless otherwise stated. The preparation

of financial statements requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosed amount of contingent liabilities. Areas involving a higher degree of judgment or complexity, or areas where assumptions are significant to the Company are discussed in Note IV- Significant accounting judgments, estimates and provisions.

#### B. Presentation of Financial Statements

The financial statements of the Company are presented as per Schedule III (Division III) of the Companies Act, 2013 applicable to NBFCs, as notified by the Ministry of Corporate Affairs (MCA). Financial assets and financial liabilities are generally reported on a gross basis except when, there is an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event and the parties intend to settle on a net basis.

#### C. Statement of Compliance

These standalone or separate financial statements of the Company have been prepared in accordance with Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 and the other relevant provisions of the Act

#### D. New accounting standards issued but not effective

There are no standards that are issued but not yet effective on March 31, 2022

#### E. Functional and Presentation currency

The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates. All values are rounded to the nearest lakhs, except when otherwise indicated.

### III. Significant Accounting Policies

#### A. Revenue Recognition

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

##### (a) Interest Income

Interest income from financial assets is recognized on an accrual basis using effective interest rate method (EIR). The effective interest rate method is the rate that exactly discounts estimated future cash receipts (including all fees, transaction costs and other premiums or discounts paid or received) through the expected life of the financial instrument

to the carrying amount on initial recognition. While estimating future cash receipts, factors like expected behavior and life cycle of the financial asset, probable fluctuation in collateral value etc. are considered which has an impact on the EIR. In a situation where management believes that the recovery of interest is uncertain due to change in the price of the gold or otherwise, the Company recognizes income on such loans only to the extent it is confident of recovering interest from its customers through sale of underlying security or otherwise.

Such interests, where installments are overdue in respect of non-performing assets are recognized on realization basis. Any such income recognized and remaining unrealized after the installments become overdue with respect to non-performing assets is reversed.

#### **(b) Dividend Income**

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

#### **(c) Income from sale of services**

Revenue is recognized upon transfer of control of promised services to customer in an amount that reflects the consideration we expect to receive as per the agreement with the customer.

Where the performance obligation is satisfied overtime and where there is no uncertainty as to measurement or collectability of consideration, revenue is recognized as per the percentage of completion method.

The Company has applied revenue recognition criteria for each distinct performance obligation in relation to service income. The transaction price is allocated to each performance obligation based on the stand alone selling price.

Any other revenue from operations are recognised based on a five step model frame work under INDAS 115 elucidated below:

- Step1 Identify the contract with the customer – A contract is considered within the scope when the contract is approved by both the parties, payment terms and party's rights are identified and it is probable that the consideration will be collected.
- Step 2 Identify the performance obligations in the contract
- Step 3 Determine the transaction price
- Step 4 Allocate the transaction price to the performance obligation in the contracts
- Step 5 Recognize revenue when the Company satisfies a performance obligation

### **B. Financial Instruments**

#### **(a) Classification of Financial Instruments**

Financial instrument is any contract that gives rise to a financial asset for one entity and a financial liability or equity

instrument for another entity.

Financial assets and financial liabilities are recognized on its balance sheet when the company becomes a party to the contractual provisions of the instrument.

#### **(b) Business Model Assessment**

Classification and measurement of financial assets depends on the results of the Solely Payments of Principal and Interest (SPPI) and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortized cost or fair value through other comprehensive income that are derecognized prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets

### **Financial Assets**

#### **Initial Recognition& measurement**

Financial asset is initially recognized in the Balance sheet at fair value. Transaction costs directly attributable to the acquisition of the financial asset measured at fair value through profit or loss, are recognized immediately in profit or loss. Transaction costs directly attributable to the acquisition or issue of financial asset that are measured at amortized cost are added or deducted from the fair value of the financial asset as appropriate, on initial recognition.

#### **Subsequent measurement**

Subsequent to initial recognition, financial assets may be classified as under:

- Financial assets to be measured at amortized cost  
A financial asset is measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principle and interest on the principle amount outstanding.
- Financial assets to be measured at fair value through other comprehensive income (FVOCI)

A financial asset is measured at FVOCI if it is held within a business model whose objective is achieved by both collecting the contractual cash flows& selling financial assets and the contractual terms of the financial

asset gives rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- Financial assets to be measured at fair value through profit or loss account

Where the criteria for the above two methods of classification are not met then the financial assets shall be measured at fair value through profit or loss account

## Financial Liabilities

### Initial Recognition & measurement

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs. The company's financial liabilities include trade and other payables, non-convertible debentures, loans and borrowings including bank overdrafts.

### Subsequent Measurement

Financial liabilities are subsequently carried at amortized cost using the effective interest method.

### Derecognition of Financial Asset/Liability

The Company derecognizes a financial asset when the contractual cash flows from the asset expire or it transfers its rights to receive contractual cash flows from the financial asset in a transaction in which substantially all the risks and rewards of ownership are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognized as a separate asset or liability.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.

### (c) Impairment of financial assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' model (ECL), for evaluating impairment of financial assets other than those measured at Fair value through profit and loss. Expected Credit Loss, at each reporting date, is measured through a loss allowance for a financial asset:

- At an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition.
- At an amount equal to 12-month expected credit losses, if the credit risk on a financial instrument has not increased significantly since initial recognition.

Lifetime expected credit losses means expected credit losses that result from all possible default events over the

expected life of a financial asset.

12-month expected credit losses means the portion of Lifetime ECL that represent the ECLs that result from default events on financial assets that are possible within the 12 months after the reporting date. The Company performs an assessment, at the end of each reporting period, of whether a financial assets credit risk has increased significantly since initial recognition. When making the assessment, the change in the risk of a default occurring over the expected life of the financial instrument is used instead of the change in the amount of expected credit losses

Based on the above process, the Company categorizes its loans into three stages as described below: For non-impaired financial assets

- Stage 1 is comprised of all non-impaired financial assets which have not experienced a significant increase in credit risk (SICR) since initial recognition. A 12-month ECL provision is made for stage 1 financial assets. In assessing whether credit risk has increased significantly, the Company compares the risk of a default occurring on the financial asset as at the reporting date with the risk of a default occurring on the financial asset as at the date of initial recognition.
- Stage 2 is comprised of all non-impaired financial assets which have experienced a significant increase in credit risk since initial recognition. The Company recognizes lifetime ECL for stage 2 financial assets. In subsequent reporting periods, if the credit risk of the financial instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then entities shall revert to recognizing 12 months ECL provision.
- For impaired financial assets: Financial assets are classified as stage 3 when there is objective evidence of impairment as a result of one or more loss events that have occurred after initial recognition with a negative impact on the estimated future cash flows of a loan or a portfolio of loans. The Company recognizes lifetime ECL for impaired financial assets.

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

- Probability of Default (PD) - The Probability of Default is an estimate of the likelihood of default over a given time horizon. The Company uses historical information where available to determine PD. For this purpose the probability over a period of one year of the outstanding loan portfolio for the past few years is taken for Gold loan portfolio taking slippage to NPA, loans written off and auction closure as defaulting events. For microfinance and loan against property slippage to NPA and written off are taken as defaulting events.
- Exposure at Default (EAD) - The Exposure at Default is an estimate of the exposure at a future default date, considering expected changes in

the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments. The company uses historical information where available to estimate its EAD. By observing the historical data and due to the bullet payment scheme of gold loans, EAD for gold loan portfolio is taken as 100% and for micro finance and loan against property based on the amount of loan outstanding at the time of default to the actual disbursed amount of loan over the last few years.

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

### Forward looking information

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

To mitigate its credit risks on financial assets, the Company uses collateral, where possible. Collateral comes in various forms, and mainly represents Gold jewellery in respect of Gold loans financed by the company. However, the fair value of collateral affects the calculation of ECL. The collateral is majorly the property for which the loan is given. The fair value of the same is based on data provided by third party or management judgements.

Loans are written off (either partially or in full) when there is no realistic prospect of recovery. This is generally the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. Any subsequent recoveries against such loans are credited to the Statement of Profit and Loss.

Where the expected credit loss assessed by the company based on the above metrics are lower than the provision required under the RBI norms, an overlay is added to the provision methodology to ensure that the expected credit loss ascertained by the company is always not lower than the minimum regulatory provision required under RBI norms

### Determination of Fair Value of Financial instruments

The company measures certain financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the perception that the transaction to sell the asset or transfer the liability takes place either –

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

The principal or the most advantageous market must be accessible by the company. The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability assuming that market participants act in their economic best interest. The fair value measurement of a non-financial asset takes into account a market participants ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs

The financial instruments are classified based on hierarchy of valuation techniques, as summarised below -

- Level 1- This level includes financial assets that are measured by reference to quoted prices in active markets for identical assets or liabilities.
- Level 2- This level includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. price) or indirectly (i.e. derived from prices).
- Level 3- This level includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

### C. Retirement and other employee benefits

#### 1. Short term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include short term compensated absences such as paid annual leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognized as an expense during the period. Benefits such as salaries and wages, etc. and the expected cost of the



bonus/ex-gratia are recognized in the period in which the employee renders the related service.

## 2. Long term Employee Benefits

- **Defined contribution plans:**

All the employees of the Company are entitled to receive benefits under the Provident Fund and Employees State Insurance scheme, defined contribution plans in which both the employee and the Company contribute monthly at a stipulated rate. The Company has no liability for future benefits other than its annual contribution and recognizes such contributions as an expense in the period in which employee renders the related service.

- **Defined Benefit Plan:**

The Company provides for the gratuity, a defined benefit retirement plan covering all employees. The plan provides for lump sum payments to employees upon death while in employment or on separation from employment after serving for the stipulated years mentioned under 'The Payment of Gratuity Act, 1972'. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation, carried out by an independent actuary at each Balance Sheet date, using the Projected Unit Credit Method.

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

Net interest recognized in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognized as part of re-measurement of net defined liability or asset through other comprehensive income. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, attrition rate, future salary increases and mortality rates.

Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed annually.

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

## D. Leases

The Company evaluates each contract or arrangement,

whether it qualifies as lease as defined under Ind AS 116. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset.

### The Company as a lessee

The Company has elected not to recognize right-of use assets and lease liabilities for short term leases that have a lease term of less than or equal to 12 months and leases with low value assets. The Company determines the lease term as the non-cancellable period of a lease, together with periods covered by an option to extend the lease, where the Company is reasonably certain to exercise that option.

The Company recognizes the lease payments associated with these leases as an expense in Statement of Profit and Loss on a straight-line basis over the lease term or another systematic basis if that basis is more representative of the pattern of the lessee's benefit. The related cash flows are classified as operating activities.

Wherever the above exception permitted under Ind AS 116 is not applicable, the Company at the time of initial recognition:

- Measures lease liability as present value of all lease payments discounted using the Company's incremental cost of borrowing and directly attributable costs. Subsequently, the lease liability is increased by interest on lease liability, reduced by lease payments made and remeasured to reflect any reassessment or lease modifications specified in Ind AS 116 'Leases', or to reflect revised fixed lease payments.
- Measures 'Right-of-use assets' as present value of all lease payments discounted using the Company's incremental cost of borrowing and any initial direct costs. Subsequently, 'Right-of-use assets' is measured using cost model i.e. at cost less any accumulated depreciation (depreciated on straight line basis over the lease period) and any accumulated impairment losses adjusted for any re measurement of the lease liability specified in Ind AS 116 'Leases'

### The Company as a lessor

Leases under which the Company is a lessor are classified as finance or operating leases. Lease contracts where all the risks and rewards are substantially transferred to the lessee, the lease contracts are classified as finance leases. All other leases are classified as operating leases. Lease payments from operating leases are recognized as an income in the Statement of Profit and Loss on a straight-line basis over the lease term or another systematic basis if that basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished.

## E. Taxes

- **Current Tax**

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense

that are taxable or deductible in other years and items that are never taxable or deductible in accordance with applicable tax laws. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the end of reporting date in India where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss i.e., either in other comprehensive income or in equity. Current tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

- **Deferred Tax**

Deferred tax assets and liabilities are recognised for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled

Deferred tax assets are only recognised for temporary differences, unused tax losses and unused tax credits if it is probable that future taxable amounts will arise to utilise those temporary differences and losses. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities are realised simultaneously. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss i.e., either in other comprehensive income or in equity. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

- **Minimum Alternate Tax**

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that it is probable that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT

Credit Entitlement." The Company reviews the MAT Credit Entitlement asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

#### **F. Foreign currency transaction**

Transactions in foreign currencies are translated into the functional currency of the Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in profit or loss.

#### **G. Cash and cash equivalents**

Cash and cash equivalents comprise of cash at bank, cash in hand, cheque to be realized and bank deposits having a maturity of less than three months from the date of deposit.

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

#### **H. Property Plant and Equipment**

The Company has elected to choose the cost model as its accounting policy and continue with the carrying value of assets as deemed cost of all its property, plant and equipment on transition date to IndAS.

The property plant and equipment are the assets held for the use in the supply of services. Property, plant and equipment's are stated in the balance sheet at cost (net of duty/tax credit availed) less accumulated depreciation and accumulated impairment losses, where applicable.

The total cost of assets comprises its purchase price, freight, duties, taxes and any other incidental expenses directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. Changes in the expected useful life are accounted for by changing the amortization period or methodology, as appropriate, and treated as changes in accounting estimates. Subsequent expenditure related to an item of tangible asset are added to its gross value only if it increases the future benefits of the existing asset, beyond its previously assessed standards



of performance and cost can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

### I. Depreciation

Depreciation is provided using written down value method as per the Useful life provided in the Schedule II of The Companies Act, 2013.

Particulars	Useful life as per Companies Act (in years)	Useful life estimated by the Company (in years)
Computers and accessories	3	3
Plant and machinery	15	15
Building	60	60
Car	8	8
Furniture and fittings	10	10
Electrical fittings	10	10
Electronic equipment	15	15
Weighing machine	15	15
Software and licenses	3	3
Video surveillance equipment	15	15
Air conditioner	10	10

### J. Intangible Assets

An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Company. Intangible assets acquired separately are measured on initial recognition at cost. The cost of an intangible asset comprises its purchase price and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year-end. Changes in the expected useful life, or the expected pattern of consumption of future economic benefits embodied in the asset, are accounted for by changing the amortisation period or methodology, as appropriate, which are then treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is presented as a separate line item in the statement of profit and loss. Amortisation on assets acquired/sold during the year is recognised on a pro-rata basis to the Statement of Profit and Loss from / upto the date of acquisition/sale. Amortisation is calculated using the straight-line method to write down the cost of intangible assets to their residual values over their estimated useful lives. Intangible assets comprising of software are amortized

on a straight-line basis over a period of 3 years, unless it has a shorter useful life.

The Company's intangible assets consist of computer software with definite life. Gains or losses from derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognized in the Statement of Profit and Loss when the asset is derecognized.

### K. Related Party

All related party transactions which were entered into during the year were on an arm's length basis and generally in the ordinary course of business under the Act. The Company has a policy on related party transactions which has been approved by the Board in their meeting held on 27 March, 2017. All the transactions which are identified as related party transactions are approved by the Audit Committee/ Board of Directors/ members at the General Meeting as may be deemed necessary and as stipulated in the policy.

Details of transactions entered into with the related party is disclosed in Note V (4) Accompanying notes to the financial statements.

### L. Provisions

Provisions are recognised when the enterprise has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. When the effect of the time value of money is material, the enterprise determines the level of provision by discounting the Expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement. As at reporting date, the Company does not have any such provisions where the effect of time value of money is material."

### M. Contingent Liabilities

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 recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. The company does not have any contingent assets in the financial statements.

## N. Earnings Per Share

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic EPS is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividend and attributable taxes) by the weighted average number of equity shares outstanding during the year. For 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. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the diluted earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

## O. Cash Flow

The company is reporting cash flow statement in indirect method, whereby net profit or loss is adjusted for the effects of transactions of a non-cash nature, tax, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows.

## P. Expenditure on Corporate Social Responsibility (CSR)

The Company accounts the expenditure incurred towards Corporate Social Responsibility as required under the Act as a charge to the statement of profit and loss.

## Q. Impairment of Non-Financial Assets

The carrying amount of assets is reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

## IV. Significant accounting judgments, estimates and provisions

The preparation of financial statements in conformity with the Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosure and the disclosure of contingent liabilities, at the end of the reporting period. Estimates and underlying assumptions are reviewed on an ongoing

basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

### (a) Business Model Assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

### (b) Defined employee benefit assets and liabilities

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed annually.

### (c) Fair value measurement

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and

volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

#### (d) Impairment of loans portfolio

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

#### (e) Contingent liabilities and provisions other than impairment on loan portfolio

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

#### (f) Effective Interest Rate (EIR) method

The Company's EIR methodology, recognises interest

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

#### (g) Determination of lease term

Ind AS 116 "Leases" requires lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes assessment on the expected lease term on lease by lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of lease and the importance of the underlying to the Company's operations taking into account the location of the underlying asset and the availability of the suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

#### (h) Other estimates:

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

## V. ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

### 1. Income Tax

#### (a) Major components of tax expense/(income)

(Rupees in lakhs)

Particulars	2021-22	2020-21
Profit or Loss section:		
(i) Current income tax:		
Current income tax expense	1,156.43	928.10
Tax expense of prior periods	-	-
(ii) Deferred tax:		
Tax expense on origination and reversal of temporary differences	156.64	1,205.21
Income tax expense reported in Profit or Loss [(i) + (ii)]	<b>1,313.07</b>	<b>2,133.31</b>
Other Comprehensive Income (OCI) section:		
(i) Items that will not be reclassified to profit or loss		
- Remeasurement of defined benefit plans	(79.13)	(6.98)
(ii) Items to be reclassified to profit or loss in subsequent periods:	-	-
Income tax expense reported in Other Comprehensive Income[(i)+(ii)]	<b>(79.13)</b>	<b>(6.98)</b>
Retained earnings:		
Current income tax	1,156.43	928.10

Particulars	2021-22	2020-21
Deferred tax	77.51	1,198.23
Income tax expense reported in retained earnings	<b>1,233.94</b>	<b>2,126.33</b>

#### (b) Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate

(Rupees in lakhs)

Particulars	2021-22	2020-21
Accounting profit before tax as per Ind AS	5,942.47	5,324.45
At India's Statutory Income Tax rate of 29.12%/27.82 %	1,730.45	1,481.26
Add/(Less) : Ind AS adjustments on PBT	-	-
Add/(Less) : Allowances / disallowances (Net) for which deferred tax not taken	207.58	(276.05)
Add: Excess/(Lower) Tax paid as per MAT and interest thereof	(624.96)	928.10
Deferred tax	-	-
Total tax expenses in Profit/Loss Statement	<b>1,313.07</b>	<b>2,133.31</b>

The effective Income Tax rate for FY 2021-22: 29.12% (PY: 27.82%)

#### (c) Components of deferred tax (assets) and liabilities recognized in Balance Sheet and statement of profit and loss

(Rupees in lakhs)

Sl. No.	Particulars	As at 31-03-2022	As at 31-03-2021	Year ended 31-03-2022	
		Balance sheet		Statement of Profit and Loss	OCI
(a)	Re measurement gain / (loss) on defined benefit plan	135.04	43.58	12.33	79.13
(b)	Impact of carry forward losses	-	-	-	-
(c)	Difference between book depreciation and tax depreciation	569.74	623.55	(53.81)	-
(d)	Financial assets measured at Fair value	0.35	0.31	0.04	-
(e)	Net impact of gain on de recognition of financial instruments under amortised cost category	(411.28)	(323.95)	(87.33)	-
(f)	Other temporary differences	0.18	28.05	(27.87)	-
	Net deferred tax assets/(liabilities)	294.03	371.54	(156.64)	79.13

#### (d) Reconciliation of deferred tax (assets)/liabilities

(Rupees in lakhs)

Sl. No	Particulars	2021-22	2020-21
(a)	Opening balance as at April 1	371.54	1569.77
(b)	Deferred Tax income/(expense) during the period recognized in:		
	(i) Statement of Profit and Loss in Profit or Loss section	(156.64)	(1205.21)
	(ii) Statement of Profit and Loss under OCI section	79.13	6.98
	Closing balance as at March 31	<b>294.03</b>	<b>371.54</b>

Unused tax losses for which no deferred tax asset has been recognized - Rs Nil

## 2. Retirement Benefit Plan

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

Net employee benefit expense recognized in the Other Comprehensive Income

(Rupees in lakhs)

Movement in Other Comprehensive Income (OCI)	As at 31-03-2022	As at 31-03-2021
Actuarial Loss/ (Gain) on Obligation side during the period	271.72	25.09

#### Reconciliation of Net asset/liability

Particulars	As at 31-03-2022	As at 31-03-2021
Opening Net liability	156.65	142.12
Expense recognized in P/L	123.69	47.57
Actuarial loss/(Gain) recognized in OCI	271.72	25.09
Contribution paid by employer	(88.34)	(58.13)
Closing Net Liability	463.72	156.65

#### Expenses recognized in the statement of profit and loss

Particulars	As at 31-03-2022	As at 31-03-2021
Current Service Cost	115.25	35.58
Past Service Cost	-	-
Settlement Cost/(Credit)	-	-
Net Interest on Obligation/Asset	8.43	11.99
Expenses recognized in the statement of Profit & Loss	123.69	47.57

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

Particulars	31.03.2022	31.03.2021
Discount Rate	7.335%	7.5%
Compensation Escalation Rate	3.5%	5%
Mortality rate during employment	Indian Assured Lives mortality (2012-14)	Indian Assured Lives mortality (2006-08)

#### Sensitivity Analysis

Assumptions	31-03-2022		31-03-2022		31-03-2021		31-03-2021	
	Discount Rate		Increase in Compensation level		Discount Rate		Increase in Compensation level	
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease	1% increase	1% Decrease	1% increase	1% decrease
Impact on Defined benefit obligation	(406.06)	534.22	536.09	(403.62)	(127.89)	160.22	158.98	(128.6)

### 3. FOREIGN EXCHANGE TRANSACTIONS

There are no foreign currency transactions during the financial year.

### 4. RELATED PARTY TRANSACTIONS

#### (a) List of related parties and relationships

Name and Particulars of the Related Party	Relationship with the Company
Nizzy Mathew (Whole-time Director)	Key Managerial Personnel (KMP)
Mathew Muthoottu (Managing Director)	
P.E. Mathai (CEO)	
Ann Mary George, ACA (CFO)	
Smitha K S, ACS (CS)	
M S Rajagopal	Independent Director
Thomas Cherian*	
Maliakal Jose Paul	
John V George^^	Additional Director
Rudran Puthukulangara**	
Manoj Kumar R^^^	
Roy M Mathew	Relatives of Key Managerial Personnel/Director



Name and Particulars of the Related Party	Relationship with the Company
Mini Muthoottu Nidhi Kerala Ltd	Entity in which KMP has significant influence.
Royal Gold	
MM Nirman and Real Estate Pvt Ltd	
Muthoottu Mini Hotels Pvt Ltd	
Muthoottu Mini Theatres Private Limited	
Kozhencherry M M Financial Services Pvt Ltd	
Miilanchi	

\*Ceases to be a director from September 30, 2020

\*\*Ceases to be a director from September 26, 2020

^^Appointed as Additional Director in the meeting of Board of Directors held on March 22, 2021 and his tenure as additional Director ended on September, 30,2021.

^^^with effect from October, 1 2021.

**(b) Transactions during the financial year with related parties as on 31.03.2022**

(Rupees in lakhs)

Particulars	Key managerial personnel				
	Mathew Muthoottu (Managing Director)	Nizzy Mathew (Whole Time Director)	P E Mathai (CEO)	Ann Mary George, ACA (CFO)	Smitha. K.S ACS (CS)
Salary and allowance	239	180	61.62	42.12	20.52
Rent/ maintenance charges	3.5	1.12	-	-	-
Debenture interest/ Subordinated debt interest	2.79	3.87	-	-	-
Debenture redeemed	5.40	3.00	-	-	-
Debenture holdings	18.20	31.75	-	-	-
Subordinated debt Holdings	4.50	-	-	-	-
Advance for property	-	-	-	-	-
Travelling Expense	13.56	0.49	-	-	-

Particulars	Directors			
	John V George	Maliakal Jose Paul	M S Rajagopal	Manoj Kumar R
Sitting fee	0.45	2.55	3.15	1.25

Particulars	Relative of KMP	Entity in which KMP has significant influence					
	Roy M Mathew	Mini Muthoottu Nidhi Kerala Ltd.	MM Nirman and Real Estate P. Ltd.	Muthoottu Mini Hotels P. Ltd.	Kozhencherry M M Financial Services Pvt Ltd.	Miilanche	Royal Gold
Rent/ maintenance charges	4.16	6.17	4.15	2.40	-	-	-
Rent received	-	17.21	-	-	-	1.20	2.63
Debenture interest/ Subordinated debt interest	0.19	-	-	-	-	-	-
Subdebt Holdings	1.12	-	-	-	-	-	-
Loan against property outstanding	-	-	-	635.62	-	-	-



Particulars	Relative of KMP	Entity in which KMP has significant influence					
	Roy M Mathew	Mini Muthoottu Nidhi Kerala Ltd.	MM Nirman and Real Estate P. Ltd.	Muthoottu Mini Hotels P. Ltd.	Kozhencherry M M Financial Services Pvt Ltd.	Miilanche	Royal Gold
Interest on Loan against property	-	-	-	91.63	-	-	-
Principal repayment of Loan against property	-	-	-	34.14	-	-	-
Payment towards masks (CSR)	-	-	-	-	-	21.22	-
Diary printing	-	-	-	-	61.18	-	-
Staff Welfare Expense	-	-	-	-	-	6.21	-
Commission Received	-	-	-	-	-	-	1.85
Purchase of Gold Coin	-	-	-	-	-	-	1.98

#### (c) Charge created on assets of the related party

The following entities have extended collateral security and corporate guarantee for the borrowings from banks as reflected in Note 9.

1. Muthoottu Mini Theatres Private Limited;
2. Muthoottu Mini Hotels Private Limited;

The following related parties have extended personal guarantee for the borrowings from banks as reflected in Note 9.

1. Roy M Mathew
2. Nizzy Mathew
3. Mathew Muthoottu

Transaction during the financial year with related parties as on 31.03.2021.

(Rupees in lakhs)

Particulars	Key managerial personnel				
	Mathew Muthoottu Managing Director)	Nizzy Mathew (Whole Time Director	P E Mathai (CEO)	Ann Mary George, ACA (CFO)	Smitha. K.S ACS (CS)
Salary and allowance	132.00	108.00	15.00	28.62	19.52
Rent/ maintenance charges	3.45	1.10	-	-	-
Debenture interest	1.81	2.77	-	-	-
Debenture redeemed	6.00	3.50	-	-	-
Debenture holdings	12.60	28.50	-	-	-
Sub debt Holdings	4.50	-	-	-	-
Advance for property	1,150*	-	-	-	-

\* Nil as on 31.03.2021

Particulars	Relative of KMP	Entity in which KMP has significant influence				
	Roy M Mathew	Mini Muthoottu Nidhi Kerala Ltd.	MM Nirman And Real Estate P. Ltd.	Muthoottu Mini Hotels P. Ltd.	Kozhencherry M M Financial Services Pvt .Ltd.	Miilanche
Rent/ maintenance charges	3.25	3.00	2.40	2.35	-	-
Rent received	-	16.20	-	-	-	0.90

Particulars	Relative of KMP	Entity in which KMP has significant influence				
	Roy M Mathew	Mini Muthoottu Nidhi Kerala Ltd.	MM Nirman And Real Estate P. Ltd.	Muthoottu Mini Hotels P. Ltd.	Kozhencherry M M Financial Services Pvt .Ltd.	Milanche
Debenture interest	0.07	-	-	-	-	-
Subdebt Holdings	1.12	-	-	-	-	-
Loan against property	1,150.00*	-	-	675.00	-	-
Interest on Loan against property	67.08			15.72		
Principal repayment of Loan against property	1,150.00			5.24		
Payment towards masks (CSR)	-	-	-	-	-	29.73
Diary printing	-	-	-	-	11.97	-

\*Closed as on 31.03.2021

Particulars	Directors				
	John V George	Thomas Cherian	Maliakal Jose Paul	MS Rajagopal	Rudran Puthukulangara
Sitting fee	0.20	2.20	2.75	3.20	0.20

#### 4. Managerial remuneration

(Rupees in lakhs)

Whole time director	2021-22	2020-21
Nizzy Mathew	180.00	108.00
Mathew Muthoottu	239.00	132.00
Key managerial person		
P E Mathai	61.62	15.00
Ann Mary George	42.12	28.62
Smitha K S	20.52	19.52
<b>Total</b>	<b>543.26</b>	<b>303.14</b>

#### 5. 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. The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximize shareholder value. The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years except those incorporated-on account of regulatory amendments. However, they are under constant review by the Board.

(Rupees in lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
1. CRAR- Tier I Capital	49,453.51	49,395.78
2. CRAR- Tier II Capital	9,437.04	7,430.00
3. Total Capital	58,890.55	56,825.78
4. Risk Weighted Assets	2,71,974.29	2,20,673.57
5. CRAR- Tier I Capital (%)	18.18%	22.38%
6. CRAR- Tier II Capital (%)	3.47%	3.37%
7. Total CRAR (%)	21.65%	25.75%

## 6. Fair Value Measurement

### (a) Valuation Principle

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, explained in the note - "Determination of fair value of Financial Instruments" (Note No: III B (c))

### (b) Valuation Hierarchy:

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy:

(Rupees in lakhs)

Particulars	31-03-2022				31-03-2021			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value on a recurring basis</b>								
Financial investment held for trading	-	-	-	-	-	-	-	-
Equity Shares	4.58	-	900.00	904.58	4.70	-	-	4.70
<b>Total Assets measured at fair value on a recurring basis</b>	<b>4.58</b>	<b>-</b>	<b>900.00</b>	<b>904.58</b>	<b>4.70</b>	<b>-</b>	<b>-</b>	<b>4.70</b>
<b>Assets measured at fair value on a non-recurring basis</b>	-	-	-	-	-	-	-	-
<b>Liabilities measured at fair value on a recurring basis</b>								
Derivative financial instruments								
- Forward contracts								
- Cross Currency Swaps	-	-	-	-	-	-	-	-
<b>Total derivative financial instruments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Liabilities measured at fair value on a recurring basis</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Liabilities measured at fair value on a non-recurring basis</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### c. Valuation Technique

Equity Instruments: Equity instruments in listed entities are measured at the latest available listed market price as at the end of the reporting date.

### d. Transfer between Level 1/Level2 and Level 3 during the reporting period

During the year there have been no transfers between level 1 and level 2. Similarly, there were no transfers from or to level 3

### e. Fair value of financial instruments not measured at fair value

Set out below is a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments that are not carried at fair value in the financial statements. This table does not include the fair values of non-financial Assets and non-financial liabilities.

(Rupees in lakhs)

Particulars	Level	Carrying Value		Fair Value	
		31-03-2022	31-03-2021	31-03-2022	31-03-2021
<b>Financial assets</b>					
Cash and cash equivalents	1	35,532.73	23,048.70	35,532.73	23,048.70
Bank Balance other than (a) above	1	15,124.54	7,859.27	15,124.54	7,859.27
Loans	3	2,47,664.61	1,97,894.20	2,47,664.61	1,97,894.20
Investments	1	904.58	4.70	904.58	4.70

Particulars	Level	Carrying Value		Fair Value	
		31-03-2022	31-03-2021	31-03-2022	31-03-2021
Other financial assets	3	2,167.49	2,199.78	2,167.49	2,199.78
<b>Total Financial assets</b>		<b>30,1,393.95</b>	<b>2,31,006.65</b>	<b>30,1,393.95</b>	<b>2,31,006.65</b>
<b>Financial liabilities</b>					
Debt Securities	2	1,61,162.47	1,28,066.82	1,61,162.47	1,28,066.82
Borrowings (other than debt securities)	2	77,321.61	36,982.46	77,321.61	36,982.46
Subordinated liabilities	2	26,587.21	33,802.18	26,587.21	33,802.18
Other financial liabilities	2	1,472.49	1,676.84	1,472.49	1,676.84
<b>Total Financial liabilities</b>		<b>2,66,543.78</b>	<b>2,00,528.30</b>	<b>2,66,543.78</b>	<b>2,00,528.30</b>

#### f. Valuation methodologies of financial instruments not measured at fair value

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.

- Short-term financial assets and liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value.

- Loans and advances to customers

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

- Borrowings

The floating rate loans are fair valued on the basis of MCLR + spread. For fixed rate loans, the carrying values are a reasonable approximation of their fair value.

### 7. Risk Management Introduction and Risk Profile

As a lending institution, the Company is exposed to various risks that are related to gold lending business, micro finance business and operating environment. Risk management forms an integral element of the business. The objective in the risk management process is to appreciate, measure and monitor the various risks that are subject to and to follow policies and procedures to address these risks. The Company manages it through the risk management architecture. The Company continue to improve the policies and procedures and to implement these rigorously, for the efficient functioning of the business. This also helps in managing the risks, associated with the business.

#### Risk management structure

The Company has constituted Risk Management Committee to assist the Board of Directors in the execution of its risk management accountabilities. The Committee provides the Risk Committee of the Board of Directors an independent and objective oversight view of the information to review Company's financial risk activities and provide an assurance to the Board of Directors that the Company has implemented an effective ongoing process to identify the risk, to measure the potential impact and proactively manage these risks and to decide the tolerance for the risk.

#### Risk measurement and reporting systems

In order to address the risks that are inherent to the business, the Company has developed a risk management architecture that includes a Risk Management Committee, of the Board of Directors, internal audit department, and an internal Risk Management Committee comprising senior management. The Risk Management Committee, oversees the risk management policies, which helps to identify, measure, monitor and mitigate the various risks in the businesses. The terms of reference of Risk Management Committee are as follows:

- To assist the Board in setting risk strategy policies in liaison with management and in the discharge of its duties relating to corporate accountability and associated risk in terms of management assurance and reporting;
- To review and assess the nature, role, responsibility and authority of the risk management function within the Company and outline the scope of risk management work; and

- (c) To review and assess the quality, integrity and effectiveness of the risk management systems and ensure that the risk policies and strategies are effectively managed.

#### Internal Audit Department & Risk Audit

Our internal audit department assists in the management of operational risk.

#### Assets-Liabilities Management Policy

The asset-liability management policy ("ALM Policy") adopted by the Board is reviewed periodically and last updated on July 20, 2020.

#### Analysis of risk concentration

##### 1. Credit Risk

Credit risk is the possibility of loss due to the failure of any borrower to abide by the terms and conditions of the loan agreement. We believe that the credit risk in our Gold Loan business is relatively low because all our loans are generally over collateralized by pledged gold ornaments. We aim to reduce credit risk through a rigorous loan approval and gold appraisal process, KYC compliance procedures and a strong non-performing asset ("NPA") monitoring and recovery mechanism. The credit risk is diminished because the gold jewellery used as security for our loans can be readily liquidated, and the possibility of recovering less than the amount due to us is relatively low. We also mitigate credit risk by not disbursing loans in excess of specified limits, as fixed by our Company from time to time, to the same customer, and for high value loans we undertake a credit check or profiling of the borrower before a loan is approved. We have developed methods to peg the value of the loan amount to the moving average price of gold. We also decrease credit risk by focusing on the quality of the pledged gold. Our internal control system ensures independent verification of the gold by at least two officials at the branch level. The level of verification at the branch level increases as the loan value increases. In addition, the quality of gold is checked by the inspecting officers of the Company through random check and by gold auditors through a detailed check. Credit risk in our micro finance business is generally higher than our Gold Loan business as the amount advanced is on unsecured basis. However, our product is designed in such a way that the loans are granted to individuals who form a part of the group and the group is ultimately liable for each member repayment obligation under that group. We also mitigate credit risk by not disbursing loans in excess of specified limits which is currently ₹ 0.80 lakh to an individual customer. We also decrease credit risk by closely follow up with the group members on weekly basis.

The table below summarises the credit risk exposure of the loan portfolio of the company based on days past due and geography of the borrower:

As on 31/03/2022

(Rupees in lakhs)

State wise (Geography)	Stage 1 (0 – 30 days past due) – No significant increase in credit risk	Stage 2 (31-90 days past due) – Significant increase in credit risk but no impairment	Stage 3 (More than 90 days past due) – Impaired Assets	Grand Total
Kerala	25,087.18	1,308.70	510.15	26,906.03
Tamil Nadu	1,09,103.93	4,333.78	556.20	1,13,993.91
Andhra Pradesh	24,706.43	1,017.64	84.82	25,808.89
Karnataka	36,854.70	1,414.07	275.96	38,544.73
Others*	42,544.49	1,963.19	99.22	44,606.90
Total	2,38,296.73	10,037.38	1,526.35	2,49,860.46

As on 31/03/2021

(Rupees in lakhs)

State wise (Geography)	Stage 1 (0 – 30 days past due) – No significant increase in credit risk	Stage 2 (31-90 days past due) – Significant increase in credit risk but no impairment	Stage 3 (More than 90 days past due) – Impaired Assets	Grand Total
Kerala	20,090.12	2,585.82	464.28	23,140.22
Tamil Nadu	71,167.27	11,085.51	741.17	82,993.95
Andhra Pradesh	40,516.04	6,002.59	205.49	46,724.12
Karnataka	31,804.45	4,212.49	275.08	36,292.02
Others*	9,242.31	993.61	35.13	10,271.05
Total	1,72,820.19	24,880.02	1,721.15	1,99,421.36

\* Others include Delhi, Haryana, Goa, Maharashtra, Pondicherry, Telangana, and Gujarat.

## Collateral and other credit enhancements

The amount and type of collateral required depends on an assessment of the credit risk of the counterparty.

The tables below disclose the maximum exposure to credit risk by class of financial asset. They also disclose the quantitative information of collateral held including surplus collateral (the extent to which the value of collateral held is greater than the exposure to which it relates), and the net exposure to credit risk based on Loan to Value at the point of origination of loans.

### As at 31/03/2022

(Rupees in lakhs)

Particulars	As at March 31, 2022	Maximum exposure to credit risk	Cash	Securities	Bank and government guarantees	Household used Gold ornaments	Book debts, Inventory and other working capital items	surplus collateral	Total Collateral	Net Exposure	Associated ECLs
<b>ASSETS</b>											
<b>Financial assets</b>											
Cash and cash equivalents	35,532.73	35,532.73	35,532.73						35,532.73	-	
Bank Balance	15,124.54	15,124.54	15,124.54						15,124.54	-	
Loans									-	-	
(a) Gold Loan	2,42,697.48	2,42,697.48				2,42,697.48		1,10,737.12	3,53,434.60	-	1,479.65
(b) Loan Against Property	727.55	727.55		727.55				654.95	1,382.50		139.64
(c) Micro finance	6,435.43	6,435.43							-	6,435.43	576.56
Investments	904.58	904.58					904.58		904.58	-	
Other financial assets	2,167.49	2,167.49							-	2,167.49	
<b>Total</b>	<b>3,03,589.80</b>	<b>3,03,589.80</b>	<b>50,657.27</b>	<b>727.55</b>	<b>-</b>	<b>2,42,697.48</b>	<b>904.58</b>	<b>1,11,392.07</b>	<b>4,06,378.95</b>	<b>8,602.92</b>	<b>2,195.85</b>

### As at 31/03/2021

(Rupees in lakhs)

Particulars	Maximum exposure to credit risk	Cash	Securities	Bank and government guarantees	Household used Gold ornaments	Book debts, Inventory and other working capital items	Surplus collateral	Total Collateral	Net Exposure	Associated ECLs
<b>ASSETS</b>										
<b>Financial assets</b>										
Cash and cash equivalents	23,048.70	23,048.70	-	-	-	-	-	23,048.70	-	-
Bank Balance	7,859.27	7,859.27	-	-	-	-	-	7,859.27	-	-
Loans										
(a) Gold Loan	1,93,510.34	-	-	-	1,93,510.34	-	51,819.71	2,45,330.05	-	1,284.69
(b) Loan Against Property	761.69	-	761.69	-	-	-	620.81	1,382.50	-	144.86
(c) Micro finance	5,149.33	-	-	-	-	-	-	-	5,149.33	97.61
Investments	4.70	-	-	-	-	4.70	-	4.70	-	-
Other financial assets	2,199.78	-	-	-	-	-	-	-	2,199.78	-
<b>Total</b>	<b>2,32,533.81</b>	<b>30,907.97</b>	<b>761.69</b>	<b>-</b>	<b>1,93,510.34</b>	<b>4.70</b>	<b>52,440.52</b>	<b>2,77,625.22</b>	<b>7,349.11</b>	<b>1,527.16</b>

## 2. Liquidity Risk

Our business is cash intensive and requires substantial funds, on an ongoing basis, to finance the loan portfolio and to grow it. Any disruption in the funding sources would have a material adverse effect on our liquidity and financial condition. The Company is proactively pursuing a system of identifying and accessing newer and cheaper sources of funds, to finance the AUM and to grow the business. There is a regular meeting of our asset liability management committee which reviews the liquidity position of the Company and arranges for sufficient funding in advance, for growth.

## 3. Market Risk

Market risk arises from the decline in the value of the pledged gold due to fluctuation in gold prices. This risk is in part mitigated by linking the LTV to the 30 day average price of gold. This risk is further reduced because we appraise the gold jewellery and fund loans based solely on the weight of gold content without considering design cost, production cost or value



of gemstones. In addition, we believe that the sentimental value of the gold jewellery to the customers may induce repayment and redemption of the pledged gold even if the value of the pledged gold falls below the value of the repayment amount. We believe that a prompt and effective recovery mechanism also helps us deal with this risk.

As a measure of combating the risk involved due to the volatility in gold prices, the Company has put in place a process to review the gold loan outstanding based on marking the gold loan outstanding to the market prices, Marked to Market (MTM), on a regular basis. When the amount of Gold Loan outstanding exceeds 95% of the market price, the company initiates steps to intimate the borrower to close the loan account and or to pledge additional gold jewellery. In case of delay, immediate steps will be taken to recover the amount through auction, post intimation to the borrower. Based on the risk assessed as per the MTM (Mark to Market) review, additional provision for the shortfall as against the gold loan outstanding of the customer, if any, is provided in the books of accounts.

#### 4. Operational Risk

Operational risk broadly covers the risk of direct or indirect loss due to the failure of systems, people or processes, or due to external events. We have instituted a series of checks and balances and audit reviews to address the various operational risks. We have clearly defined appraisal methods to mitigate appraisal risk. Inaccurate appraisal of the pledged gold may lead to funds being advanced against low value or spurious gold. This risk is mitigated by our policies on internal control, generation of alert reports and additional requirements for high value loans. We also have detailed guidelines on movement of cash or gold to address custodial risk, which is the risk associated with the safety and security of our gold inventory. In addition, we have installed surveillance cameras across of all our branches, and security guards are present at night at certain sensitive branches. We undertake significant employee profiling and background verification checks before hiring and continuously monitor their lifestyle changes. We are also maintaining insurance cover for our gold stock and cash with our branches, and cash in transit, against theft, loss or damage by fire as well as against natural calamities including earthquake and floods. As of March 31, 2022, our Company has a total insurance cover of ₹4,00,000 lakhs.

#### Rating Loans Days past due (DPD) Stages with regard to quality of assets

The Company considers a financial instrument as defaulted and therefore Stage 3 (credit- impaired) for Expected credit Loss (ECL) calculations in all cases when the borrower becomes 90 days past due on its contractual payments.

Rating	Days Past Due (DPD)	Stages
High grade	Not yet due	Stage 1
High grade	1-30 DPD	Stage 1
Medium grade	31-60 DPD	Stage 2
Medium grade	61-90 DPD	Stage 2
Low grade	91 DPD or More	Stage 3

#### Exposure at Default (EAD)

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

Portfolio	Stage 1	Stage2	Stage 3
Gold Loan	100.00%	100.00%	100.00%
Microfinance	43.32%	43.32%	43.32%
Loan Against Property	91.93%	91.93%	91.93%

#### Probability of Default (PD)

The Probability of Default is an estimate of the likelihood of default over a given time horizon. The table below shows the probability of default on different portfolios as computed by the Company based on the ECL method mentioned in Significant Accounting Policies

Portfolio	Stage 1	Stage2	Stage 3
Gold Loan	7.84%	7.84%	100.00%
Microfinance	3.15%	3.15%	100.00%
Loan Against Property	33.33%	33.33%	100.00%

## Loss Given Default (LGD)

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

Portfolio	Stage 1	Stage2	Stage 3
Gold Loan	7.35%	7.35%	7.35%
Microfinance	65.00%	65.00%	65.00%
Loan Against Property	50.00%	50.00%	50.00%

ECL rate is computed as the product of EAD, PD, and LGD

## Liquidity risk and funding management

The table below summarises the maturity profile of the undiscounted cash flows of the Group's financial assets and liabilities as at March 31.

### Maturity pattern of assets and liabilities as on March 31, 2022

(Rupees in lakhs)

Particulars	As at March, 31 2022	Upto 1 months	Over 1 month & upto 2 months	Over 2 months & upto 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 year & upto 5 years	Over 5 years
<b>Financial assets</b>									
Cash and cash equivalents	35,532.73	29,677.26	3,771.21	2,084.26					
Bank Balance	15,124.54	1,478.34	394.69	100.47	2,408.99	8,164.66	2,577.39		
Receivables									
Loans	2,47,664.61	36,618.61	14,443.45	17,937.28	83,050.82	90,110.01	5,004.97	128.03	371.44
Investments	904.58								904.58
Other financial assets	2,167.49	56.12					2,111.37		
<b>Total Financial Assets</b>	<b>3,01,393.95</b>	<b>67,830.33</b>	<b>18,609.35</b>	<b>20,122.01</b>	<b>85,459.81</b>	<b>98,274.67</b>	<b>9,693.73</b>	<b>128.03</b>	<b>1,276.02</b>
<b>Financial Liabilities</b>									
Debt Securities	1,61,162.47	4,442.00	3,198.71	420.98	24,963.37	15,889.55	59,377.58	37,162.46	15,707.82
Borrowings (other than debt securities)	77,321.61	573.95	573.95	617.95	52,729.06	5,073.72	16,514.86	1,238.12	-
Subordinated liabilities	26,587.21	7,729.96	4,965.71	3,780.45	823.30	1,011.56	269.50	2,170.09	5,836.64
Other financial liabilities	1,472.49	676.04	71.01	71.01	213.02	426.01	15.40		
<b>Total Financial Liabilities</b>	<b>2,66,543.78</b>	<b>13,421.95</b>	<b>8,809.38</b>	<b>4,890.39</b>	<b>78,728.75</b>	<b>22,400.84</b>	<b>76,177.34</b>	<b>40,570.67</b>	<b>21,544.46</b>
<b>Net Undiscounted Asset/(Liabilities)</b>		<b>54,408.38</b>	<b>9,799.97</b>	<b>15,231.62</b>	<b>6,731.06</b>	<b>75,873.83</b>	<b>(66,483.61)</b>	<b>(40,442.64)</b>	<b>(20,268.44)</b>

### Maturity pattern of assets and liabilities as on March, 31, 2021

(Rupees in lakhs)

Particulars	As at March, 31 2021	Upto 1 months	Over 1 month & upto 2 months	Over 2 months & upto 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 year & upto 5 years	Over 5 years
<b>Financial assets</b>									
Cash and cash equivalents	23,048.70	22,573.61	-	475.09	-	-	-	-	-
Bank Balance	7,859.27	554.63	1,879.65	-	1,969.14	2,928.41	527.44	-	-
Receivables									
Loans	1,97,894.20	69,651.74	12,874.34	5,233.07	95,845.02	10,660.51	3,074.22	110.11	445.19
Investments	4.70	-	-	-	-	-	-	-	4.70
Other financial assets	2,199.78	116.55	-	-	-	-	2,083.23	-	-

Particulars	As at March, 31 2021	Upto 1 months	Over 1 month & upto 2 months	Over 2 months & upto 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 year & upto 5 years	Over 5 years
<b>Total Financial Assets</b>	<b>2,31,006.65</b>	<b>92,896.53</b>	<b>14,753.99</b>	<b>5,708.16</b>	<b>97,814.16</b>	<b>13,588.92</b>	<b>5,684.89</b>	<b>110.11</b>	<b>449.89</b>
<b>Financial Liabilities</b>									
Debt Securities	1,28,066.82	697.57	100.21	3,167.27	12,114.13	11,599.16	48,374.76	36,919.46	15,094.26
Borrowings (other than debt securities)	36,982.46	281.31	278.95	278.95	947.97	26,168.83	8,020.24	1,244.88	-238.67
Subordinated liabilities	33,802.18	46.40	-	-	-	14,705.41	16,049.18	1,592.61	1,408.58
Other financial liabilities	1,676.84	949.01	141.89	150.00	134.66	290.88	10.40	-	-
<b>Total Financial Liabilities</b>	<b>2,00,528.30</b>	<b>1,974.29</b>	<b>521.05</b>	<b>3,596.22</b>	<b>13,196.76</b>	<b>52,764.28</b>	<b>72,454.58</b>	<b>39,756.95</b>	<b>16,264.17</b>
<b>Net Undiscounted Asset/(Liabilities)</b>		90,922.24	14,232.94	2,111.94	84,617.40	(39,175.36)	(66,769.69)	(39,646.84)	(15,814.28)

The table below shows the contractual expiry by maturity of the Company's contingent liabilities and commitments.

(Rupees in lakhs)

Particulars	Upto 1 month	Over 1 month & upto 2 months	Over 2 months & upto 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 year & upto 5 years	Over 5 years
<b>AS at March 31, 2022</b>								
Income tax demands						624.12		
<b>AS at March 31, 2021</b>								
Income tax demands						607.19		

### Interest Rate Risk

The Company's exposure to changes in interest rates relates to the Company's outstanding floating rate liabilities. Most of the Company's outstanding liability is on fixed rate basis and hence not subject to interest rate risk. Some of the borrowings of the Company are linked to rate benchmarks hence subject to interest rate risk. The sensitivity of the Company's floating rate borrowings to change in interest rate (assuming all other variables constant) is given below:

Particulars	1% increase	1% decrease
<b>On Floating Rate Borrowings</b>	<b>777.00</b>	<b>(777.00)</b>

### 8. Leases

The company has neither taken nor let out any assets on financial lease. All operating lease agreements entered into by the company are cancellable in nature. The company has debited/ credited the lease rent paid/ received to the profit and loss statement. Therefore, disclosure requirement of future minimum lease payment in respect of non- operating lease as per Ind AS 116 is not applicable to the company.

Lease payments for the assets taken on operating lease ₹ 1883.71lakhs (Previous year ₹ 1716.08 lakhs) are recognized as rent paid in the Statement of Profit and loss.

### 9. Transferred financial assets that are not derecognised in their entirety

NIL

The following table provides a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities.

(Rupees in lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>Securitisations</b>		
Carrying amount of transferred assets measured at amortised cost(Held as collateral)	Nil	Nil
Carrying amount of associated liabilities (Borrowings (other than debt securities)- measured at amortised cost)	Nil	Nil

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Fair Value of assets	Nil	Nil
Fair value of associated liabilities	Nil	Nil
<b>Net position at Fair Value</b>	Nil	Nil

#### 10. Maturity pattern of Assets and Liabilities

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

(Rupees in lakhs)

Particulars	As at March 31, 2022	Within 12 months	After 12 months
<b>ASSETS</b>			
<b>Financial assets</b>			
Cash and cash equivalents	35,532.73	35,532.73	-
Bank Balance other than (a) above	15,124.54	12,547.15	2,577.39
Loans	2,47,664.61	2,42,160.17	5,504.44
Investments	904.58	-	904.58
Other financial assets	2,167.49	56.12	2,111.37
<b>Non-financial Assets</b>		-	-
Current tax assets (Net)	2,340.28	-	2,340.28
Deferred tax assets (Net)	294.03	-	294.03
Property, Plant and Equipment	18,428.37	-	18,428.37
Other intangible assets	10.24	-	10.24
Other non-financial assets	613.39	613.39	-
<b>Total Assets</b>	<b>3,23,080.26</b>	<b>2,90,909.56</b>	<b>32,170.70</b>
<b>LIABILITIES</b>			
<b>Financial Liabilities</b>			
Debt Securities	1,61,162.47	48,914.61	1,12,247.86
Borrowings (other than debt securities)	77,321.61	59,568.63	17,752.98
Subordinated liabilities	26,587.21	18,310.98	8,276.23
Other financial liabilities	1,472.49	1,457.09	15.40
<b>Non-financial Liabilities</b>		-	-
Provisions	470.70	470.70	-
Other non-financial liabilities	295.62	295.62	-
<b>Total Liabilities</b>	<b>2,67,310.10</b>	<b>1,29,017.63</b>	<b>1,38,292.47</b>
<b>Net Undiscounted Asset/(Liabilities)</b>		<b>1,61,891.93</b>	<b>(1,06,121.77)</b>

Particulars	As at March 31, 2021	Within 12 months	After 12 months
<b>ASSETS</b>			
<b>Financial assets</b>			
Cash and cash equivalents	23,048.70	23,048.70	-
Bank Balance other than (a) above	7,859.27	7,331.83	527.44
Loans	1,97,894.20	1,94,264.68	3,629.52
Investments	4.70	-	4.70
Other financial assets	2,199.78	116.55	2,083.23

Particulars	As at March 31, 2021	Within 12 months	After 12 months
<b>Non-financial Assets</b>		-	-
Current tax assets (Net)	1,820.54	-	1,820.54
Deferred tax assets (Net)	371.54	-	371.54
Property, Plant and Equipment	18,716.91	-	18,716.91
Other intangible assets	51.59	-	51.59
Other non-financial assets	380.82	380.82	-
<b>Total Assets</b>	<b>2,52,348.05</b>	<b>2,25,142.58</b>	<b>27,205.47</b>
<b>LIABILITIES</b>			
<b>Financial Liabilities</b>			
Debt Securities	1,28,066.82	27,678.34	1,00,388.48
Borrowings (other than debt securities)	36,982.46	27,956.01	9,026.45
Subordinated liabilities	33,802.18	14,751.81	19,050.37
Other financial liabilities	1,676.84	1,666.44	10.40
<b>Non-financial Liabilities</b>		-	-
Provisions	156.65	156.65	-
Other non-financial liabilities	329.75	329.75	-
<b>Total Liabilities</b>	<b>2,01,014.70</b>	<b>72,539.00</b>	<b>1,28,475.70</b>
<b>Net Undiscounted Asset/(Liabilities)</b>		<b>1,52,603.58</b>	<b>(1,01,270.23)</b>

#### 11. Change in liabilities arising from financing activities disclosed as per Ind AS 7, Cash flow statement

(Rupees in lakhs)

Particulars	As at 31 March 2021	Cash flows	Change in Fair Value	Others	As at 31 March 2022
Borrowings (other than debt securities)	36,982.46	40,474.20	-	(135.05)	77,321.61
Subordinated liabilities	33,802.18	(7,214.97)	-	-	26,587.21
Debt Securities	1,28,066.82	33,263.79	-	(168.14)	1,61,162.47
<b>Total</b>	<b>1,98,851.46</b>	<b>66,523.02</b>		<b>(303.19)</b>	<b>2,65,071.29</b>

Particulars	As at 31 March 2020	Cash flows	Change in Fair Value	Others	As at 31 March 2021
Borrowings (other than debt securities)	36,537.95	687.41	-	(242.90)	36,982.46
Subordinated liabilities	28,690.84	5,111.34	-	-	33,802.18
Debt Securities	87,619.46	40,989.60	-	(542.24)	1,28,066.82
<b>Total</b>	<b>1,52,848.25</b>	<b>46,788.35</b>	-	<b>(785.14)</b>	<b>1,98,851.46</b>

#### 12. List of statutory dues outstanding for a period of more than 6 months from the due date

Nature of dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
Nil	Nil	Nil	Nil

#### 13. Contingent liabilities and other commitments

##### A. Contingent liability

(Rupees in lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Claims against the company not acknowledged as debts - Income tax demands	624.12	607.19

**a. Claims against the company not acknowledged as debts**

Sl. No	A.Y	Section	Tax Demand	Total Tax Paid	Bank Guarantee Given	Forum where dispute is pending
1	2010-11	u/s 154	68.58	51.65	-	Commissioner of Income-tax (Appeals), Kochi
2	2013-14	u/s 154	199.84	39.96	159.88	Commissioner of Income-tax (Appeals), Kochi
3	2015-16	u/s 154	270.19	54.04	216.15	Commissioner of Income-tax (Appeals), Kochi
4	2016-17	u/s 156	170.38	34.08	136.30	Commissioner of Income-tax (Appeals), Kochi
5	2017-18	u/s 154	118.58	23.72	94.86	Commissioner of Income-tax (Appeals), Kochi
<b>Total</b>			<b>827.57</b>	<b>203.45</b>	<b>607.19</b>	

**B. Other Commitments**

- Estimated amount of contracts remaining to be executed on capital accounts, net of advances – nil (PY 108.50 lakhs)
- The capital advance given in the previous FY is under dispute.

**Commitments relating to loans sanctioned but undrawn -Nil (PY – Nil)**
**14. Registration of charges or satisfaction with Registrar of Companies**

There are no charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period, as on 31st March 2022.

**15. Corporate Social Responsibility (CSR)**

- Amount required to be spent by the company during the year,  
Total amount = ₹1,02,87,199\*
- Amount of expenditure incurred  
Total amount = ₹77,53,127\*  
(\*Carry forward of CSR pertaining to FY 2020-21 allocated for projects to be spent during 2021-22- Rs.28,59,816/- + CSR amount to be spent for FY 2021-22@2% of average net profits amounting to Rs.74,27,382.61)
- Shortfall at the end of the year,  
Nil
- Total of previous years' shortfall  
Nil
- Reason for shortfall  
NA
- Nature of CSR activities  
Healthcare, Education, Rural infrastructure, eradicating poverty
- Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard  
NA
- Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.  
  
CSR spent during FY 2021-22 pertaining to allocation made for identified projects pertaining to CSR for 2020-21- 28,59,816/- The amount has been spent for masks (21, 59,816/-) and Covid HMS activity (Rs.7, 00,000/-).

**16. Disclosure regarding auditor's remuneration disclosed under finance cost**

In addition to the auditor's remuneration shown under note 24 other expenses, the Company has also incurred remuneration for audit and related statutory services performed in connection with public issue of non-convertible debentures. The amortized portion of the same is included in note 20 Finance Costs under interest on debt securities and unamortized portion is included in note 8 Debt securities under unamortized expense of public issue.



## 17. Ex-gratia claim

The Company had estimated an ex-gratia amount of ₹ 367.25 lakhs for the payment of difference between the compound interest and simple interest to the accounts of borrowers in specified loan accounts between March 1, 2020 and August 31, 2020 as per the eligibility criteria and other features as mentioned in the notification dated October 23, 2020 issued by Government of India, Ministry of Finance, Department of Financial Services. The Company had filed a claim with the State Bank of India for reimbursement of the said ex-gratia amount as specified in the notification and the same was received on March 31, 2021.

In accordance with the instructions in aforementioned RBI circular dated April 07, 2021, and the Indian Banks' Association ('IBA') advisory letter dated April 19, 2021, the Company has put in place a Board approved policy to refund/ adjust the interest on interest charged during the moratorium period of March 01, 2020 to August 31, 2020 to the eligible borrowers under the abovementioned circular and advisory. The Company has estimated the benefit to be extended to the eligible borrowers at ₹ 124.87 lakhs and created a liability / credited the Borrower's account towards the estimated interest relief and reduced the same from the interest income, out of which ₹0.37 lakhs had been refunded to the customers during the FY

## 18. Guarantee for loans taken by others

The Company has not given any guarantee for loans taken by others from banks or financial institutions.

## 19. Disclosure under the MSME Act 2006

Based on the information available with the Company and has been relied upon by the auditors, none of the suppliers have confirmed to be registered under "The Micro, Small and Medium Enterprises Development ('MSMED') Act, 2006". Accordingly, no disclosures relating to principal amounts unpaid as at the period ended March 31, 2022 together with interest paid /payable are required to be furnished.

## 20. Segment Reporting

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

## 21. Analytical Ratios

(Rupees in lakhs)

Particulars	As at 31.03.2022			As at 31.03.2021	% Variance	Reasons for variance if above 25%
	Numerator	Denominator	Ratio	Ratio		
1. CRAR	58,890.55	2,71,974.29	21.65%	25.75%	(4.10%)	
2. Tier I CRAR	49,453.51	2,71,974.29	18.18%	22.38%	(4.20%)	
3. Tier II CRAR	9,437.04	2,71,974.29	3.47%	3.37%	(0.10%)	
4. Liquidity Coverage Ratio	54,874.54	15,009.30	365.6%	3973.2%	(3607.6%)	The repayments in the next 30 days have increased substantially in the current financial year

## 22. Title Deeds of Immovable properties not held in the name of company

The company does not possess any immovable property (other than properties where the company is the lessee and the lease agreement are duly executed in favour of lessee) then whose title deeds are not held in the name of company during the FY ended 31/03/2022 and 31/03/2021.

## 23. Details of Crypto currency or Virtual Currency

The company has not traded or invested in crypto currency or virtual currency during the FY 31/03/2022 and 31/03/2021.

## 24. Details of Benami property held

No proceeding have been initiated or pending against the company for holding any Benami property under the Benami Transaction (Prohibition) Act 1988 (45 of 1988) and rules made thereunder in the FY ended 31/03/2022 and 31/03/2021.

## 25. Quarterly returns or statements of current assets

The quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts.

## 26. Wilful defaulter

The company has not been declared as a wilful defaulter by any bank or financial institutions or other lender in the financial year ended 31/03/2022 and 31/03/2021.

## **27. Relationship with Struck off Companies**

The Company has not have any relation with struck off companies as on 31/03/2022 and 31/03/2021.

## **28. Compliance with approved scheme of Arrangements**

The Company does not have active approved scheme of arrangements as on 31/03/2022 and 31/03/2021.

## **29. Utilisation of Borrowed fund and share premium**

As part of normal course of business, the Company grants loans and make investments to various persons and borrow funds in adherence to all regulatory compliances.

Other than the above, the Company has not advanced or loaned or invested fund (either borrowed funds or share premium or any other sources or kind of funds) to any other person or entities, including foreign entities ("intermediaries") with the understanding, whether recorded in writing or otherwise, that the intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the ultimate Beneficiaries or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries. The Company has also not received any fund from any person or entities, including foreign entities (funding party) with the understanding (whether recorded or 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.

## **30. Compliance with number of layers of Companies**

The Company does not have any subsidiary Company. Also, being an NBFC, the clause is not applicable.

## **31. Undisclosed Income**

There are no transactions not recorded in the books of accounts.

## **32 .Previous year figures**

Previous year figures have been regrouped, reclassified and rearranged, where necessary, to conform to the current year's classification.

# Additional disclosures required as per Reserve Bank of India guidelines

1. Disclosure required as per annex II of Systemically important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016 (Notification No. DNBR2016-17/45 Dated 01st September 2016, updated as on 02nd May, 2022)

## SCHEDULE TO THE BALANCE SHEET OF A NON-DEPOSIT TAKING NBFC

Particulars		(Rupees in Lakhs)	
Liabilities side		Amount outstanding	Amount Overdue
<b>1</b>	<b>Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid : Gross Amount</b>		
(a)	Debentures: Secured	1,40,315.06	227.64
	: Unsecured (other than falling within the meaning of public deposits*)	21,559.51	94.69
(b)	Deferred Credits	-	-
(c)	Term Loans	27,507.36	-
(d)	Inter-corporate loans and borrowing	-	-
(e)	Commercial Paper	-	-
(f)	Public Deposits*	-	-
(g)	Other Loans (specify nature)	-	-
	Subordinated debt	26,587.21	-
	Borrowings from banks	50,192.20	-
	* Please see Note 1 below		
	** Debenture Matured but Not Claimed		
<b>2</b>	<b>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	-	-
(c)	Other public deposits		
	* Please see Note 1 below		
Assets side		Amount outstanding	
<b>3</b>	<b>Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :</b>		
(a)	Secured		2,43,425.03
(b)	Unsecured		6,435.43
<b>4</b>	<b>Break up of Leased Assets and stock on hire and other assets counting towards AFC 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		
(iii)	Other loans counting towards AFC activities		

		(a) Loans where assets have been repossessed	
		(b) Loans other than (a) above	
<b>5</b>	<b>Break-up of Investments</b>		
	<b>Current Investments</b>		
	<b>1</b>	Quoted	
		(i) Shares	-
		(a) Equity	-
		(b) Preference	-
		(ii) Debentures and Bonds	-
		(iii) Units of mutual funds	-
		(iv) Government Securities	-
		(v) Others (please specify)	-
	<b>2</b>	Unquoted	
		(i) Shares	-
		(a) Equity	-
		(b) Preference	-
		(ii) Debentures and Bonds	-
		(iii) Units of mutual funds	-
		(iv) Government Securities	-
		(v) Others (please specify)	-
	<b>Long Term investments</b>		
	<b>1</b>	Quoted	
		(i) Share	
		(a) Equity	4.58
		(b) Preference	-
		(ii) Debentures and Bonds	-
		(iii) Units of mutual funds	-
		(iv) Government Securities	-
		(v) Others (please specify)	-
	<b>2</b>	Unquoted	
		(i) Shares	
		(a) Equity	900.00
		(b) Preference	-
		(ii) Debentures and Bonds	-
		(iii) Units of mutual funds	-
		(iv) Government Securities	-
		(v) Others (please specify)	-
<b>6</b>	<b>Borrower group-wise classification of assets financed as in (3) and (4) above :</b>		
		<b>Category</b>	<b>Secured      Unsecured      Total</b>
	<b>1</b>	Related Parties	
		(a) Subsidiaries	-      -      -
		(b) Companies in the same group	-      -      -
		(c) Other related parties	635.62           635.62
	<b>2</b>	Other than related parties	2,42,789.41      6435.43      2,49,224.84
		Less: provisions	1,619.29      576.56      2,195.85
		<b>Total</b>	<b>2,41,805.74      5,858.87      2,47,664.61</b>

7	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :			
	Please see note 3 below			
	Category		Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
	1	Related Parties		
		(a) Subsidiaries	-	-
		(b) Companies in the same group	-	-
		(c) Other related parties	-	-
	2	Other than related parties	904.58	904.58
		Total	904.58	904.58
8	Other information			
	Particulars			Amount
	(i)	Gross Non-Performing Assets		
		(a) Related parties		-
		(b) Other than related parties		1,526.35
	(ii)	Net Non-Performing Assets		
		(a) Related parties		-
		(b) Other than related parties		1,298.88
	(iii)	Assets acquired in satisfaction of debt		
	Notes :			
	(1) As defined in point xix of paragraph 3 of Chapter -2 of these Directions.			
	(2) Provisioning norms shall be applicable as prescribed in these Directions.			
	(3) All Accounting Standards and Guidance Notes issued by ICAI are applicable includingfor valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up / fair value / NAV in respect of unquoted investments shall be disclosed irrespective of whether theyare classified as long term or current in (5) above.			

## 2. Gold and other loan portfolio classification and provision for non-performing assets:

(Rupees in Lakhs)

<b>Particulars</b>	<b>Gross loan outstanding</b>	<b>Provision for assets</b>	<b>Net loan outstanding</b>
(i) Secured Loans			
A) Gold loans			
a) Standard Assets*	2,41,640.79	1,401.99	2,40,238.80
b) Sub-Standard Assets	270.69	19.90	250.79
c) Doubtful Assets	632.18	46.46	585.72
d) Loss Assets	153.82	11.31	142.51
<b>Total-A</b>	<b>2,42,697.48</b>	<b>1,479.66</b>	<b>2,41,217.82</b>
B) Other loans			
a) Standard Assets*	635.62	97.38	538.24
b) Sub-standard Assets	-	-	-
c) Doubtful Assets	-	-	-
d) Loss Assets	91.93	42.26	49.67
<b>Total-B</b>	<b>727.55</b>	<b>139.64</b>	<b>587.91</b>
<b>Total-(A + B)</b>	<b>2,43,425.03</b>	<b>1,619.30</b>	<b>2,41,805.73</b>
(ii) Unsecured loans			
A) Other loans			
a) Standard Assets*	6,057.71	469.01	5,588.70
b) Sub-standard Assets	214.64	61.62	153.02



Particulars	Gross loan outstanding	Provision for assets	Net loan outstanding
c) Doubtful Assets	163.08	45.92	117.16
d) Loss Assets	-	-	-
<b>Total-A</b>	<b>6435.43</b>	<b>576.55</b>	<b>5858.88</b>
<b>Total (i + ii)</b>	<b>2,49,860.46</b>	<b>2,195.85</b>	<b>2,47,664.61</b>

\*Includes interest receivable

### 3. Provision for diminution in value of investment

(Rupees in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Provision for diminution in value of investment	-	-

### 4. Loan to Value Ratio

(Rupees in Lakhs)

Particulars	As at 31.03.2022			As at 31.03.2021		
	Outstanding loan amount	Value of the security	%	Outstanding loan amount	Value of the security	%
Gold loan*	2,42,697.48	3,53,434.60	68.67%	1,93,510.34	2,45,330.05	78.88%

\*includes interest receivable.

LTV disclosed above is calculated applying the market rate of Gold as on 31.03.2022. The maximum Loan to Value does not exceed the limit stipulated by the Reserve Bank of India under any circumstances at the time of disbursement.

### 5. Disclosure with regards to Auction

(Rupees In lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
1. No. of gold loan accounts auctioned	31,394	9,138
2. Principal amount outstanding as on the date of auction	14,744.16	3,725.58
3. Interest amount outstanding as on the date of auction	4,110.36	806.10
Total(2+3)	18,854.52	4,531.68
4. Actual value fetched (in Lakhs)	18,091.12	4,737.35

No sister concerns participated in the auctions during the year ended 31/03/2022 and 31/03/2021

### 6. Disclosures relating to Frauds reported during the financial year

#### A. Frauds reported in FMR

(Rupees in lakhs)

Sl No	Branch	Date of Detection / Date Of Reporting To RBI	Amount	Modus Operandi & Action Taken	Recovery	Amount Written Off	Provision	Remarks
1	KAR-MUTHANALLUR	14-12-2021	3.81	Thickly gold coated spurious ornaments were pledged.	-	-	3.81	100% provision made
2	KER- M G ROAD THRISSUR	27-01-2022	1.81	Thickly gold coated spurious ornaments were pledged.	-	-	1.81	100% provision made
3	APR- BOSEBOMMA CENTRE(DARGAMITTA)	22-10-2021	2.89	Branch Head absconded with cash of Rs.1.50 Lakhs and GL packets with total advance of Rs.98000/-. Further he has taken an amount of Rs.40507/- by enhancing 3GL accounts without customer knowledge.	0.27	1.50	1.12	100% provision made
4	KER-PANACHAMOODU	17-12-2021	8.64	Members of a gang pledged manufactured thickly coated spurious ornaments in different dates	1.99	-	6.65	100% provision made

## B. Frauds amounting to less than one lakhs

SI No	GL No	Branch	Customer Name	Loan Date	Irregularity	Amount of Irregularity	Loan Amount	GL Status
1	8469	TML-ARANTHANGI II	NAGENDRAPANDIAN G	Jun 29 2021	Spurious	2600	13000	closed
2	7483	TML-AZHAGIAMAN-DAPAM	RIZVAN SULAIMAN MYTHEEN PILLAI	Mar 5 2021	Spurious	651	14000	closed
3	9257	TML-CHERAN NAGAR	GAJENDAR S PAREEK	Apr 23 2021	Spurious	28089	54300	closed
4	26667	TML-ERUVADI	MOHAMMED FATHIMA	Jun 28 2021	Spurious	7934	16200	closed
5	7442	TML-GANDHI NAGAR	MARIAPPAN T	May 3 2021	Spurious	2822	58000	closed
6	9064	TML-HOSUR-2	MANJUNATH	Jun 18 2021	Spurious	4654	49200	closed
7	9665	TML-HOSUR-I	SHANKAR M	Jun 18 2021	Spurious	1658	68000	closed
8	7183	TML-KANDAMANGA-LAM	DHAMOTHARAN A	Mar 20 2021	Spurious	6308	24600	closed
9	6948	TML-KOVAI PUDUR	ANANTHI D	May 4 2021	Spurious	6300	6300	closed
10	9491	TML-KUMARSAMY-PETTAI	GOWRI SHANKAR	Mar 11 2021	Spurious	12535	67500	closed
11	7994	TML-N.S.R. ROAD	RAJALAKSHMI R	Mar 2 2021	Spurious	3615	23000	closed
12	68059	TML-PANAGUDI	MANOJ S/O NAMBI	May 7 2021	Spurious	2204	8500	closed
13	8786	TML-PATTIVEERAN-PATTI	SUGUMAR.P S/O. PALANISAMI	Apr 5 2021	Spurious	41000	41000	closed
14	11999	TML-RADHAPURAM	IGNATIOUS SAHAYA CROSS S/O KITHERIA	Apr 12 2021	Spurious	1400	5000	closed
15	18278	TML-SIVAKASI2	GOWRISANKAR.B	Apr 20 2021	Spurious	83997	84000	closed
16	19117	TML-THIRUNELVELI-TOWN	RAJA	Apr 20 2021	Spurious	3640	14000	closed
17	13033	TML-VADAKKANKU-LAM	MARIYA ROOBA	May 6 2021	Spurious	29988	30000	closed
18	7416	KER-ANGAMALI	SHAMEEM K KHADER	Mar 30 2021	Spurious	25048	73578	closed
19	16338	KER-TVM-MED	SARITHA AJI	Apr 1 2021	Spurious	37498	37500	closed
20	191	APR-NANDYALA	VADDE RAJESH	Mar 4 2021	Spurious	32610	75000	closed
21	593	APR-NANDYALA	VADDE RAJESH	Jun 3 2021	Spurious	26312	50000	closed
22	128	APR-ONGOLE MAIN	THOTA NAVEEN KUMAR	May 24 2021	Spurious	45472	53806	closed
23	8224	KAR-CHANDAPURA	UMESH H S	Apr 8 2021	Spurious	42993	60000	closed
24	6740	KAR-HINKAL	HUCHCHIAIAH	Mar 3 2021	Spurious	65340	80050	closed
25	6996	KAR-KENGERI	USHA D	Mar 31 2021	Spurious	85000	85000	closed
26	12563	KAR-KR NAGAR	ANJALI P	Mar 25 2021	Spurious	39413	73500	closed
27	14798	KAR-MANJUNATHA NAGAR	SATHYAPRIYA K V	Mar 19 2021	Spurious	73791	73800	closed
28	8705	KAR-MOODALAPALYA	BINDHU S	Jun 12 2021	Spurious	33000	33000	closed
29	8739	KAR-NAGARABHAVI	MR.GURU RAGHAVENDRA M S	Apr 23 2021	Spurious	46410	56000	closed
30	12823	KAR-RAMAMURTHY NAGAR	NEELA D R	Apr 3 2021	Spurious	30000	30000	closed
31	14891	KAR-THERESIAN COLLEGE CIRCLE	SURESH KUMAR.B	Mar 15 2021	Spurious	41457	59000	closed
32	7029	TML-CHINNAMANUR	RABIN BRITTO C	18-11-2021	Spurious	35000	35000	closed
33	6183	TML-METTU-ST- KAN-CHI	KAMALESHKUMAR A	28-10-2021	Spurious	31497	31500	closed
34	37111	TML-PULIANGUDI	PRIYADHARSHINI WO KAIKONDAN	30-11-2021	Spurious	62000	62000	closed
35	5633	TML-SALEM BRETT'S ROAD	KALPANA .M	14-12-2021	Spurious	80000	80000	closed

SI No	GL No	Branch	Customer Name	Loan Date	Irregularity	Amount of Irregularity	Loan Amount	GL Status
36	8421	TML-UDUMALAI PETTAI	RENGARAJKUMAR.M S/O MANIKANDAN	23-09-2021	Spurious	30000	30000	closed
37	641	APR-GOOTY	TIKKE MAHAMMAD RAFIK	19-08-2021	Spurious	55078	60000	closed
38	12830	APR-KRISHNA LANKA	KONDAPALLI ARUNA KUMARI	17-09-2021	Spurious	25208	74995	closed
39	9723	APR-MOGHALRAJPU-RAM	THULLURI HIMA BINDU HYMAVATHI	11-10-2021	Spurious	52998	53000	closed
40	6451	APR-PG-ROAD	SATVINDER SINGH KOHLI	20-10-2021	Spurious	75689	75700	closed
41	6585	APR-R.AGRAHARAM	CHABOLU RAJASHEKAR	10-11-2021	Spurious	42000	42000	closed
42	12626	APR-R.S. ROAD	PANDULURU ESWARAIH	06-10-2021	Spurious	45932	57500	closed
43	12583	APR-R.S. ROAD	DUDEKULA LAXMI NARASIMHULU	27-09-2021	Spurious	45080	57000	closed
44	706202951	KAR-BHADRAVATHI	NAIK H K	28-09-2021	Spurious	64000	64000	closed
45	9369	KAR-NAGARABHAVI	KUMUDA PANDITHA B V	12-10-2021	Spurious	32000	38500	closed
46	1078423	KAR-PEENYA	RAVI	02-11-2021	Spurious	56000	56000	closed
47	403	KAR-RAJARAJESH-WARI	SIDDARAJU H N	08-09-2021	Spurious	67998	68000	closed
48	3137	KER-CHENGARoor	VIJAYAMMA	30-11-2021	Spurious	10915	165200	closed
49	4856	KER-KADAMPANAD	MR.BASHEER	03-01-2022	Spurious	12000	12000	closed
50	27264	KER-VAWAKAVU	BABU K	01-02-2022	Spurious	83738	599998	closed
51	13773	TML-ALLINAGARAM	NAGALAKSHMI RENGANATHAN	27-12-2021	Spurious	3630	49500	closed
52	33006	TML-ARAPPALAYAM	GNANASEKAR A	13-01-2022	Spurious	9891	283500	closed
53	6445	TML-CHERAN MANAGAR	LAKSHMI R	03-01-2022	Spurious	4956	15521	closed
54	9556	TML-KANDAMANGA-LAM	ANBAZHAGAN KUPPUSAMY	21-01-2022	Spurious	12800	12800	closed
55	6107	TML-KARUMATHAM-PATTI	MARIA LOURDU RAJ T	25-02-2022	Spurious	2333	27000	closed
56	1079936	APR-KUPPAM TOWN	S SHANMUGAM	29-01-2022	Spurious	52464	100000	closed
57	10007970	APR-WEST ANANDH BAGH	ABDUL QADEER	11-01-2022	Spurious	2632	500000	closed
58	34243	KAR-ARSIKERE	KAMALAMMA	07-01-2022	Spurious	7597	128792	closed
59	10082	KAR-DAVANAGERE	G R SHANTHAKUMARA	17-01-2022	Spurious	9909	26424	closed
60	4686	KAR-KORAMANGALA	BHAVANI R	06-01-2022	Spurious	15000	15000	closed
61	14100	KAR-MADHUGIRI	M J MOHAN KUMAR	24-02-2022	Spurious	14810	64500	closed
62	12203	KAR-MADIVALA	APSAR	30-12-2021	Spurious	13172	191000	closed
63	12137	KAR-MADIVALA	VENKATESH	08-12-2021	Spurious	15240	99999	closed

**7. Disclosure as per Annexure 4 of Non-Banking Financial Companies-Corporate Governance (Reserve Bank) Directions, 2015 (Notification No. DNBR.019/CGM (CDS)-2015 dated April 10, 2015 as updated on June 03, 2015)**

**8.1 CAPITAL**

(Rupees In lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
1. CRAR (%)	21.65%	25.75%
2. CRAR- Tier I Capital (%)	18.18%	22.38%
3. CRAR- Tier II Capital (%)	3.47%	3.37%
4. Amount of subordinated debt raised as tier II Capital	7312.82	6,042.56
5. Amount raised by issue of Perpetual DebtInstrument	-	-

## 8.2. Investments

(Rupees In lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
(1) Value of Investments		
(i) Gross Value of Investments		
(a) In India	904.58	4.70
(b) Outside India,	-	-
(ii) Provisions for Depreciation		
(a) In India	-	-
(b) Outside India,	-	-
(iii) Net Value of Investments		
(a) In India	904.58	4.70
(b) Outside India,	-	-
(2) Movement of provisions held towards depreciation on investments		
(i) Opening balance	-	-
(ii) Add : Provisions made during the year	-	-
(iii) Less : Write-off / write-back of excess provisions during the year	-	-
(iv) Closing balance	-	-

## 8.3 Derivatives

### A. Forward Rate Agreement / Interest Rate Swap

Particulars	As at 31.03.2022	As at 31.03.2021
(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 applicable NBFC upon entering into swaps	-	-
(iv) Concentration of credit risk arising from the swaps	-	-
(v) The fair value of the swap book	-	-

### B. Exchange Traded Interest Rate (IR) Derivatives

Particulars	Amount
(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 31st March 2017 (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)	-

### C. Disclosures on Risk Exposure in Derivatives

- Qualitative Disclosure**

Company does not have exposure to derivatives

- Quantitative Disclosures**

Particulars	Currency Derivatives	Interest Rate Derivatives
(i) Derivatives (Notional Principal Amount)	-	-
For hedging	-	-
(ii) Marked to Market Positions [1]	-	-

Particulars	Currency Derivatives	Interest Rate Derivatives
a) Asset (+)	-	-
b) Liability (-)	-	-
(iii) Credit Exposure [2]	-	-
(iv) Unhedged Exposures	-	-

#### 8.4 Disclosures relating to Securitisation

##### A. Disclosures relating to Securitisation

(Rupees In lakhs)

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

##### B. Details of Financial Assets sold to Securitisation / Reconstruction Company for Asset

###### Reconstruction

Particulars	2021-22	2020-21
(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	-	-

##### C. Details of Direct Assignment transactions undertaken by NBFC:

(Rupees In lakhs)

Particulars	2021-22	2020-21
(i) No. of accounts	-	6,921
(ii) Aggregate value (net of provisions) of accounts sold	-	3,161.58

Particulars	2021-22	2020-21
(iii) Aggregate consideration	-	2,845.00
(iv) Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v) Aggregate gain /(loss) over net book value	-	31.74

**D. Details of non-performing financial assets purchased / sold: NIL**

**E. Details of non-performing financial assets purchased**

Particulars	2021-22	2020-21
(1) (a) No. of accounts purchased during the year	-	-
(b) Aggregate outstanding	-	-
(2) (a) Of these, number of accounts restructured during the year	-	-
(b) Aggregate outstanding	-	-

**Details of non-performing financial assets sold**

Particulars	2021-22	2020-21
(1) No. of accounts sold	-	-
(2) Aggregate outstanding	-	-
(3) Aggregate consideration received	-	-

**8.5 Asset Liability Management**

Maturity pattern of certain items of Assets and Liabilities

(Rupees In lakhs)

Particulars	0 to 7 days	8 to 14 days	15 to 30/31 days	Over 1 month up to 2 Month	Over 2 months up to 3 months	Over 3 month & up to 6 month	Over 6 Month & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Deposits			-	-	-	-	-	-	-	-	-
Advances*	20,792.66	1,358.12	16,663.68	14,443.45	17,937.28	83,050.82	90,110.01	5,004.97	128.03	371.44	2,49,860.46
Investments										904.58	904.58
Borrowings	3,593.09	1,773.64	7,379.18	8,738.37	4,819.38	78,515.73	21,974.83	76,161.94	40,948.62	22,578.89	2,66,483.67
Foreign Currency assets			-	-	-	-	-	-	-	-	-
Foreign Currency liabilities											

\*Includes interest receivable.

**8.6 Exposures**

**A. Exposure to Real Estate Sector**

(Rupees In lakhs)

Category	As at 31.03.2022	As at 31.03.2021
<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	91.93	91.93
<b>(ii) Commercial Real Estate -</b>		
Lending secured by mortgages on commercial real estates (office buildings, retail space, multi- purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure shall also include non-fund based limits	635.62	669.76
<b>(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -</b>		
a. Residential	-	-
b. Commercial Real Estate	-	-
Total Exposure to Real Estate Sector	727.55	761.69



## B. Exposure to Capital Market

Category	As at 31.03.2022	As at 31.03.2021
(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;	904.58	4.70
(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 (both registered and unregistered)	-	-
Total Exposure to Capital Market	904.58	4.70

## C. Details of financing of parent company products

Company does not have a parent company and hence disclosure is not applicable.

## D. Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the applicable NBFC

Company has not exceeded the Single Borrower Limit (SGL)/ Group Borrower Limit (GBL) during the year.

## E. Unsecured Advances

- Company does not have unsecured advances on intangible securities such as charge over rights, licenses, authorisations etc. as collateral.
- The company has unsecured advances (Micro Finance loan) of Rs. 6435.42 lakhs given to group of women against their joint liability.

## 8.7 Miscellaneous Disclosures

### A. Registration obtained from other financial sector regulators

Financial regulators	Certificate number
Reserve Bank of India	N-1600175
Securities and exchange Board of India	IN-DP-CDSL-660-2012
Insurance Regulatory and Development Authority of India	CA0122

### B. Disclosure of Penalties imposed by RBI and other regulators

Nil

### C. Related Party Transactions

Name and Particulars of the Related Party	Relationship with the Company
Mathew Muthoottu (Managing Director )	Key Managerial Personnel (KMP)
Nizzy Mathew (Whole Time Director)	
P.E. Mathai (CEO)	
Ann Mary George, ACA ( CFO )	
Smitha K S, ACS ( CS )	

Name and Particulars of the Related Party	Relationship with the Company
Maliakal Jose Paul	Independent Director
M S Rajagopal	
John V George*	Additional Director
Manoj Kumar R^	
Roy M Mathew	Relatives of Key Managerial Personnel
Mini Muthoottu Nidhi Kerala Ltd	Entity in which KMP has significant influence.
Royal Gold	
MM Nirman and Real Estate Pvt Ltd	
Muthoottu Mini Hotels Pvt Ltd	
Muthoottu Mini Theatres Private Limited	
Kozhencherry MM Financial Services Pvt Ltd	
Miilanche	

\*Tenure as additional Director ended on September, 30, 2021.

^With effect from October, 1 2021.

#### List of transactions entered with related parties during the current financial year

(Rupees In lakhs)

Particulars	Key Managerial Personnel (KMP)	Director	Relatives of KMP	Entity in which KMP has significant influence
Salary & Allowances	543.26	-	-	-
Sitting fees	-	7.40	-	-
Rent/ Maintenance charges	4.62	-	4.16	12.72
Rent Received	-	-	-	21.04
Debenture/subdebt interest	6.66	-	0.19	-
Debenture redeemed	8.40	-	-	-
Debenture holdings*	49.95	-	-	-
Subdebt holdings	4.50	-	1.12	-
Loan Against Property outstanding	-	-	-	635.62
Interest on Loan against property	-	-	-	91.63
Principal repayment of Loan against property	-	-	-	34.14
Payment towards masks (CSR)	-	-	-	21.22
Diary printing	-	-	-	61.18
Commission Received	-	-	-	1.85
Purchase of Gold coin	-	-	-	1.98
Travelling Expenses	14.05	-	-	-
Staff Welfare Expenses	-	-	-	6.21

\*Purchased from secondary market.

#### Charge created on assets of related party

The following entities have extended collateral security and corporate guarantee for the borrowings from banks

1. Muthoottu Mini Hotels Private Limited;
2. M/s Muthoottu Mini Theatres Private Limited

The following related parties have extended personal guarantee for the borrowings from banks

1. Mrs. Nizzy Mathew
2. Mr. Mathew Muthoottu

**D. Ratings assigned by credit rating agencies and migration of ratings during the year**

Name of the credit rating agency	Type of facility	Rating assigned	Remarks
India Rating & Research Pvt Ltd	Non-convertible Debentures	IND BBB+/Stable	From IND BBB/Stable Upgraded
India Rating & Research Pvt Ltd	Bank Loan	IND BBB+/Stable	From IND BBB/Stable Upgraded
CARE	Non-convertible Debentures	CARE BBB+/Stable	From CARE BBB/Stable Upgraded

**E. Remuneration to Non-Executive directors**
*(Rupees In lakhs)*

Particulars	2021-22	2020-21
Sitting fees	7.40	8.55
Travel expenses	-	-

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

Particulars	Rupees In lakhs
Total Comprehensive Income	4,436.81
Prior Period Items	Nil
Changes in Accounting Policy	-

**G. Revenue Recognition**

The company has recognised revenue as per the policy on revenue recognition set out in the Significant Accounting Policies. Apart from the interest on NPAs, there are no other items in respect of which revenue recognition has been postponed pending resolution of significant uncertainties.

**8.8. Additional Disclosures**
**A. Provisions and Contingencies**
*(Rupees In lakhs)*

Particulars	2021-22	2020-21
Break up of 'Provisions and Contingencies shown under the head Expenditure in Profit and Loss Account	-	-
Provisions for depreciation on Investment	-	-
Provision towards NPA	3.47	(707.76)
Provision made towards Income tax	1,156.43	928.10
Provision for gratuity	123.69	47.57
Provision for Standard Assets	665.22	639.48

**B. Draw Down from Reserves**

There is no draw down from reserves during the year.

**C. Concentration of Deposits, Advances, Exposures and NPAs**
**(i) Concentration of Deposits**

Since company is not a deposit taking NBFC, this disclosure is not applicable to the company.

**(ii) Concentration of Advances**

Particulars	Rupees In lakhs
Total Advances to twenty largest borrowers (Rs.in lakhs)	1,330.06
Percentage of Advances to twenty largest borrowers to Total Advances of the applicable NBFC	0.53%

**(iii) Concentration of Exposures**

Particulars	Rupees In lakhs
Total Exposure to twenty largest borrowers/customers	1,330.06
Percentage of Exposure to twenty largest borrowers/customers to Total exposure of the NBFC borrowers/customers	0.53%

#### (iv) Concentration of NPA

Particulars	Rupees Inlakhs
Total Exposure to top four NPA Accounts	122.48

#### (v) Sector wise NPA's

Sector	Percentage of NPAs to Total Advances in that sector
Agriculture & allied activities	-
MSME	-
Corporate borrowers	-
Services	-
Unsecured personal loans	5.87%
Auto loans	-
Other personal loans	0.47%

#### D. Movement of NPAs

(Rupees In lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
(i) Net NPAs to Net Advances (%)	0.52%	0.75%
(ii) Movement of NPAs (Gross)		
(a) Opening balance	1,721.16	3,190.14
(b) Additions during the year	499.83	858.32
(c) Reductions during the year	694.63	2,327.30
(d) Closing balance	1,526.36	1,721.16
(iii) Movement of Net NPAs		
(a) Opening balance	1,497.16	2,258.38
(b) Additions during the year	417.25	726.95
(c) Reductions during the year	615.52	1,488.17
(d) Closing balance	1,298.89	1,497.16
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening balance	224.00	931.76
(b) Provisions made during the year	82.58	131.37
(c) Write-off / write-back of excess provisions	79.11	839.13
(d) Closing balance	227.47	224.00

#### E. Off-Balance Sheet SPVs sponsored

Company has not sponsored any off Balance Sheet SPVs

#### F. Disclosure of Complaints

Customer complaints

Particulars	2020-21
No. of complaints pending at the beginning of the year	0
No. of complaints received during the year	7
No. of complaints redressed during the year	7
No. of complaints pending at the end of the year	0

**9. Disclosure as per the circular no RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020 issued by Reserve Bank of India on Implementation of Indian Accounting Standards**

(Rupees In lakhs)

Asset Classification as per RBI Norms	Asset classification as per IndAS 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
Performing Assets						
Standard	Stage 1	2,38,296.73	1,786.47	2,36,510.26	1,054.14	732.33
	Stage 2	10,037.39	181.91	9,855.48	81.50	100.41
Subtotal		<b>2,48,334.12</b>	<b>1,968.38</b>	<b>2,46,365.74</b>	<b>1,135.64</b>	<b>832.74</b>
Non- Performing Assets (NPA)						
Substandard	Stage 3	485.33	81.51	403.82	198.73	-117.22
Doubtful - up to 1 year	Stage 3	162.26	34.22	128.04	117.67	-83.45
1 to 3 years	Stage 3	178.89	21.61	157.28	82.13	-60.52
More than 3 years	Stage 3	546.04	78.82	467.22	280.67	-201.85
Subtotal for doubtful		887.19	134.65	752.54	480.47	-345.82
Loss	Stage 3	153.82	11.31	142.51	152.71	-141.40
Subtotal for NPA		<b>1,526.34</b>	<b>227.47</b>	<b>1,298.87</b>	<b>831.91</b>	<b>-604.44</b>
Total	Stage 1	2,38,296.73	1,786.47	2,36,510.26	1,054.14	732.33
	Stage 2	10,037.39	181.91	9,855.48	81.50	100.41
	Stage 3	1,526.34	227.47	1,298.87	831.91	-604.44
	Total	<b>2,49,860.46</b>	<b>2,195.85</b>	<b>2,47,664.61</b>	<b>1,967.55</b>	<b>228.30</b>

**10 Disclosure in terms of RBI/2019-20/88 DOR.NBFC (PD) CC. No. 102/03.10.001/2019-20 dated 04 November, 2019.**

**10.1 Funding Concentration based on significant counterparty (both deposits and borrowings)**

Sr No.	Number of Significant Counter Parties*	Amount (in lakhs)	% of Total deposits	% of Total borrowings
1	12	69,691.11	NA	26.15%

\*A "Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC's total liabilities.

NBFC's Total liabilities has been computed as Total assets less Equity share capital less Reserves and surplus less Gratuity provision.

**10.2 Top 20 large deposits**

Since company is not a deposit taking NBFC, this disclosure is not applicable to the company.

**10.3 Top 10 borrowings (amount in lakhs and % of total borrowings)**

(Rupees in lakhs)

Amount	% of Total borrowings
62,872.76	23.59%

**10.4 Funding Concentration based on significant instrument/product#**

(Rupees in lakhs)

Sr No.	Name of the instrument/product	Amount	% of Total borrowings
1	Secured Public Issue NCD	1,39,487.88	52.34%
2	Unsecured Public Issue NCD	21,654.19	8.13%
3	Subordinated debt	26,587.21	9.98%

Sr No.	Name of the instrument/product	Amount	% of Total borrowings
4	Term Loan	27,507.36	10.32%
5	Working Capital Loan	50,192.20	18.84%
6	<b>Total</b>	<b>2,65,428.84</b>	<b>99.61%</b>

# A "significant instrument/product" is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to more than 1% of the NBFC's total liabilities.

#### 10.5 Stock Ratios:

Sr. No.	Stock Ratio	%
1	Commercial papers as a % of total assets	0%
2	Commercial papers as a % total liabilities	0%
3	Non-convertible debentures (original maturity of less than one year) as a % of total assets	0%
4	Non-convertible debentures (original maturity of less than one year) as a % total liabilities	0%
5	Other short-term liabilities as a % of total assets	0.54%
6	Other short-term liabilities as a % total liabilities	0.66%

#### 10.6 Institutional set-up for liquidity risk management

The Company has constituted Risk Management Committee to assist the Board of Directors in the execution of its risk management accountabilities. The Committee provide the Board of Directors an independent and objective oversight view of the information to review Company's financial risk activities and provide an assurance to the Board of Directors that the Company has implemented an effective ongoing process to identify the risk, to measure the potential impact and proactively manage these risks and to decide the tolerance for the risk.

**11. The Company invoked resolution plans to relieve COVID-19 pandemic related stress to eligible borrowers. The resolution plans are based on the parameters laid down in the resolution policy approved by the Board of Directors of the Company and in accordance with the guidelines issued by the RBI on August 6, 2020 and May 5, 2021. The staging of accounts and provisioning for the eligible accounts where the resolution plans are invoked and implemented is in accordance with the Board Approved Policy in this regard.**

Disclosure on Resolution Framework 2.0 implemented in terms of RBI notification no. RBI/2020-21/16 DOR. NO.BP. BC/3/21.04.048/2020-21 dated August 6, 2020 and RBI/2021-22/31/DOR.STR.REC.11 /21.04.048/2021-22 dated May 05, 2021

(a) Format B: For the year ended March 31, 2022

(Rupees In 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	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
	(A)	(B)	(C)	(D)	(E) *
Personal loans	3,413.08	191.64	-	2,132.36	1,472.36
Corporate loans	-	-	-	-	-
Of which MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	-	-	-	-	1,472.36

\*represents the closing balance of loan accounts as on March 31, 2022



## Notes

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

[illegible]



